



# DRILLBITS

Monthly Newsletter from the International Association of Drilling Contractors

JANUARY 2010

## Safety alerts

[www.iadc.org/alerts.htm](http://www.iadc.org/alerts.htm)

- Alert 09-34:** Fire starts from falling slag.
- Alert 09-35:** Dropped stands of drill pipe result in incidents.
- Alert 09-36:** Dropped generator set.

## Reminders

- **IADC Maintenance Committee meeting**, 13 January, Houston.
- **IADC Rig Moving Committee meeting**, 20 January, Corpus Christi, Texas.
- **IADC Land Contracts Drafting meeting**, 20 January, Houston.
- **IADC HSE Committee meeting**, 25 January, Houston.
- **IADC Training Committee meeting**, 25 January, Houston.
- **IADC Health, Safety, Environment & Training Conference & Exhibition**, 26-27 January, Houston.
- **IADC/SPE Drilling Conference & Exhibition**, 2-4 February, New Orleans.

## Online-only subscriptions to Drill Bits



As we begin the new year, please take a moment to visit the Drill Bits page on IADC's website to sign up for e-mail delivery of

our newsletter. Online-only subscriptions are part of IADC's efforts to "go green," as well as to help our readers to receive information in a more timely manner. Sign up at [www.iadc.org/drillbits.htm](http://www.iadc.org/drillbits.htm).

## MMS seeks expedited OCS development

**T**he Minerals Management Service has announced more rigorous "drill 'em or drop 'em" terms for Gulf of Mexico deepwater E&P. In its announcement of the proposed Lease Sale 213 for the Central GOM Planning Area to be held 10 March 2010, the agency revised lease terms for water depths between 400 m and 1,600 m. Between 400 m and 800 m, five-year lease terms are proposed, a change from previous eight-year terms. Between 800 m and 1600 m, the initial lease term is reduced from 10 years to seven years, with an extension to 10 years upon commencement of an exploratory well.

MMS argues that deepwater E&P in

the GOM is now well understood and established, therefore no longer needs the longer leases since the boundaries are no longer considered "frontier." Also, MMS says technology is in place to map and exploit these areas.

MMS has been under some political pressure to force oil companies to develop existing leases. IADC has long advocated that operators unwilling or unable to diligently develop their leases should be required to return them to the leasing pool for re-offer, rather than be given general lease extensions.

For additional information, please contact **Brian Petty** at +1/202-293-0670 ([brian.petty@iadc.org](mailto:brian.petty@iadc.org)).

## Industry urged to participate in top drive survey

**T**op drive reliability has been a source of concern in the industry. IADC, through its Advanced Rig Technology Committee, has developed a survey to collect and analyze downtime data for top drives. The survey was developed with input from drilling contractors, operators, manufacturers and other interested IADC members.

The purpose of the questionnaire is to develop data that will help manufacturers improve top drive products, as well as suggested maintenance and training. The results of this survey may also help top drive users reduce non-productive time.

The survey is not lengthy. However, it may have to be completed multiple times in order to record multiple downtime incidents.

IADC will ensure confidentiality of

information submitted. Information on individual top drive owners/operators and their rigs will not be disclosed except to the top drive owner/operator company. Information specific to the OEM, such as top drive models and makes, will not be disclosed except to the OEM. The information collected through this study will be released only generically – for example, without top drive owner or manufacturer names).

Companies wishing to participate can contact **Mike Killalea** to provide the name and e-mail address of the individual who will be responsible for collating and inputting the data. IADC will then forward the survey website address and password to that person.

For further information or to participate, contact **Mike Killalea** at ext 222 ([mike.killalea@iadc.org](mailto:mike.killalea@iadc.org)).

## IADC launches well servicing survey

The IADC Well Servicing Committee has launched a survey of well control training needs and practices among well servicing/workover contractors that aims to assess the industry's needs and desires regarding improving training for IADC's well servicing membership, beginning with well control. The Association of Energy Servicing Companies is assisting with the survey and plans to encourage its members to participate in the survey as well.

While the WellCAP program has a training curriculum for well servicing, workover/completion, wireline, coiled tubing and snubbing, the committee is

interested in how widely used the program is, how it can be improved, and what obstacles to training might exist.

"I urge our well servicing members in the strongest possible terms to ask the appropriate person in your organization to complete this important, landmark survey," remarked **Mike Killalea**, IADC group vice president/publisher. The link to the survey is at [www.surveymonkey.com/s/SBY26Q2](http://www.surveymonkey.com/s/SBY26Q2). All information will be kept confidential, and data analysis will be done without regard to company identification.

For more details, contact **Mike Killalea** at ext 222 ([mike.killalea@iadc.org](mailto:mike.killalea@iadc.org)).

## Hoffmark is IADC's new regional VP – Europe

**Jens Hoffmark** has joined IADC, effective 1 January, as its regional vice president – Europe. He will be responsible for overseeing IADC operations and activities across Europe, including regulatory affairs and involvement with activities such as the European Operations Forum and the Offshore Competency Training Programme.



**Jens Hoffmark**

Mr Hoffmark retired from **Maersk Drilling** in late 2009, where his most recent assignment was vice president – business development. During a career that spanned 42 years, Mr Hoffmark's experience with Maersk included a number of international assignments in various management capacities.

A Danish citizen, Mr Hoffmark will be based in Denmark and supported from IADC's European Regional Office in the Netherlands. He can be reached at +45-4390-2888 or [jens.hoffmark@iadc.org](mailto:jens.hoffmark@iadc.org).

## IMO adopts 2009 MODU Code

On 2 December 2009, by resolution A.1023(26), the IMO Assembly adopted the Code for the Construction and Equipment of Mobile Offshore Drilling Units, 2009 (2009 MODU Code). This culminates a five-year effort to update the Code in order to maintain its equivalence to the Load Line and SOLAS Conventions, as well as reflect current best practices for the design and construction of MODUs.

Final text of the 2009 MODU Code is not yet available. IADC is preparing a Companion to the 2009 MODU Code that will provide detailed information regarding changes from the 1989 Code to the 2009 Code. Copies of the Companion will be distributed to the sustaining member of all IADC-member offshore drilling contractors and will be available as an IADC publication. Availability of the final text of the 2009 MODU Code and of the IADC Companion will be announced in a future edition of Drill Bits.

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

## Accreditation updates

### WellCAP

#### Accreditation awarded:

- Caspian Drilling Co, Azerbaijan (new);
- Central College of Texas, Fort Hood, Texas (intro);
- Daqing Well Control Training Center of China, China (renewal);
- Grupo Ulan, Mexico (intro);
- Sinopec Training Center, Saudi Arabia (new);
- University of Alaska, Mining & Petroleum Training Services, Alaska (renewal);
- Westec, Shafter, Calif. (renewal).

#### Accreditation pending:

- Centro de Formacion Petrolera Quere-

cual, Venezuela (new);

- Pride Forasol – Lescar Training Center, France (renewal).

### HSE Rig Pass

#### Accreditation awarded:

- Centro de Capacitacion Adiestramiento en Seguridad, Mexico (new);
- Dawn Trucking Company, Farmington, N.M. (new);
- Drilling Innovation, Mexico (new);
- Grupo Hegemonia, Mexico (new);
- Oilwell Drilling, Philippines (renewal);
- PetroTalent, Institute of Petroleum Technology, India (new);
- Pinpoint Drilling, Dallas, Texas (new);
- Pioneer Drilling de Colombia, Colom-

bia (new);

- Safety & Training Consultants, New Iberia, La. (renewal);
- Safety Technologies SA de CV, Mexico (new);
- Servicios Integrales de Personalespecializado, Mexico (new);
- SISEMHL Consultores, Mexico (new);
- ThermaSource Inc, Santa Rosa, Calif. (new);
- TIEC Inc, Houston, Texas (new);
- Total Safety, Dubai (new);
- Total Safety, Qatar (new);
- Total Safety, Saudi Arabia (new);
- True Drilling LLC, Casper, Wyo. (renewal);
- Vanover & Associates, Duson, La. (new).

## ISO marine drilling riser standards issued

ISO recently published two new international standards for marine drilling risers: ISO 13624-1:2009 (Drilling and Production Equipment – Part 1: Design and Operation of Marine Drilling Riser Equipment) and ISO TR 13624-2:2009 (Drilling and Production Equipment – Part 2: Deepwater Drilling Riser Methodologies, Operations and Integrity Technical Report). The English-language versions of these new standards should be available for purchase through national standards bodies or directly from ISO ([www.iso.org](http://www.iso.org)) for CHF 208 and 192, respectively.

### Rigs receive ASP certificates:

For certificates received since last LTI (in years):

**Energy Drilling Co:** Rig 7 (2);

**ENSCO Drilling Mexico LLC:** ENSCO 93 (1);

**ENSCO Oceanics International Co:** ENSCO 54 (4);

**ENSCO Offshore Co:** ENSCO 87 (6), 99 (12), 7500 (1), 8500 (1);

**ENSCO Offshore International Co:** ENSCO 96 (9);

**ENSCO International Energy Services:** Rig 15 (2);

**Essar Oilfield Services Ltd:** Essar Wildcat (1);

**Nabors Offshore Corp:** Nabors SD-5 (5);

**Pride do Brasil Servicos de Petroleo Ltda:** Pride South America (1).

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

**ENSCO Australia Pty Ltd:** ENSCO 104 (3);

**ENSCO Gerudi (M) SDN BHD:** ENSCO 56 (2);

**ENSCO Offshore Co:** ENSCO 7500 (1);

**KCA DEUTAG Drilling GMBH Russia:** Rig T-501 (1).

## UBO & MPD Committee elects officers

The IADC Underbalanced Operations & Managed Pressure Drilling Committee has elected officers for 2010. **Brian Grayson, Weatherford International**, succeeds **Don Reitsma, At Balance Americas**, as chairman. **Inger Kjellevoll, Statoil**, was elected vice chairman.

“We are grateful to Don for his service to the committee, and we look forward to continuing the work begun under his leadership,” remarked Mr Grayson.

The committee is presently drafting a “best practice” document for managed pressure drilling that is expected to be adopted by API as a Recommended Practice. It will complement API RP92U, which covers underbalanced

operations. In addition, the committee is developing an online screening tool that will help drillers select the most effective MPD technique for their wells.

The committee’s HSE & Training Subcommittee is also working on a new suite of training programs covering both UBO and MPD.

Companies interested in these important technologies are encouraged to participate on the committee. Complete information, including future meeting dates, meeting minutes and completed documents, can be found on the Committee’s web page at [www.iadc.org/committees/ubo\\_mpd/index.html](http://www.iadc.org/committees/ubo_mpd/index.html).

For more information about the committee, please contact **Ken Fischer** at [ken.fischer@iadc.org](mailto:ken.fischer@iadc.org).

## Northern Arabian Gulf Chapter officers elected

The IADC Northern Arabian Gulf Chapter has elected its 2010 officers. **Saud Otaibi, Saudi Aramco**, was elected as the new chairman and **Larry Connor, Precision Drilling**, as vice chairman. **Imad Al Enaizi, Al-Enaizi Enterprises**, was re-elected treasurer

and **Ossama Z. Al-Mohtaseb, Rawabi Trading & Contracting Co**, as secretary. IADC would like to thank the chapter’s outgoing chairman and vice chairman: **Ali Al Ghamdi**, Saudi Aramco, and **Victor U. Ughelie, Arabian Drilling Co**.

## ART Committee to present at Drilling Conference

How far can we go with rig automation? What are the limits to managed pressure drilling? What factors hamper adoption of new technologies? A paper being written under the auspices of the Future Technology Subcommittee of the IADC Advanced Rig Technology Committee aims at addressing these and other issues.

IADC/SPE 128953, “Advanced Rig Technology: Future Technology Subcommittee Report of Activities and Industry Survey,” will be presented at the 2010 IADC/SPE Drilling Conference, 2-4 February in New Orleans. Its abstract was the second-highest rated of the approximately 400 reviewed by the program committee.

The paper is intended to report on a survey regarding industry needs for

technological development and how they are valued. The paper will include survey results, as well as discuss ongoing committee work. The Future Technology Subcommittee has studied a wide range of technologies that have been introduced to the industry, some well-accepted and others never growing beyond a niche market. The paper will highlight common factors that may have contributed to the success of certain technologies.

The group also will report on a survey assessing future technology needs that has been widely distributed in the industry, with emphasis on the operator community.

For more information, please contact **Mike Killalea** at ext 222 ([mike.killalea@iadc.org](mailto:mike.killalea@iadc.org)).

## Industry warns against marine spatial planning

IADC and five other oilfield trade groups have written to the Obama Administration's Ocean Policy Task Force urging extreme caution in pursuing marine spatial planning (MSP) insofar as it may impact OCS oil and natural gas E&P. The trades asked the Task Force in its recommendations to the White House to pointedly state that any MSP initiative include economic uses of the oceans, including those essential to energy security.

As a model for MSP, the group suggested, the MMS OCS leasing program

could serve as a good one for multiple-use management. Any MSP system should be forward-looking, adaptive, comprehensive and efficient. The trades warned that it should also recognize existing legal authorities. Introducing new decision-making apparatuses that override regulatory and statutory authorities currently delegated to specific agencies would only result in confusion, lawsuits and policy logjams.

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

## Marshall Islands joins Ballast Water Convention

On 26 November 2009, the Republic of the Marshall Islands deposited its instrument of accession to the International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004. The Convention will enter into force 12 months after it has received acceptance by not

less than 30 states representing not less than 35% of the world's merchant tonnage. With the Marshall Islands' acceptance, there are 20 contracting states representing approximately 21% of the tonnage.

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

## IADC seeks consistency in US approach to ballast water

In a 30 November letter to **James Oberstar**, chairman of the House Committee on Transportation and Infrastructure, and **Frank LoBiondo**, ranking member of the Subcommittee on Coast Guard and Maritime Transportation, IADC joined a coalition of 22 organizations urging Congress to pass legislation eliminating the patchwork of regulation of ballast water discharges in the US. The coalition represents vessel owners and operators, transportation-dependent industries and labor unions.

Currently, both the Coast Guard and EPA regulate ballast water discharges under separate legislative mandates, and nearly two dozen states have established their own standards for ballast water and other vessel discharges. The coalition supports the development of strong, bipartisan legislation to solve this untenable situation.

For further information, please contact **Brian Petty** at +1/202-293-0670 ([brian.petty@iadc.org](mailto:brian.petty@iadc.org)) or **Alan Spackman** at ext 207 ([alan.spackman@iadc.org](mailto:alan.spackman@iadc.org)).

### Volume 20, Number 1

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## IADC welcomes 20 new members

- **AWC Inc**, Houston, Texas;
- **Bring Logistics US Inc**, Houston, Texas;
- **Coastal Training Technologies**, Virginia Beach, Va.;
- **Comercializadora y Absteecedora de Campeche SA de CV**, Veracruz, Poza Rica, Mexico;
- **Gearhart Companies Inc**, Fort Worth, Texas;
- **Herrenknecht Vertical GMBH**, Schwanau, Germany;
- **Jiangsu Rontech Petroleum Technology Inc**, Jiangyin, China;
- **McCoy Corp**, Edmonton, Canada;
- **New Safety Index Training Center**, Mabalacat, Pampanga, Philippines;
- **Occucare Occupational Medicine**, Houston, Texas;
- **Premier Sea and Land Pte Ltd**, Singapore;
- **Puckett Training Associates Inc**, Houston, Texas;
- **Rockwell Automation**, The Woodlands, Texas;
- **Rotaqua Geological, Mining, Drilling, Research Ltd**, Kovagoszolos, Hungary;
- **S.C. Foraj SA Buzau**, Buzau, Romania;
- **Shandong Kerui Petroleum Equipment Co Ltd**, Dongying, Shandong, China;
- **T Moore Services LLC**, Franklin, La.;
- **TIEC Inc**, Houston, Texas;
- **USA Environment LP**, Houston, Texas;
- **Xi'an Kosun Machinery Co Ltd**, Xi'an, Shaanxi Province, China.