

DRILLSAFE MEETING
PERTH SEPTEMBER 2005

OPERATOR SPONSORED
INDUSTRY QHSE AUDIT PROGRAM



bhpbilliton

Audit Program Snap-Shot

- What is it?

- Operator sponsored QHSE audit program focussed on drilling industry Service Providers

- Objectives?

- An outsourced auditing process
- A level of assurance that Service Providers systems and capabilities meets or exceed that as described in their respective contracts so as to ensure risks associated with their activity on the MODU is managed to ALARP to or better

Audit Program Snap-Shot

- Who is to be Audited?
 - Only Service Providers with operating centres in Western Australia
 - The list of Service Providers to be audited will be agreed by the Operator Group
 - Service Providers participation will be consensual
 - Audit schedule and frequency will be determined by Operator Group based on perceived risk of service, historical QHSE performance, previous audit findings etc

Audit Program Snap-Shot

- Who is not to be audited?
 - MODU's
 - Vessels
 - Aviation
 - Service Provider operating centres outside of WA
 - "Specials", such as Operator specific audits that may include the Service Providers identified in this program

Audit Program Snap-Shot

- When?
 - Commencing Q4 2005
- Who Is in the Operator Group?



Audit Program Drivers

- Good business
- Service Providers have been subjected to similar QHSE audits by multiple Operators
 - Excessive time and cost implications to both Operators and Service Providers
- Regulatory and legislative changes
 - NOPSA
 - Drilling Contractor obligations

Audit Program Overview

Auditing Organisation



Conducts audit as per agreed audit protocol

Determines actions with Service Company audited

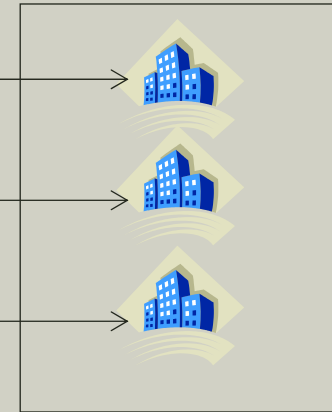
Provides audit report with proposed actions to Operator Group for agreement

Enters and maintains audit actions into database

Provides monthly status report to Operator Group

Manages audit actions to closure

Operator Group



Contract

Contract

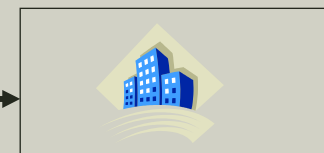
Contract

Auditing Organisation Database



Info

Service Providers



Info

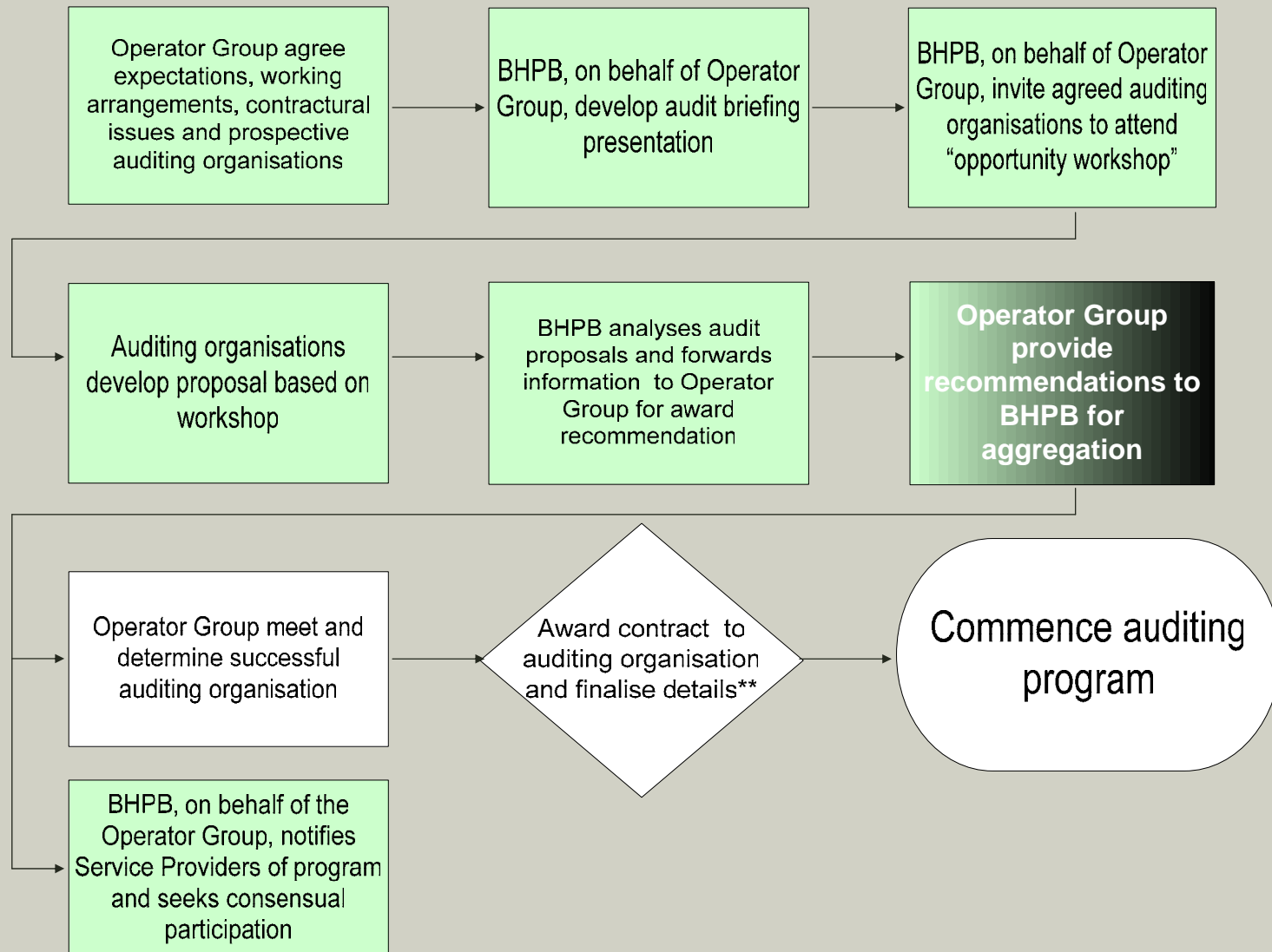


Info

Audit Protocol

- Protocol will be consistent with:
 - AS/NZS 4801:2000 Occupational Health and Safety Management Systems
 - OHSAS 18001 Occupational Health and Safety Management System
 - AS/NZS 14001:2004 Environmental Management Systems
 - AS/NZS 9001:2000 Quality Management System
- It is recognised there will be Service Providers that are not formally certified to ISO standards.
- The audit will determine:
 - The level of consistency between the Service Providers SMS and the ISO standards
 - The level of implementation.

Audit Program Development Process



Audit Program Summary

- The audit program is to be outsourced and managed by Auditing Organisation
- Audit program will target Drilling Service Providers with onshore operating centres within WA
- The Operator Group will seek consent from Drilling Service Providers to participate in the audit program
- The audit protocol will be consistent with AS/NZS 4801:2000, OHSAS 18001, AS/NZS 14001:2004 and AS/NZS 9001:2000
- The audit schedule will be determined by Operator Group based on perceived risk of service, historical QHSE performance, previous audit findings etc
- Data storage and access:
 - Web based and therefore accessible by members of the Operator Group (via a unique password protected access code)
 - Each Service Provider can (only) access their audit report and actions from the web (via a unique password protected access code)
- Auditing program to be reviewed annually by Operator Group

Thankyou

