MAINTENANCE COMMITTEE MEETING MINUTES 13 April 2011



Location: Diamond Offshore

Call to Order / Introductions:

The Group was welcomed by the IADC Maintenance Committee 2011 Chairman, Mr. Ken Gardner. A building security and safety briefing was given by Ian Murdock, Diamond Offshore. The Chairman then recognized Diamond Offshore for hosting the meeting and thanked all members present for their attendance. A short personal introduction was given by each attendee followed by a review of the proposed agenda by the Chairman.

IADC Antitrust Policy and Guidelines and committee Mission Statement:

The Chairman then covered the Committee Mission Statement with the attendees followed by Mr. Joe Hurt reviewed the IADC Antitrust Policy and Guidelines.

Review of action items:

There were no outstanding action items.

Ken Gardner discussed two safety alerts that have been recently issued by the USCG and one from the BOEMRE.

- USCG Wrong Directions: Recipe for Failure
- USCG Simple Failures Render CO2 System Inoperative
- BOEMRE Compressor Fire Resulting From Separated Fuel Line Coupling

Regulatory Review:

John Pertgen provided the Committee with information on two IADC-published semi-annual reports:

International Standards Activities affecting the Offshore Oil and Gas Industries – Posted in April and October.

This report provides a handy reference to the standards development activities of various organizations (e.g., the International Maritime Organization, International Labor Organization, the International Organization for Standardization, and various international trade associations).

Federal Regulatory Actions Impacting the Offshore Industry – Posted in January and July

This report provides a reference summary that reflects the regulatory actions, announced in the Federal Register by U.S. governmental agencies, which may affect operations in the oil and gas industries

(Note: Both reports are available at: http://iadc.org/committees/offshore/index.html)

Additionally Mr. Hurt provided a brief overview of the following issues that have been modified since our last committee meeting:

USCG

- U.S. EPA Vessel General Permit for Discharges Incident to the Normal Operation of a Vessel: The USCG issued CG-453 Policy Letter 11-01 which provides guidance to assist USCG personnel to evaluate compliance with the provisions of the EPA's VGP.
- Notice of Arrival on the OCS: On 13 January USCG issued a Final Vessels arriving on and engaging in OCS activities from foreign ports or places, and moving from one OCS block area to

- another. On 10 March USCG issued a letter to OMSA indicating that they understand that this new regulation may present challenges to members of the industry.
- Passenger Weight and Inspected Vessel Stability Requirements: On 14 December 2010 USCG issued a Final Rule, which amends the maximum weight to 185 pounds. On 25 March the USCG issued some minor corrections to the final rule and these corrections will go into effect 25 April 2011.

Department of Interior (DOI) Office of Secretary

• Establishment of The Ocean Energy Safety Advisory Committee: On 24 January 2011 DOI established the Ocean Energy Advisory committee and was seeking nominations for this committee until 23 February 2011. This committee is not to be confused with the Center of Offshore Safety (DOC) which is an industry group under the API umbrella.

BOEMRE

• NTL Flaring and Venting Approval Contact Information: NTL No. 2011-No.2 which provides BOEMRE contact information for requesting approval to flare or vent natural gas or to burn liquid hydrocarbons. This list is effective 8 February 2011.

OSHA-

- Maritime Advisory Committee for Occupational Safety and Health (MACOSH) OSHA issued a notice that the committee will be re-established to represent the maritime industry (e.g. shipyard employment, longshoring, and marine terminal industries). The intent of this committee is to OSHA to perform the duties imposed by the OSH Act.
- **Feasible Administrative or Engineering Controls**: On 19 January 2011 OSHA withdrew the proposed interpretation regarding occupational noise exposure standards.

FMCSA

- Electronic On-Board Recorders and Hours of Service Supporting Documents: On 1 February 2011 FMCSA issued a notice of proposed rulemaking that would require certain motor carriers operating commercial vehicles to use electronic on-board recorders. Motor carriers would be given three years after the effective date to comply with the rule.
- **Hours of Service:** FMCSA issued a proposed revision to regulations for the hours of service for drivers of property-carrying commercial motor vehicles (CMV). IADC commented to the docket regarding the proposed rule changes.
- National Registry of Certified Medical Examiners: On 16 March 2011 FMCSA disused a
 notice with a request for comments regarding validation that the medical examiner used to
 conduct medical examinations for commercial drivers. This change would require the employer
 to provide documentation that the medical examiner is on the national list and documentation is
 included in the CMV driver's records.

DOT / Pipeline and Hazardous Materials Safety Administration (PHMSA)

- Limiting the Use of electronic devices: 28 February 2011 PHMSA issued a Final Rule that imposes requirements banning texting while operating a CMV while transporting hazardous materials.
- **Hazardous Materials Transportation:** On 28 February PHMSA issued a final rule revising its procedures for applying for a special permit to require an applicant to provide sufficient information about its operations to enable the agency to evaluate the applicant's fitness and the safety impact of operations that would be authorized in the special permit.

EPA

- Clean Water Act: EPA requested comments on any changes that need to be made to the next issue of the Vessel General Permit. IADC Commented to the docket and on 8 March 2011 the EPA entered into a settlement agreement with the NRDC and other environmental advocacy groups that challenged the ballast water management aspects of the VGP.
- Clean Air Act: 10 February 2011 EPA issued a proposed rule to update a portion of the OCS Air Regulations. The portions of the regulations that are to be updated pertain to the requirements of the OCS sources within 25 miles of the state seaward boundaries of Alaska. Comments were due 14 March 2011.

Other Regulatory Issues:

- Amendment to the List of MARPOL Annex V Special Areas That Are Currently in Effect to Add the Gulfs and Mediterranean Sea Special Areas: On 7 April the USCG issued a notice that announced 1 May 2011 effective date regarding discharge requirements from ships in the Wider Caribbean Region (WCR) special area which enter into effect.
- Nautical Institute Policy Revision Regarding DP Training & Qualification: The Nautical Institute will be implementing new requirements regarding DP operator's qualification and training schemes on 1 January 2012.

Prior to the main presentation Joe Hurt discussed the IADC EPAP Reporting effort. The group discussed reporting rig operating hours and in general felt that rig reporting hours would be any time the main engines are running providing power to the accommodations unit or drilling package.

Main Presentation:

Emission Testing by Air Hygiene, Inc. Quinn Bierman, President Quinn@airhygiene.com and Paul Little, Director of Customer Service, plittle@airhygiene.com

Lunch & Learn:

EPA Permitting Process with Regard to Engine Emissions Testing, by Zephyr Environmental Corporation, Eric Quiat, project Engineer, equiat@zephyrenv.com, and Jeff Blackmore, Principle, iblackmore@zephyrenv.com

Afternoon Session:

Open Forum -

The members discussed problems with fuel injectors and oil misters in new tier II engines. Concern was also raised that similar issues existed with the same engine manufacturer on different models of engines in use. There was a general consensus that there could be a failure within the engine components that raises concerns around the rig's ability to meet the operator's air permit requirements. After much discussion the members decided to invite a high level representative of the engine manufacturer to the next meeting.

To prepare for the meeting the all members were asked to provide their detailed issues to Richard Sporn, Noble Drilling, by 29 April 2011. Richard will summarize the submitted issues in a chart and provide it to the committee Chairman, Ken Gardner, who will send an invitation letter to the engine manufacturer to help the committee better understand the challenges being faced.

The group discussed the problems with Lifeboat hooks and release mechanisms. One company is conducting extensive testing of a verity of manufacturer's hooks and release mechanisms and will decide on a standard hook for their fleet of rigs.

The group also discussed AC electric motors that seem to have overheating problems.

Future topics - Solicitation of topics yielded no responses during this meeting. Therefore, the group was asked to submit topics that they deem appropriate for this committee at any time to either the Chairman or IADC liaison.

The meeting was adjourned at: 1315 hrs.

Next meeting:

12 January 2011- Pacific Drilling
13 April - Diamond Offshore
13 July - Pride International

12 October - Transocean

Attendance:

Name		Company Name
Paul	Little	Air Hygiene
Quinn A.	Bierman	Air Hygiene
Jim	Cue	Caterpillar, Inc.
Frank	Breland	Diamond Offshore Drilling Inc.
lan	Murdoch	Diamond Offshore Drilling Inc.
Kerry	Cain	Diamond Offshore Drilling Inc.
Andy	Young	Diamond Offshore Drilling Inc.
Specer	Riggins	Diamond Offshore Drilling Inc.
Tri	Le	Diamond Offshore Drilling Inc.
Floyd	Estay	Forum Energy Technologies
S.L. (Sindee)	Gillespie	GOA Enterprises
Eddie	Clark	Hess Corporation
Paul	Breaux	IADC
Joe	Hurt	IADC
Robert	McGrath	Noble Drilling Services, Inc.
Tim	Hayes	Noble Drilling Services, Inc.
Richard	Sporn	Noble Drilling Services, Inc.
Mark	Andrews	Parker Drilling
David	Balsiger	Pride International
Mike	Faulkner	Pride International
Richard	Cotton	Pride International
John (Fitz)	Fitzpatrick	Transocean
Pete	Ledingham	Transocean

Bob	Speirs	Transocean
Ken	Gardner	Transocean
Robert	Weiss	WEST Engineering
Jeff	Blackmore	Zephyr
Eric	Quiat	Zephyr