

# **Managing Risk**

## **In**

# **High Activity Environments**

# Incident Summary

| MODU          | Category           | Date      | Description   | Potential           |
|---------------|--------------------|-----------|---|---------------------|
| Atwood Falcon | Work Injury        | 27/11/02  | Injured party had finger crushed between drill collar and protector while working on the catwalk.   | C 3 People          |
|               | Incident No Injury | 3/1/2003  | Collision on the drill floor between the Top Drive and the pipe handling system (Stabmaster).   | B1 People/D3 Asset  |
|               | Incident No Injury | 5/1/2003  | A 3kg aluminium whipline roller fell from the crane boom and landed in a bunted area.   | B2 People/ D2 Asset |
| Jack Ryan     | Incident No Injury | 10/4/2003 | Union between the end of an air hose and a needle gun parted. Location - drill floor.   | B2 People           |
|               | Hazard             | 21/4/2003 | Hammer dropped to drill floor while making up hammer union on cement hose to side entry sub. Procedures and JRA followed and barriers in place; no one below work area. | B1 People           |
|               | Incident No Injury | 5/5/2003  | Steel tube fell through hole near derrick leg from drillfloor to mezzanine deck.  | B1 People           |
|               | Hazard             | 10/5/2003 | Container backloaded to Lady Grace was found to have hinges on lid sheared.   | B1 People           |
|               |                    |           |   |                     |

# Start Up Incident Summary

| MODU           | Category           | Date       | Description  | Event Potential     |
|----------------|--------------------|------------|--|---------------------|
| Atwood Eagle   | FAC/ Slight Injury | 22/8/2004  | Dropped hammer hit man on back of helmet. Hammer fell to main deck 0.5m from another man.  | B3 People/ C3 Asset |
|                |                    | 14/10/2004 | While drilling 17-1/2" hole on Lambert-6, one of the 2 pins that secures the Topdrive Pipe Handler guard vibrated out and fell 25m to the drill floor. | B3 People           |
| Stena Tay      | Hazard             | 28/10/2004 | Incorrect Manifest Weight caused overloading of crane  | B1 People/ E3 Asset |
| West Navigator | Incident no Injury | 19/1/2005  | Empty oxygen bottle fell from lifting rack onto pipe deck causing valve protector to be broken off and some damage to valve handle.                    | B2 People/ C2 Asset |
|                | Incident No Injury | 22/1/2005  | Dropped Casing String.   | B1 Asset            |

# The WEL Strategy

## WEL 3 Year Strategy (1 Year old);

- ◆ Develop Rig Contractors 'Own Systems' & Avoid trying to Do it the WEL Way
- ◆ Focus on Raising the Bar & Developing a High Performance Culture on our Rigs that is Sustainable
  - Improve Hazard Awareness
  - Take the time to Plan the Job (Tech Limit)
  - Measure & Review Performance
- ◆ Specific Strategies in Place for Each Campaign
  - Develop from 'Gap' Analysis
- ◆ Agree on Common Vision & Commitment
  - Align Objectives
- ◆ Improve Performance on 'New Rig' Start-ups

# Managing Risk in High Activity

## Measure Effectiveness of Contractor's Own Systems

- ◆ Conduct SMS Review
  - Identify Gaps & Deficiencies in Systems & processes
- ◆ Develop Campaign Hazard Register
- ◆ Agree Systematic Actions with Contractor to Address Findings from SMS Review
  - Develops “Systems Thinking” = Long Term Improvements
- ◆ Start-Up Audit: Select Barriers from Hazard Register & Verify that it is in place & Effective

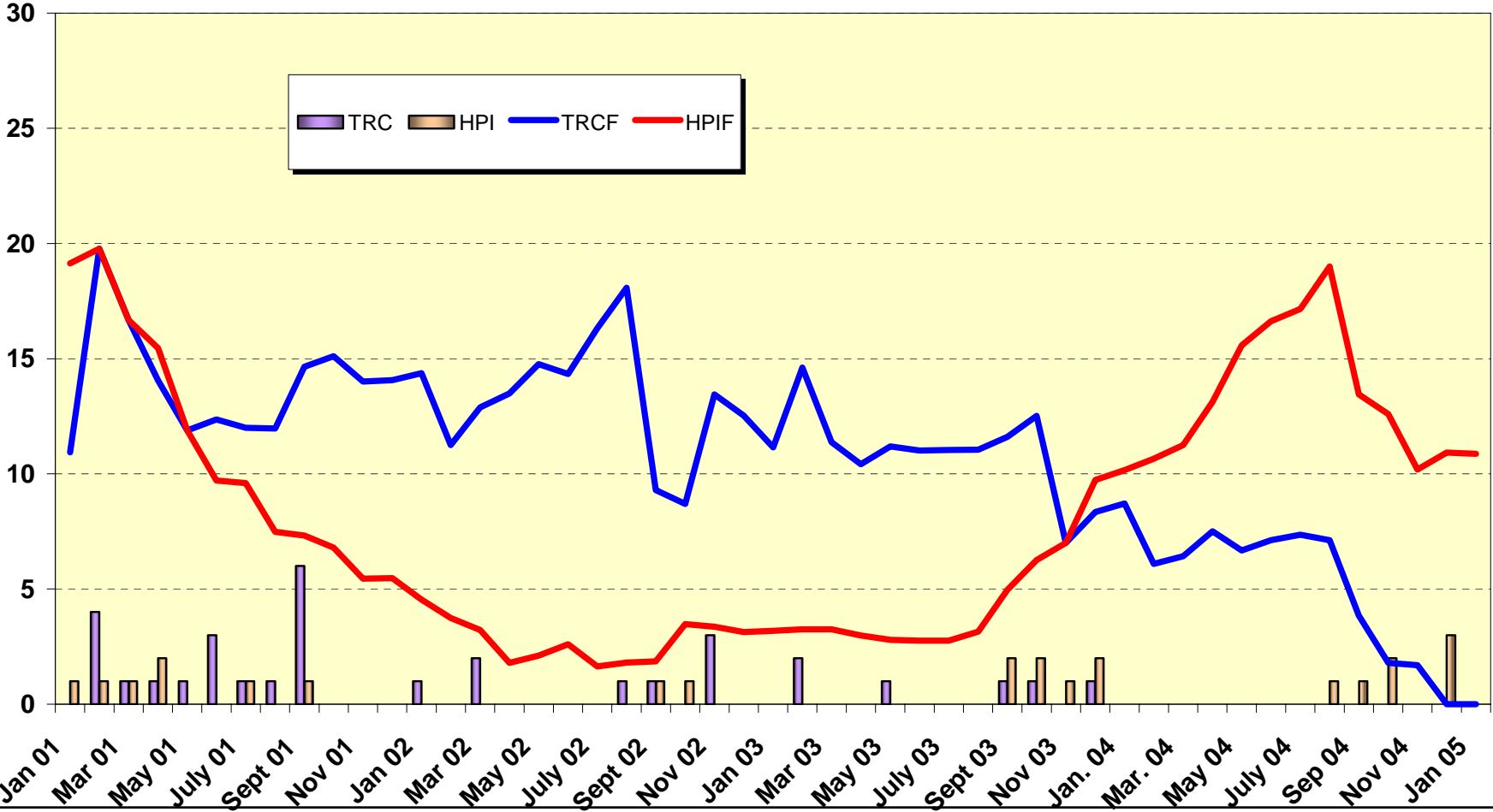
# Managing Risk in High Activity

- **Develop Campaign Specific Strategy**
  - ◆ Workshop to develop joint Goals (Rig Contractor / Operator / TPC's)
    - Agree Vision & Document Personal Commitments
    - Align Reward & Recognition Plans with Goals & Follow Through on Commitments
    - Alignment on TL Objectives
  - ◆ Rig Contractor Required to Report Monthly Against Agreed KPI's
    - Measure Lead not Lag Indicators (e.g. PTW audits)
  - ◆ Review Performance & Take Action on Findings (AAR's)
    - Value participation – Feedback is crucial!
- **Encourage Correct Behaviours**
  - ◆ Supervisors to be Role Models (“Walk The Talk”)
    - Develop our Leaders & Supervisors (Situational Leadership)
    - HSE Coach where appropriate

# Performance Over 4 Years



2004 Well Engineering HSE Frequency Rates  
(12 month Rolling Average - Feb'01 - Jan '05)



Title:  
Location:  
Date:  
Slide :

**Drillsafe March 2005**

# Managing Risk in High Activity

## Results

- ◆ Sustainable Improvement in TRC's is Encouraging
- ◆ Lost Ground on HPI's
  - Organisational Risks Increasing
  - Complacency Setting in with SMS Review Process
    - Start-up Audits not as thorough???
  - Contractors Not Improving Performance Over Time

## Forward Focus

- ◆ Continue with Existing Start-Up Processes
- ◆ Further Development of WEL & Contractor Leadership
  - Situational Leadership
  - Enabling Vision Through Action
- ◆ Adopt Perfect Day Aspiration on All Operations
  - No-one gets Hurt, No Incidents
  - Tech Limit
- ◆ Plan for Tight Resource Environment & Skills Shortage
  - Increased Diligence on Pre-Job Checks
  - Improve Competence Assurance Processes