



# **IADC Global Perspective**

## **IRF Offshore Safety Summit Conference**

### **Stavanger, 4<sup>th</sup> October 2011**

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**International Association of Drilling Contractors**



# Worldwide Membership



Founded in 1940, today IADC represents drilling contractors, oil and gas producing companies and manufacturing and service companies worldwide and is truly a multinational organization.

- Drilling & Well Servicing Contractors - 420
- Producers (including National Oil Companies) - 62
- Oilfield Service & Supply Firms - 996



# IRF Invitation

- What has IADC, on behalf of the drilling industry, done so far?
- What will IADC be doing in the coming year or so?
- What are the five most important topics for improvement for the drilling industry, and what are the obstacles?
- What do you expect from IRF/regulators and other stakeholders?
- What do they think of differences in the safety/environmental approaches between the drilling and operating industries, and what should they learn from them?

# What has IADC done?



- Participation in Producer Initiatives
  - API Joint Industry Task Force
  - OGP Wells Expert Committee
- Participation in Governmental/other activities
  - US Congressional inquiries
  - Chemical Safety Board inquiry
  - National Academy of Engineering
  - National Commission on BP Deepwater Horizon Oil Spill and Deepwater Drilling
  - G20 Global Marine Environmental Protection Group



# What has IADC done?



- IADC HSE Case Guidelines updated December 2010 to address enhancements with respect to:
  - Bridging arrangements
  - Particular risks of deepwater wells
  - Evaluation of routes used to access TSRs (if provided) and evacuation systems

# What has IADC done?



- Revised IADC WellCAP Supervisory Curriculum
  - Increased simulator use to minimum 30% course time
  - Increased focus on warning signs
  - Reformatted to include learning objectives and key points/comments for individual topics

# What has IADC done?



- Other WellCAP refinements/activities
  - SWAT audits in 2010 of all US training providers; expanded on global basis
  - Tighter Instructor qualifications for initial approval
  - New requirements for instructor requalification
  - Clarification of testing requirements
  - Elimination of “grace period”

# What has IADC done?



- Initiated dialog with Cuba regulators & industry
  - Goal is to share industry best practices on well control, spill prevention & cleanup
  - Cubans participated in panel at IADC Environmental Drilling Conference
  - Two IADC delegation visits thus far



# What has IADC done?



- API/IADC Bulletin 97 -- *Well Construction Interface Document (WCID)*
  - Traditional HSE-MS bridging arrangement plus:
    - Well basis of design
    - Well execution plan
    - Critical well activity risk assessments
- Balloting closed 3<sup>rd</sup> Oct; issued by year-end?

# What will IADC be doing?



## Further updates to HSE Case Guidelines

- Evacuation & escape routes
- Reference drawings & schematics
- Design & commissioning of new facilities
- Additional guidance on management of change
- Explicit consideration of regulatory requirements as part of the audit process
- Consideration of audit results and records retention
- Selection of contractors

# What will IADC be doing?



## Additional WellCAP Curriculum Revisions

- Fundamental Drilling course
- Workover Supervisor (will include Fracking)
- Workover Fundamental
- Wireline
- Coiled Tubing Simulation standards
- Consideration of annual retraining requirements

# What will IADC be doing?



## International Alliance for Well Control (IAWC)

- Revival of joint effort with IWCF
- Terms of Reference agreed
- Work on Operating Agreement proceeding
- Targeted pilot to begin Norway Jan. 2012

# What will IADC be doing?



## Revision of IADC KSAs

- Guidance document on knowledge, skills and ability
- Update for more specific competency assessment
- New focus on specialized positions (i.e., Subsea Engineers)



# What will IADC be doing?



## International Maritime Organisation (IMO)

- Amendments to the 2009 MODU Code
- Revision of resolution A.891 on Training of MOU personnel

# What will IADC be doing?



- Focused dissemination of information on regulatory and standards-setting initiatives and relevant joint industry projects
- General dissemination of information through website and conferences

# “Top 5” topics and obstacles



- Organizational Learning
- Transparency and Information Sharing
- Integration of HSE Management Systems
- Competence and Training
- Effect of New-Builds

# “Top 5” topics and obstacles



## Organizational Learning

- Despite the broad dissemination of information made possible by the internet, there remain many barriers to spread and uptake of information (horizontally) and to its penetration (vertically).
- Companies are challenged by information overload to effectively apply lessons learned.

# “Top 5” topics and obstacles



## Transparency and Information Sharing

It remains to be seen whether companies are making information on incidents more readily available, or if governments are improving their dissemination of information (this is not to say that some aren't already doing an excellent job).



# “Top 5” topics and obstacles



## Integration of HSE Management Systems

- API/IADC Bulletin 97 provides excellent guidance on risk-communication and integration of HSEMS; however, the guidance is focused on deepwater activities regarding U.S. regulatory objectives.
- Similar guidance, with global perspective, should be developed in order to facilitate development of appropriate national guidance for countries other than the United States.

# “Top 5” topics and obstacles



## Competence and Training

- Post-Macondo expectation that organizations must have in place the tools to assure the competence of their personnel.
- However, the effort to develop industry-agreed standards for competence and competence assessment is having difficulty gaining traction.
- Possible reasons: “The big crew change”, an historic focus on training and competence at a business unit, national, level, and differing philosophies prioritizing efforts amongst organizations and regulatory bodies.

# “Top 5” topics and obstacles



## Effect of New-Builds

- Number of new rigs under construction, many with advanced technological capabilities, will further challenge companies to train and maintain skilled crews.
- This may reach critical levels for certain highly-specialized rig positions (i.e., Subsea Engineers).

# Expectations from IRF/stakeholders



- If IRF members should ensure that the initiatives they pursue have a global focus.
- IRF members, and other national regulatory bodies, need to become/remain engaged in the international standards-setting efforts. In doing so, they should clearly articulate their views (preferably shared views) regarding the prioritization of standards-setting efforts.
- If perceived legal impediments to industry's sharing of incident information cannot be overcome, IRF members and other regulatory bodies should work aggressively to investigate incidents and place their learning from incidents in the public domain.

# Approaches between drilling/operating



- In general, safety is approached (both by operators and drilling contractors) with broad goals of 'keeping people safe' while environmental approaches are very compliance oriented.
- There is little incentive for an operator to assure that contracting organizations truly understand the risks to which they are being exposed under a contract. Some may seek to transfer their exposure to the risk and seek indemnification of any residual liabilities through contract terms and/or insurance.



# *Global Leadership for the Drilling Industry*



<http://iadc.org>