



# DRILL BITS



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## Meeting held with UK HSE to discuss stability program

Comments submitted by the UK Health & Safety Executive over IADC's proposed Ballast Control & Stability Program were the subject of a meeting held in London in May between HSE, IADC and the Nautical Institute.

IADC is developing the combined accreditation and certification program in conjunction with the Nautical Institute.

The primary focus of the meeting was the issue of full-motion simulator equipment as part of ballast control & stability training. After lengthy discussion, IADC agreed to amend its proposed program to include dual classes of certificates for persons completing a ballast control & stability course. One class of certificate would be for a course teaching basic ballast control and stability instruction without full-motion simulators, which would be compliant with requirements by most flag states, the US Coast Guard and the

International Maritime Organization. The second class of certificate would be those completing a course utilizing full-motion simulators to replicate extreme wind and sea conditions and emergency situations; this certificate would comply with regulations in the United Kingdom and Canada. Refresher training was a second issue discussed. The two groups agreed on an interval of five years with a number of options for requalification, including retaking the full course, taking an approved refresher course or recompleting the ballast control familiarization logbook required for initial BCO certification. Other options, perhaps involving continuing education, could be introduced once the program is underway. A provision which had been added to the working draft as a result of the HSE's initial comments included the requirement for recompletion of the course following a

lapse of two years or more in service before an individual can be reemployed as a ballast control operator. The project development team had also added specific on-board simulations of emergency situations as part of the logbook.

The program is designed to fulfill IMO and flag state requirements for Offshore Installation Manager (OIM), Barge Supervisor (BS), and Ballast Control Operator (BCO) licenses for ballast control and stability courses. Companies participating on the development team include **Transocean, Diamond Offshore, Atwood Oceanics** and **Alliance Maritime Training**.

IADC and the Nautical Institute expect to launch the finished program later this year. For more information, please contact **Steve Kropla** at ext. 211 or [steve.kropla@iadc.org](mailto:steve.kropla@iadc.org).

## Ballast water report penalties established

On 14 June 2004 (69 FR 32864), the US Coast Guard finalized regulations for vessels equipped with ballast water tanks bound for ports or places within the United States.

These regulations establish penalty provisions for vessels that fail to submit a ballast water management (BWM) report. Civil penalties of up to \$27,500 may be assessed for failure to submit the reports. According to the Coast Guard, these regulations will increase the Coast Guard's ability to prevent the introduction of non-indigenous species as required by the Nonindigenous Aquatic Nuisance Prevention and Control Act and the National Invasive Species Act.

The new rule is effective on 13 August 2004. In the preamble to the rule, the Coast

Guard states: "MODUs that move from one COTP (Captain of the Port) zone to another will be required to submit ballast water reporting forms."

This is in conflict with guidance previously provided by the Coast Guard relative to defining OCS operating locations outside the territorial sea as a "port or place in the United States" and IADC is seeking further clarification from the Coast Guard.

Pending resolution of this matter, to avoid possible civil penalties, IADC recommends that drilling contractors establish procedures to assure that BWM reports are submitted for all rig moves that are not within a single COTP zone. For more information, please contact **Alan Spackman**, ext 207 ([alan.spackman@iadc.org](mailto:alan.spackman@iadc.org)).

## New IADC Safety alerts are issued...

- Alert 04-23: Discharge of synthetic based mud overboard;
- Alert 04-24: Hazards using portable powered tools;
- Alert 04-25: Fatal accident involving a forklift;
- Alert 04-26: Fall protection devices;
- Alert 04-27: Dropped object - air tugger hook.

## Reminder . . . . .

The IADC/SPE Asia Pacific Drilling Technology Conference is being held 13-15 Sept in Kuala Lumpur. Contact [spe.org](http://spe.org) for information.

## Texas Workers' Compensation bill revived

Rod Ric Corp. President **Jay Reynolds** and IADC SVP - Government Affairs **Brian T. Petty** met in Austin with staff of Texas House of Representatives Speaker **Tom Craddick** to urge legislative reform of the Texas Workers' Compensation system.

In the last session of the Legislature, Representative **Warren Chisum** introduced a bill at IADC's request modeled on Louisiana fraud statutes. The legislation, HB328, failed to make it to the floor before the session ended. Messrs. Reynolds and Petty pointed out that fraudulent claims and ceaseless litigation have drained monies which could have gone to deserving claimants, and at the same time have caused large increases in employers'

Workers' Compensation insurance premiums, even straining the insurance industry's capacity to provide such coverage.

They were pleasantly surprised and greatly encouraged when told that this will be the Speaker's highest legislative priority in the next (2005) session. In his personal capacity as a constituent and businessman in Midland, Mr. Reynolds thanked the Speaker for addressing this critical issue affecting drilling contractors operating in Texas, which suffer disproportionately from the cost of fraudulent Workers' Compensation claims. For more information, please contact **Brian T Petty** 1/202 293 0670 ([brian.petty@iadc.org](mailto:brian.petty@iadc.org)) or **Joe Hurt**, ext. 224 ([joe.hurt@iadc.org](mailto:joe.hurt@iadc.org))

## EPA spill prevention control and countermeasure plan (SPCC) extension

The EPA has proposed to extend, by 12 months, certain upcoming compliance dates for the 17 July 2002 SPCC amendments. The 17 June 2004 Federal Register release states that the extension applies to those facilities covered in 112.3 (a) currently operating fixed facilities and 112.3 (b) new fixed facilities. The Proposed Rule does not mention 112.3(c) mobile facilities (drilling rigs). IADC is seeking clarification from EPA on the status of mobile facility plans. The new proposed compli-

ance dates are 17 August 2005, to amend an existing SPCC Plan, and 18 February 2006, to implement the Plan. Under the proposed rule, affected facilities that start operations between 16 August 2002 and 18 February 2006 must prepare and implement an SPCC Plan by 18 February 2006. Affected facilities that become operational after 18 February 2006 must prepare and implement an SPCC Plan before starting operations. For more information, contact **Joe Hurt**, ext 224 ([joe.hurt@iadc.org](mailto:joe.hurt@iadc.org)).

## IADC competency training program reviewed by North Sea Offshore Authorities Forum

IADC was recently invited to attend a regular meeting of the North Sea Offshore Authorities Forum (NSOAF) Training Working Group with representatives from four North West European regulatory agencies. The meeting was arranged to review and comment on the working draft of IADC's offshore competency training programme. The NSOAF members indicated that their short term primary focus was towards the harmonisation of safety training across North West Europe. It was stated that in addition to meeting the aspirations of the regulators, it was IADC's intention to produce an offshore competency training programme that satisfied the operational requirements of its members working throughout

Europe. The finished document will therefore exceed the content that the various regulatory agencies are looking for, as it would be an operational tool for our members but satisfying the regulatory requirements for a competent workforce. It is clear that IADC members developing this programme needs the support of more contractors. A status review meeting with NSOAF regulators is scheduled for the end of Nov 2004 with a further meeting towards the end of March 2005. IADC has indicated that it will have a complete Basic Offshore Safety Introduction and Emergency Training Course available by the March meeting. For further information please contact **Dominic Cattini** 44/1 895 621889 ([dominic.cattini@iadc.org](mailto:dominic.cattini@iadc.org)).

## IMO air pollution rules to enter into force in 2005

Regulations for the Prevention of Air Pollution from Ships are set to enter into force on 19 May 2005, having been ratified by 15 States with more than 50% of world merchant shipping tonnage. Other States Party include: Bangladesh, Bermuda, Barbados, Denmark, Germany, Greece, Liberia, Marshall Islands, Norway, Panama, Singapore, Spain, Sweden and Vanuatu. The United States is not a Party to Annex VI.

Annex VI sets limits on sulphur oxide and nitrogen oxide emissions from ship exhausts, prohibits incineration of wastes except by approved incinerators, and prohibits deliberate emissions of ozone-depleting substances. Annex VI requires that an Air Pollution Prevention Certificate be obtained for: (a) any ship (including MODUs) of 400 gross tonnage or above engaged in voyages to ports or offshore terminals under the jurisdiction of other Parties; and (b) platforms and drilling rigs engaged in voyages to waters under the sovereignty or jurisdiction of other Parties to the Protocol of 1997.

For more information, please contact **Alan Spackman**, ext 207 ([alan.spackman@iadc.org](mailto:alan.spackman@iadc.org)).

## IADC report on US Offshore Regulations

The June 2004 edition of IADC's semi-annual report "Federal Regulatory Actions Impacting Offshore Drilling" is now available for downloading from the IADC website at: <http://iadc.org/committees/offshore/index.html>.

First published in January 1994, this document provides a handy summary of U.S. regulatory activities that have been identified by IADC as impacting, or having the potential to impact, the offshore drilling industry in the United States. As always,

IADC welcomes suggestions for improvement of this report. Questions should be directed to **Alan Spackman**, ext 207 ([alan.spackman@iadc.org](mailto:alan.spackman@iadc.org)).

## Oil & Natural Gas security council formed

IADC was among 18 organizations representing over 90% of the US oil and gas industry infrastructure announcing the formation of the Oil & Natural Gas Sector Homeland Security Council. The council was created in response to Homeland Security Presidential Directive 7, and will serve as a broad industry-wide network to help coordinate ongoing industry security initiatives, government partnerships and relationships. In March 2003, at the US Coast Guard's request, API, IADC and other E&P associations developed a Recommended Practice (RP-70)

for security of offshore oil and natural gas facilities for adoption as a reference standard by the federal government. The oil and natural gas trade associations have held workshops, distributed information, and arranged meetings with agencies under DHS to help all segments of industry in the field to interpret and comply with the new security requirements passed by Congress.

For more information, contact **Alan Spackman**, (alan.spackman@iadc.org) or **Brian T Petty** 1/202 293 0670 (brian.petty@iadc.org).

## EU 'Waste Directive' spares E&P

The European Parliament plenary assembly voted on 99 amendments that had been submitted on the European Commission's proposal for a Directive on the management of waste from the extractive industries. For oil and gas E&P, the outcome is excellent, as all industry concerns related to the Commission's proposal and some amendments submitted were adequately addressed. For offshore operations, an amendment that had been submitted to the Environment Committee and would have drawn the offshore sector

into the scope of the Directive was withdrawn. Also, as requested by industry, amendments were adopted to include onshore prospecting (drilling, etc.) waste into the scope of the Directive. It would be made subject to some but not all of the provisions in the Directive. It was important that prospecting waste be included so that it would not come under the Landfill Directive. For more information, please contact **Dominic Cattini** 44/1 895 621889 or **Brian T Petty** 1/202 293 0670 (brian.petty@iadc.org).

## Proposed LNG Routes To Be Published

In response to concerns expressed by the Domestic Petroleum Council, IADC, IPAA and IAGC, the US Minerals Management Service (MMS) has announced it will begin posting Gulf of Mexico maps on the agency web site to show the impact of proposed LNG facilities and shipping lanes on existing or future lease tracts. These maps will enable companies to alert MMS and others of potential conflicts before applications are approved. The maps will be based on requests made by LNG project applicants and will be available in time for companies to

assess whether LNG facility permits impair future lease tracts of interest, or to existing leases, so that reaction can be provided to MMS prior to the LNG facility permits being issued. With regard to LNG shipping "fairways", MMS and the Coast Guard have indicated plans to use "recommended tanker routes" for future LNG projects to guide tankers away from platforms. IADC and its allies are pressing the agencies to quickly formalize these recommendations. For more information, please contact **Brian T Petty** 1/202/293-0670 (brian.petty@iadc.org).

## IADC invited to UK Inland Revenue forum

UK Inland Revenue officials met with IADC last October to discuss Inland Revenue's desire to bring IADC into its internal "Offshore Contractors Forum" to pursue a better understanding of and dialogue with the offshore drilling industry. At last month's IADC International Tax Seminar in Austin, IADC tax representatives formally approved joining the Forum. Among the benefits cited by Inland Revenue

officials are opportunities to examine areas of concern or potential assistance to the UK offshore industry, including the PRT and questions involving infrastructure access to new entrants in the UKCS play, many of which are US and Canadian independents.

For more information, please contact **Brian T Petty** 1/202 293 0670 (brian.petty@iadc.org).

## HSE RIG PASS updates

### New HSE RIG PASS Programs:

- Discovery Rig Pass Training, Liberty, TX.
- Daqing Well Control Training Center of China (DWCTCC), Daqing, China.

### HSE RIG PASS Renewals:

- ESS Support Services Worldwide, Lafayette, LA.
- Vallen Proveedora de Seguridad, Tabasco, Mexico.

## IADC welcomes 8 new members

- **Wellness Clinics**, United Kingdom;
- **Drilltools International FZCO**, UAE;
- **North Oil Fields Drilling & Services Co**, Kuwait;
- **QCI Marine Offshore LLC**, Texas;
- **Rental & Fishing Tools Inc**, Louisiana;
- **Surmar SA DE CV**, Mexico;
- **Tenaris**, Mexico;
- **University of Texas at Austin**, Texas, Texas;

## IADC North West European HSE Case Guideline

IADC launched the second issue of this guideline at the first annual meeting of European Regulators and members of IADC's European Working Group in Dubrovnik, Croatia at the end of June, coinciding with its World Drilling Conference. The document is seen by many regulators and contractors alike as a sound basis for demonstrating the integrity of Mobile Offshore Drilling Units, the robustness of Company Management Systems and the inherent health and safety of the working environment. Over the next twelve to eighteen months, the document will undergo extensive updating. The Regulatory appendix will be enhanced to reflect the requirements of Australia, New Zealand and Canada as well as other countries where appropriate. In addition IADC will embark on an onshore equivalent for drilling operations in Europe to complement the current offshore guideline. For further information please contact **Dominic Cattini** 44/1 895 621889 (dominic.cattini@iadc.org).

## Committee meetings scheduled

**T**he Health Safety and Environment Committee has scheduled the following meetings: Webster (Houston), Texas 13 July General Committee meeting. Regional meetings will be held in Casper, Wyoming 21 July, Midland, Texas 15 September, Oklahoma City, OK 12 October.

## IADC/SPE Asia Pacific Drilling Technology

**T**he IADC/SPE Asia Pacific Drilling Technology Conference will be held 13-15 Sep 2004 in Kuala Lumpur, Malaysia at the Shangri-La Hotel.

This biennial meeting, cosponsored by IADC, will focus on the theme **Sharing for Drilling Excellence**. Innovative drilling technology has created the opportunity for

The Rig Moving Committee will hold a committee meeting in San Antonio, Texas on 31 August.

For more information, please contact **Joe Hurt**, ext 224 ([joe.hurt@iadc.org](mailto:joe.hurt@iadc.org)) or **Dawn Brown**, ext 205 ([dawn.brown@iadc.org](mailto:dawn.brown@iadc.org)).

interdisciplinary communication and knowledge sharing that can help create value. In addition to cost effective drilling programmes, these advances result in better drilling performance. Advance registration deadline is 6 August 2004.

Please contact [spe.org](http://spe.org) or [iadc.org/conferences](http://iadc.org/conferences) for more information.

## WellCAP "PLUS" Pilot planned

**A** four-day full-length pilot course of the WellCAP "Plus" program currently under development is planned for the week of 19 July at Randy Smith Training Solutions in Lafayette, LA. The four day course will be conducted with operations personnel contributed by some of the member companies participating on the project development team.

WellCAP "Plus" is designed as an option to the WellCAP Supervisory Level for highly-experienced industry workers who must first pass a stringent test to qualify for the course.

Instead of traditional classroom instruction, the program will utilize a facilitated learning approach to team problem solving for well control events. The full-length pilot will task various teams of students

with working together to manage three specific well control problem scenarios, each derived from an actual event.

A one-day "mini-pilot" was held in Houston in mid-March. Observations and feedback from that session were used to hone instructor techniques and class management procedures to be tested during the full-length pilot.

The results of the full-course pilot will be used to shape the final program, expected to be previewed at IADC Well Control Conferences in Albuquerque, NM in October and Dubai, UAE in December. The program is planned for launch by early 2005.

For more information, please contact **Steve Kropla** at ext. 211 or [steve.kropla@iadc.org](mailto:steve.kropla@iadc.org).

## Rigs receive ASP certificates

Each rig listed below received a certificate for the years indicated since the last LTI:

### Six Years

- Nabors Drilling Intl, Rig 240 OM-8.

### Four Years

- Nabors Offshore Corp, Rig SSD-16;
- KCA DEUTAG, Rig T-75;
- Abercrombie RTD Inc, Rig 5.

### Three Years

- Nabors Offshore Corp, Rig D-106;
- Pride International, Rig Pride Cabinda.

### Two Years

- Nabors Drilling Intl, Rig 263;
- Pride Do Brasil, Rig Pride South America;
- Cheyenne Drilling, Rig 9.
- Heart Land Drilling, Rig 2

### One Year

- Kenai Drilling Ltd, Rig Kenai Rig 1;
- Abercrombie RTD Inc, Rig 2;
- Pride Do Brasil, Rigs Pride Carlos Walter, Pride South Atlantic.
- Caza Drilling, Rig 515,501.

Recognized Since Last Recordable Incident:

### One Year

- Kenai Drilling Ltd, Rigs 1,4.
- Caza Drilling, Rig 501.

## IADC ASP Annual Report available

Each year drilling contractors from around the world demonstrate their commitment toward safety by submitting incident data to IADC. The 2003 report is now available in CD ROM format from IADC Publications. Contact **Jason McFarland**, ext 214 ([jason.mcfarland@iadc.org](mailto:jason.mcfarland@iadc.org)).

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