



INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS

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19 May 2009

RADM Brian M. Salerno
Assistant Commandant for Marine Safety, Security and Stewardship
U.S. Coast Guard
2100 Second Street, SW
Washington, DC 20593

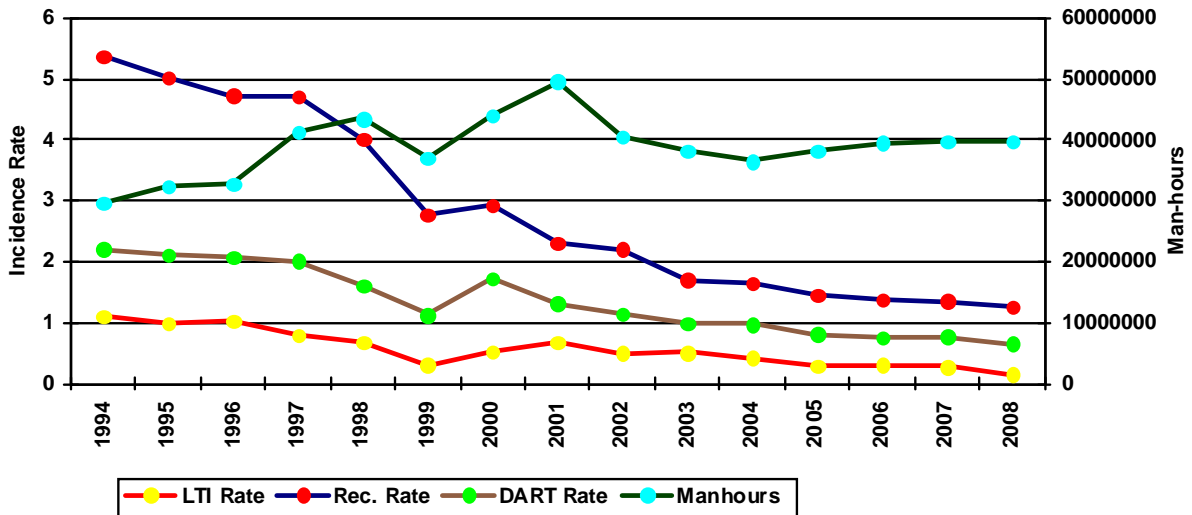
Re: Safety of Lifting Operations

This is in response to your letter of 22 April 2009, co-signed by Mr. Chris Oynes, Associate Director, Offshore Energy and Minerals Management, Minerals Management Service, seeking IADC's feedback regarding its plans for improving the safety of offshore lifting operations.

Founded in 1940, IADC's mission is to improve industry health, safety and environmental practices; advance drilling and completion technology; and champion responsible standards, practices, legislation and regulations that provide for safe, efficient and environmentally sound drilling operations worldwide.

Through conferences, training seminars, print and electronic publications, accreditation of training providers to industry defined standards, and a comprehensive network of technical publications, IADC continually fosters education and communication within the upstream petroleum industry.

IADC has consistently stressed the need to promote safe behaviors within a safety culture in order to improve safety performance. We believe that the following graphic, showing safety performance indicators for the U.S. offshore segment of our industry, illustrates the sustained commitment of our members to improving workplace safety.



In 2000, IADC identified the need to address, comprehensively and on a continuing basis, the need to improve the safety of lifting operations, both onshore and offshore. To further these efforts, IADC:

- Organized the first U.S. Conference dedicated to offshore crane safety in Lafayette, LA in April 2001. We have subsequently worked with the American Petroleum Institute (API) and the Offshore Operators Committee (OOC) to present similar conferences in the U.S. on an annual basis, alternating responsibility for conference management with API.
- Issued IADC's *Guidance for Packaging and Transportation of Cargo for U.S. Offshore Operations* in November 2001.
- Organized the first International Conference dedicated to lifting and mechanical handling operations during drilling in Amsterdam in April 2004, and has since held a similarly focused conference on a semi-annual basis.
- Includes lifting and hoisting safety and personnel hoisting operations in each of the two Drilling HSE Conferences that it holds on an annual basis.
- Since 2003, provided staff to serve on the U.S. Technical Advisory Group to ISO TC 96, Cranes, in order to support the development of international standards for cranes and lifting operations.
- Organized a combined effort to undertake a comprehensive revision of the IMO's Code for the Construction and Equipment of Mobile Offshore Drilling Units (MODU Code). Scheduled to be completed this year, the 2009 MODU Code will, for the first time, include standards for lifting and hoisting equipment in addition to cranes.
- In 2007, launched the first modules of the IADC *Offshore Competency Training Programme*. The long term goal of this program is to develop comprehensive guidance regarding training and competence assessment for personnel performing all offshore rig functions.
- In 2007, initiated an effort to establish standards for winch trucks, used in transportation of and in erecting onshore drilling rigs.
- In early 2008, initiated an effort to update IMO resolution A.891(21) on *Training of Personnel on Mobile Offshore Units* which will, *inter alia*, address training for lifting and hoisting operations.
- In 2008, organized a joint-industry working group that completed a review of data provided by MMS relating to incidents involving OCS lifting operations and reported its findings to the MMS.
- In consideration of the preliminary results of the review of the MMS data, IADC instituted a Working Group to assess the need for further guidance related to the training and competence of persons on Mobile Offshore Drilling Units involved in offshore lifting operations in the U.S.

With regard to future activities, IADC will:

- Continue to work with the API-established task group of government and industry experts to address issues related to lifting and will encourage member participation in this effort.
- Develop the program for the 2010 IADC Lifting & Mechanical Handling Conference & Exhibition (to be held 13-14 July in Houston) to facilitate sharing of information from currently ongoing studies.
- Continue communications with the agencies to review incident data and determine where improvements are needed in data collection and analyses to ensure that the industry is able to take corrective action when appropriate.
- Seek means to improve both the knowledge and understanding by both the Coast Guard and the Minerals Management Service of IADC's continuing

efforts to improve safety in the drilling industry, generally, and with respect to offshore lifting and material handling, in particular.

IADC also would like to work with the Coast Guard to:

- Incorporate, as appropriate, the 1989 and 2009 MODU Codes into 46 CFR Subchapter I-A, and 33 CFR Subchapter N.
- Develop, in conjunction with other flag-States, a comprehensive proposal for revision of IMO resolution A.891(21), followed by development of appropriate conforming amendments to 46 CFR Subchapter B .

Recognizing the Coast Guard's regulatory authority over MODU operations, and lifting and hoisting operations involving MODUs in particular, IADC would welcome an opportunity to meet with you or your staff, in conjunction with representatives of the Minerals Management Service to discuss our mutual concerns and how these can be best addressed in these and other activities.

A handwritten signature in black ink, appearing to read "A. Lee Hunt". The signature is stylized and cursive.

Dr. A. Lee Hunt
President
International Association of Drilling Contractors