



DRILLBITS

Monthly Newsletter from the International Association of Drilling Contractors

JUNE 2009

MMS SAFE winners recognized for HSE excellence

Noble Drilling Corp was the winner in the Safety Award for Excellence (SAFE) drilling contractor category, presented by the US Minerals Management Service (MMS) on 7 May during OTC in Houston. Additionally, **A.J. Guiteau** of **Diamond Offshore Drilling** was the only drilling contractor among recipients of the Offshore Leadership Award (OLA).

SAFE recognizes companies for outstanding safety and pollution prevention performance. The selection criteria consist of inspection and incident data and input from MMS offices. This is the third consecutive year that Noble Drilling has won the SAFE Award. Winners in other categories are:

- Production contractor: **Danos &**

Curole Marine Contractors.

- High-activity operator: **Devon Energy Production.**

- Moderate-activity operator: **Noble Energy.**

The OLA recognizes individuals for safety achievements, improved environmental protection or enhanced resource recovery and conservation, or who have inspired innovation and outstanding performance by others.

Mr Guiteau, manager of training & development at Diamond, has worked with IADC for years on efforts to improve industry safety. In the early 1990s, he served as chairman of the IADC Well Control Committee and led the group's efforts to create and develop WellCAP.

MMS pointed to Mr Guiteau's excel-

lence as providing valuable insight into the "science" associated with proper test development, proper test formulation, and accepted test analysis techniques for well control and production safety training programs.

Other 2009 OLA winners were: **Wayne Broussard, PSN/Grasso; George Hagerman, Virginia Tech Advanced Research Institute; Ann Jochens, Texas A&M University; Paul Landry, Apache Corp; Darryl Luoma, BP Exploration (Alaska); Alan Romine and John Seeger, InterACT PMTI; Chris Brooks, Merit Energy Co; William "Billy" Poe, Explosive Service International; Harlan King; Virgil Russell, BP America; and Al Gonsoulin, Petroleum Helicopter.**

US E&P industry confronts energy legislation

With the election of President **Barack Obama**, combined with US House of Representatives leadership, the oil and gas industry faces a hostile environment in Washington. The new paradigm is all about "renewables" and "green energy."

House Energy and Commerce Committee chairman **Henry Waxman**, D-Calif., has produced a "Clean Energy" bill approaching 1,000 pages long that, among other things, would reverse the 2005 Energy Security Act, which provided significant incentives for domestic onshore E&P. It proposes to eliminate many incentives that pre-dated the Act, including the expensing of intangible drilling costs, a major component of working capital for independent operators. The legislation would also penalize offshore E&P by raising royalty rates and imposing an excise tax on existing OCS production.

Industry anticipated the assault by establishing a campaign called "BRIEF," Bringing Real

Information on Energy Forward. The goal is to have a rapid-response mechanism to rebut inaccurate information in the press and on Capitol Hill. As part of the campaign, a website has been launched at www.energyindepth.org, supported by IADC and independent producer associations. This website was previewed by IADC senior vice president – government affairs **Brian Petty** at the 2009 IADC Drilling Onshore Conference on 21 May in Houston.

It's expected that Congress will thrash out differences between the hostile House approach and what's hoped to be a more industry-friendly Senate version throughout the summer. The industry has many other allies in the battle, including the US Chamber of Commerce and the Industrial Energy Consumers of America, representing manufacturers, agricultural interests and the chemical industry.

For details, contact **Brian Petty** at +1/202-293-0670 (brian.petty@iadc.org).

Safety alerts

www.iadc.org/alerts.htm

Alert 09-13: Dropped drawworks platform.

Alert 09-14: Helicopter operations – ground resonance phenomena.

Alert 09-15: Near-miss – Dropped casing when elevators not latched properly.

Alert 09-16: Extension cord safety.

Reminder

• **IADC Maintenance Committee meeting, 8 July, Houston.**

Funding sought for Alzheimer's study

A study to combat Alzheimer's disease funded by long-time IADC supporters **Ray and Ann Brazzel, Bandera Drilling**, is seeking additional donations. Organizers are hoping to continue testing a promising dietary supplement that has been shown to improve memory, cognition and daily functional capacities in patients.

The basic science behind the development of the supplement was originally initiated by a Texas-based research institute. The supplement is a special sugar derived from the aloe vera plant leaf gel. In a pilot study, the supplement was added to patients' daily diets and was shown to improve dementia in 42% of 48 patients. This encouraging finding then led to a controlled study now in progress at a retirement center, which is organized and monitored by a division of a medical school. Positive results have already been reported.

Excited by these initial results, organizers are hoping to raise \$100,000 to \$200,000 so that documentation of the

supplement's benefits can be improved and additional patients can be taken in.

A formal controlled study, estimated to cost \$1-1.5 million, is also being planned. The cost is higher than studies for typical prescription drugs because using a nutritional supplement to support gene-orchestrated restorations is a departure from the standard pharmaceutical paradigm; the standard for proof and validation is also higher.

Mr and Mrs Brazzel have been involved in the study since December 2006 and have been waiting for the study to get qualified through a review board and finally become a reality.

"Two of Ray's sisters died from Alzheimer's, so you can understand that this research is dear to our hearts," Mrs Brazzel said. "It is our hope that others who have a heart for those suffering with this disease will want to join us."

For more information or to make a donation, contact Bandera Drilling at +1/325-676-5591, or e-mail Mrs Brazzel at ann@banderadriilling.com.

UBO & MPD Committee meets in Norway

The IADC Underbalanced Operations and Managed Pressure Drilling Committee held its second-quarter meeting on 14-15 May in Stavanger, Norway. Hosted by **StatoilHydro** and **Halliburton**, it focused on the development of guidance documents and candidate selection tools for application of MPD techniques.

"These documents are designed to help users evaluate and choose from the various MPD techniques and then to apply the technology in a safe and efficient manner," remarked committee chairman **Don Reitsma, At Balance Americas**.

Work on these and other committee objectives, including improvements to the UBO Rig Pass and WellCAP training standards, will continue at the Q3 meeting, scheduled for 27-28 August in Denver. To participate, contact **Holly Shock** at ext 205 (holly.shock@iadc.org) or visit the committee's web page on www.iadc.org.

Accreditation updates

WellCAP

Accreditation awarded:

- **International Drilling Schools**, Plano, Texas (renewal);
- **San Antonio Internacional**, Colombia (conditional).

Accreditation pending:

- **Shell Robert Training & Conference Center**, Robert, La. (renewal);
- **Well Control School**, Houston, Texas (renewal).

HSE Rig Pass

Accreditation awarded:

- **Basic Energy Services**, Midland, Texas (new);
- **DT Corporation SA de CV**, Mexico (new);
- **ENAFOR**, Oman (new);
- **GARO SA de CV**, Mexico (new);

- **Grupo Ulan Servicios Integrales SC**, Mexico (new);
- **Instituto de Educacion Nautica y Portuaria AC**, Mexico (renewal);
- **National Drilling Company (NDC)**, UAE;
- **Noble Drilling**, Sugar Land, Texas (renewal);
- **Randy Smith Training Solutions**, Lafayette, La. (renewal);
- **Saudi Aramco Training & Career Development Organization**, Saudi Arabia (renewal);
- **Sun Temple Group of Services**, Yemen (new);
- **Total Safety Inc**, Houston, Texas (renewal);
- **Unit Drilling Co**, Tulsa, Okla. (new);
- **Weatherford de Mexico SA de CV**, Mexico (renewal);
- **Well Control International SA**, Argentina (new);
- **Well Control School**, Houston, Texas

(renewal);

- **World Training Services SA de CV**, Mexico (new).

Accreditation pending:

- **Advanced Drilling Technologies**, Dallas, Texas (new)
- **Desarrollo Empresarial Educacion y Cultura SA de CV**, aka DEECSA, Mexico (new);
- **Impulsora Rio Grande SA de CV**, Mexico (new);
- **Safe Martin Instituto de Capacitacion SC**, Mexico (renewal);
- **Servicio Integral de Personal Especializado SC**, Mexico (new);
- **Total Safety Training**, Mexico (new);

DIT

Accreditation pending:

- **Proteccion al Medio Ambiente y Seguridad Privada Aplicada SA de CV**, Mexico.

Scott Gordon to lead Contracts Committee

Scott Gordon, Unit Texas Drilling, has been chosen as the new chairman of the IADC Contracts Committee, succeeding Dave Faure, Transocean. Mr Gordon has previously served as vice chairman – land of the committee. In that capacity, he led an extensive review of the 1998 US land model contract forms, which resulted in the 2003 ver-

sion, still in use today.

The committee's 2009 vice chairmen are Ernie Nelson, Nabors Drilling USA, for land; Glen Kelley, Atwood Oceanics, for international; and John Buvens, Rowan Companies, for offshore.

For more information, please visit the committee webpage on www.iadc.org.

North Sea Chapter honors safety awards winners

Winners of the IADC North Sea Chapter (NSC) Annual Safety Awards were announced during a ceremony on 15 May at Ardoe House Hotel, Aberdeen. Chapter chairman Steve Rae, Seawell, welcomed nearly 400 guests who joined him to recognise and celebrate the efforts of IADC members as they strive toward HSE excellence.

Mr Rae reviewed the implications of the recent helicopter tragedy and commented, "Let's remember the ultimate goal we have set ourselves as an association – 'incident-free operations' each and every day."

Claus Hemmingsen, Maersk Drilling, also spoke in his capacity as 2009 IADC chairman. The "industry speaker" for the evening was Bob Keiller, CEO of PSN, co-chair of the Oil & Gas UK Board and chair of the Helicopter Issues Task Group.

Safety Award winners are:

- Jackups over 1 million manhours: **Noble Drilling**.
- Jackups under 1 million manhours:

Rowan Drilling:

- Semisubmersibles over 2 million manhours: **Transocean**.
- Semisubmersibles 1-2 million manhours: **Stena Drilling**.
- Semisubmersibles under 1 million manhours: **Noble Drilling**.
- Platforms: **Seawell**.

Merit Award winners are:

- Outstanding safety performance over 5 years: Visund Platform, **Odfjell Drilling**.
- Outstanding safety performance over 4 years: Brent Delta Platform, **Seawell**.
- Outstanding safety performance over 4 years: Kvitbjorn Platform, **KCA DEUTAG**.
- Environmental Award: **Diamond Offshore**.

Associate Member Award winners are:

- **Weatherford UK** for its Stabberless Single Joint Elevator.
- Chairman's Special Award: **Grampian Police Family Liaison Team**.

Rigs receive ASP certificates:

For certificates received since last LTI (in years):

Ensign International Energy Services:

Rigs 15 (1), 25 (2), 28 (2), 49 (1);

High Arctic Energy Services Png: HWU 102 (1), Rig 103 (1);

Nabors Drilling International Ltd: Rigs 77 (2), 208 (1), 212 (7), 221 (2), 226 (1), 245 (4), 263 (6), 609 (1), 655 (7), 858 (11), F22

(2), M03 (2), SS10 (3).

For certificates received since last recordable incident (in years):

Nabors Drilling International Ltd: Rigs 215 (2), 263 (1), 809 (1), 827 (2), 853 (1), F28 (2), P18 (5), S803 (1), SS14 (2), SS17 (1);

Unit Drilling Co: Rigs 29 (1), 302 (1).

MMS issues guidance for hurricane season

The MMS has issued three Notice to Lessees and Operators (NTL) providing guidance for the 2009 hurricane season. All took effect 1 June.

In the first, the MMS noted that it would use API RP 95J, Gulf of Mexico Jackup Operations for Hurricane Season, to guide its review and evaluation of information submitted to demonstrate the jackup's capability to perform at the proposed location. It was strongly advised that the 95J recommendations be followed in the preparation of Applications for Permit to Drill (APDs) and Applications for Permit to Modify (APMs). An assessment checklist can be found online at www.mms.gov/tarprojects/593.htm.

In the second, the MMS endorsed API Bulletin 2TD, Guidelines for Tie-downs on Offshore Production Facilities for Hurricane Season, First Edition. These guidelines should be followed in reviewing and evaluating information that demonstrate the ability of the tie-downs to perform during a hurricane, the agency said.

The third NTL provides guidance and requirements for global positioning systems for MODUs. MMS stated that MODUs should be outfitted with multiple GPS transponders that are operational by 1 July. The tracking system equipment should be protected from storm damage and be capable of transmitting data for at least seven days after a storm has passed.

Operators or their contractors also must ensure that the MMS has real-time access to MODU location data by 1 July.

MMS hopes that these recommendations and guidelines will help to improve performance during the hurricane season. For more information, contact **Alan Spackman** at ext 207 (alan.spackman@iadc.org) or visit the MMS website at www.mms.gov.

IADC continues charitable donations, contributes to Homes for Our Troops

IADC recently donated US\$5,000 to Homes for Our Troops, a non-profit organization that builds specially adapted homes for severely injured service members returning from Iraq and Afghanistan. The homes are provided at no cost to the veterans.

IADC's donation was made specifically towards the construction of a home for Naval Petty Officer **Anthony Thompson**, who was injured in 2007 during his second deployment to Iraq. In a bombing near Fallujah, he suffered a traumatic brain injury, an incomplete spinal cord injury and a punctured right lung. Now a paraplegic, he remains at

IADC has donated more than \$12,000 to Homes for Our Troops since 2008.

the James A Haley VA in Tampa, Fla. His wife **Ivonne** was a schoolteacher but now cares for Mr Thompson and their toddler son **A.J.** full time.

The house being planned for the Thompson family is in Houston. It will be a barrier-free house with special fittings, such as wheelchair ramps, hands-free toilets and a ceiling lift system, all designed to provide Mr Thompson as much independence as possible.

The cost for each home averages around US\$300,000. Fund-raising for the Thompson home is in progress, with a volunteer registration day held in Houston on 29 April. A general

contractor has already been identified for the project, but the group remains in need of donations (monetary, land, materials, equipment and services) and volunteers (professional tradesman and key volunteers).

Homes for Our Troops has built approximately 40 homes since its inception five years ago and plans to build about 30 additional homes this year in various locations around the US. Supported entirely by donations, the group says it has received an amazing level of support across the nation. Each house sees approximately 300-400 volunteers and 60 companies giving in some way – sometimes it can be as simple as a home-cooked lunch for the construction crew.

Among other charitable donations around the world, IADC has given more than \$12,000 to Homes for Our Troops since 2008, mostly in lieu of speaker gifts at conference events. Involvement was initiated through Oil-field Helping Hands, another nonprofit group that helps Houston-area oilfield families in critical need of financial assistance.

For more information about the Thompson project or Homes for Our Troops, please contact project facilitator **Lisa Fitzgerald** at +1/508-823-3300 or LFitzgerald@HomesForOurTroops.org.

Details and a video about Mr Thompson can also be found online at www.homesforourtroops.com/thompson.

'Everything You Need to Know About TWIC'

This recently published DVD training program helps employers and employees understand and comply with the complicated TWIC application process. Produced by Moxie Media, it includes topics such as: who must get a TWIC; enrollment procedures, forms and fees; compliance dates; and disqualification standards. Each program includes a DVD and a resource CD with forms, manual, assessments and certificate.

To order or for more information, go online to <http://store.iadc.org> or contact IADC Publications at ext 215.

IADC welcomes 13 new members

- **A&B Metal Manufacturing Company Inc**, Houston, Texas;
- **American Clutch & Equipment Co**, Houston, Texas;
- **CNPC Chuanqing Drilling Engineering Company Ltd**, Chengdu, Sichuan Province, China;
- **Concept Illustration and Animation AS**, Sola, Norway;
- **Cor Rentals USA**, Houston, Texas;
- **Drilling Controls Inc**, Houston, Texas;
- **Entrenamiento Marino de Mexico/Angel M. Heredia Suarez**, Carmen, Campeche, Mexico;
- **Knight Consulting LLC**, Edmond, Okla.;
- **Safety & Environmental Solutions Inc**, Hobbs, N.M.;
- **Sugarland Tubular Inc**, Sugar Land, Texas;
- **Sun Drilling Pte Ltd**, Singapore;
- **Technical Training Consultants**, Lisle, Ill.;
- **WWR**, Dallas, Texas.

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