



Meeting:	<b>Date:</b> Thursday, 27 August 2015 <b>Time:</b> 10.00am – 11.30am <b>Address:</b> Easternwell Boardroom <b>10 Russell St, Toowoomba</b>
Attendees:	<b>Atlas Drilling:</b> Andrew Lear & Karen Halliday <b>Easternwell:</b> Luke Smith, Megan Scott & Laurie Blake <b>Ensign Energy:</b> Adam Watts & Jamie Stewart <b>Harness Energy:</b> Jay Ramanah <b>Lloyd’s Register:</b> John Cairns & Laurie Robertson <b>Horizon Resources International:</b> Justin Nally <b>Origin:</b> Martin Norvill <b>QGC:</b> Col Habarow <b>Santos:</b> Chris Longwell <b>Wild Desert:</b> David Whiley
Apologies:	<b>Arrow:</b> Beck Weaver <b>Easternwell:</b> Dan Smith & Nigel Logan <b>Ensign Energy:</b> Ian Nash, Michael Pandolfi & Gene Gaz <b>Grizzly Energy:</b> Craig Vandeborn <b>Harness Energy:</b> Michael O’Reilly <b>High Arctic:</b> Mike Maguire & Steve Lambert <b>Origin:</b> Brett Gungl <b>Parker Drilling:</b> Bob Wagner <b>QGC:</b> Barton McGrath <b>Santos:</b> Mick Brennan & Justin Sullivan <b>Saxon:</b> Luke Fleming & Jeremy Cosgrove <b>Savanna:</b> Phil Walton & Russell Moon <b>Senex:</b> Paul Seamer <b>Weatherford:</b> Andrew McDonald & Johnny Bromage
Chairperson:	Luke Smith
Note Taker:	Megan Scott – IADC-AC Treasurer/Secretary

- **Welcome and introductions** – Luke Smith welcomed those present followed by a round table introduction of all attendees.
- **Minutes** – Approve previous minutes **24.06.2015**, previously emailed to Working Group members. No changes were requested and minutes accepted.
- **Dropped Object Background – Safer Together:**  
Luke Smith again provided a brief background, due to new attendees present, for why this initiative has been organised. Dropped Objects is a high potential risk for incidents, which the management of needs to be similar, easier and common across the onshore industry. Longer term view for adequate means for DROPS prevention will be to have in place:
  - ✓ Set framework
  - ✓ System
  - ✓ Inspection program
  - ✓ Drops Champion
  - ✓ Approved audit program
  - ✓ Suitable 3<sup>rd</sup> Party on board
  - ✓ Licence to operate ticket – 2 years



IADC-AC together with Safer Together Industry Committee will be the over-arching body overseeing and supporting this Safer Together DROPs Working Group, whose aim is to minimise the impact of Dropped Objects for the Onshore Industry in Queensland initially, then possibly across Australia and Australasia Area.

IADC-AC provides the governance via the IADC Antitrust Policy and Guidelines. A copy of Rev 8, dated 6 February 2015 was given to all members via email and at the meeting.

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**Action List Review:**

- **Final Acceptance – Terms of Reference (ACTION ITEM 3):**

The “Terms of Reference (ToR)”, which covers the following subjects:

- ✓ Purpose
- ✓ Scope
- ✓ Roles and Responsibilities
- ✓ POC for each company
- ✓ Milestones/Term
- ✓ Meeting Schedule
- ✓ Cost Analysis
- ✓ Amendment, Variation or Modification

This document has assisted with the understanding and provided the opportunity for all operators to have input and influence the direction, thereby removing personal opinions and setting a workable industry standard for Australian Onshore Industry.

Agreed to the request to amend the ToR to add that the members can send a delegate to the meetings on their behalf. Working group was advised via email and given a final copy.

***Action 3: “Terms of Reference” document, the final copy was given to the Working Group attendees and will also be distributed with minutes. Action item to be closed.***

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- **Review “The Guidelines” (ACTION ITEM 5):**

- a) Acceptance of DROPS the Guidelines as the agreed standard;
- b) Adopt the colour coding and zone breakdown;
- c) Clearly outline an equipment fastening method;
- d) Inventory of equipment for each rig in an agreed format;
- e) Agreed timeframe for Training program to be developed and implemented, and
- f) Risk matrix: clear structure and process for determining risk scores

Replies received from **Easternwell, Savanna, Weatherford and Ensign (Full agreement)**

**Saxon (partial agreement a-c).**

Items d-f may be outside of a very recent global rollout of the Saxon/SLB Global DROPS standard. If **Saxons** Global DROPS standard meets the intent of DROPS “The Guidelines” standard, then it will be accepted as being in full agreement.

Replies outstanding: **Wild Desert & Atlas Drilling.**

***Action 5: All Company Representatives are to review DROPS “The Guidelines” and advise the answers to the items listed above to Megan Scott at [mscott1@easternwell.com.au](mailto:mscott1@easternwell.com.au)***

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- **Company incident data for Audit Tool (ACTION ITEM 6):**

Discussion continued from the last meeting about the quality of training material and the need to continue to gather DROPS specific incident data in order to create relevant and pertinent audit questions for the inspection checklist development. Discussed the issue of any recurring incidents, for example “jarring” operations and the question of “what is the protocol following jarring operations”. Justin advised that jarring operations would fit under “abnormal operations”, would be added to the framework and up to the contractor to manage if incidents continue.

Discussion about how to standardise the audit tool, which would be in two parts a) audit the system and b) conduct inspection of rig site. Justin mentioned that it would be difficult for audit to see the evidence of demonstrating the company’s system. Particularly as the rig is new and hasn’t commenced operations, it would be difficult to demonstrate the culture. A possible solution would be to have in place “a new rig inspection” regime, which could be followed by a full audit after 3 month operations.

**Action 6: a) All Company Representatives were reminded to send their company data for incidents that involved particular incidents that were not a result of primary retention, email information to Justin Nally at [dropped.objects@h-r-i.com](mailto:dropped.objects@h-r-i.com) b) Horizon and Lloyds Register are to develop a draft audit tool for review at the next Working Group meeting.**

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- **Forward Plan:**

- ✓ Rigs ready for audit
- ✓ Process for initial audit
- ✓ Process for corrective action
- ✓ Costs and allocation

To be prepared for auditing each rig is to complete an “inventory of equipment” in accordance with the DROPS Guidelines and establish the inspection protocol. This is to be completed by the end of 2015.

**Action 9: Each rig is to complete an “Inventory of Equipment” and establish the inspection protocol. Due by end of 2015**

Luke advised that the first goal moving forward, would be to have a few rigs audited and through the process by the end of the year. Both Ensign and Wild Desert offered their rigs for the trial audit. A trial audit is to be conducted, be open book and the working group is to be able to review findings. Identify any opportunities for improvement.

**Action 6: c) Conduct trial audit with Ensign and Wild Desert rigs (due 12/2015). Report findings to Working Group and identify any opportunities for improvement.**

All were in agreement that whatever systems, processes or tools were put in place, they needed to be simple and all needed to ensure they were empowering the Rig Managers to say no to equipment that is not “fit for purpose”. As the Rig Manager is the Rig Site Safety Manager it is their responsibility to ensure that all safety requirements are in place and managed appropriately.

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- **General Discussion:**

Discussion about the training material and that Lloyds Register have already created the training material and program. Therefore Lloyds Register will gain approval from their company to further share the material with the working group. Horizon to provide the training package for rig personnel based on the DROPS Guidelines.

**Action 7: a) Lloyds Register (John Cairns) is to email the Training Program (subject to approval) to Megan Scott at [mscott1@easternwell.com.au](mailto:mscott1@easternwell.com.au) to be further distributed to Working Group email. b) Horizon to provide the Training Package for rig personnel to Working Group (Justin Nally)**

Discussion regarding the best guidelines going forward. The Reliable Securing Version 3 is considered to be the best guidelines available but not totally relevant to onshore rigs, therefore a review by the working group is warranted. The working group members are to detail which particular parts of the guidelines that they can agree to and remove the parts that are not relevant to onshore rigs, thereby gaining clarity around what is relevant to onshore/land rigs. By creating guidelines that are relevant and pertinent to onshore rigs, will also enable consistent auditing and set the agreed expectations.

Laurie believes that more focus should be around “dynamic drops” and not the “static drops”.

**Action 8: Reliable Securing is to be sent to working Group for review, stating what onshore rigs will agree to, removing the parts that are not relevant: [mscott1@easternwell.com.au](mailto:mscott1@easternwell.com.au) to email to word version with tracking to the Working Group email. Replies to be sent back to [mscott1@easternwell.com.au](mailto:mscott1@easternwell.com.au) by 30/10/2015.**

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Closing Time:	11:30 am
Next Meeting:	Oct 2015 (TBC) following the next RSSWG meeting (04/09/2015)

Action Template			
Safer Together DROPS Working Group			
Action(s)	Due Date	Responsible Party	Comments
1. <b>Drops activities information of Operators</b>	24.06.2015 <i>(ON HOLD)</i>	All operators to email information to Justin Nally <a href="mailto:justin.nally@horizonresourcesintl.com">justin.nally@horizonresourcesintl.com</a>	1. Commonality report completed. On hold for now. Revisit following review of "The Guidelines" for agreed minimum standardisation
2. <b>DROPS Contact</b>	24.06.2015 <i>(CLOSED)</i>	Justin Nally to send contact information to Luke Smith	1. To enable obtaining an editable soft copy of the DROPS Guidelines Rev 3. Soft copy available, email <a href="mailto:mscott1@easternwell.com.au">mscott1@easternwell.com.au</a> for copy at any time.
3. <b>"Terms of Reference" document</b>	27.08.2015 <i>(CLOSED)</i>	Megan Scott to co-ordinate collection of responses, following final review request.	1 <sup>st</sup> Review completed 24.06.2015 1. Add comments regarding "delegate" (Completed) 2. Each company to nominate one person/delegate.(Completed for contractors) 3. Create Working Group email distribution group (Email Group has been set up) 4. Final copy to be distributed with the minutes.
4. <b>DROPS Australasia Chapter Investigation</b>	24.06.2015 <i>(CLOSED)</i>	IADC-AC – Luke Smith is to contact DROPS	1. To determine if beneficial to join as the DROPS Australian Chapter.
5. <b>'DROPS The Guidelines' Review</b>	30.09.2015	All operators to advise if Company is willing to adopt (a-f) to <a href="mailto:mscott1@easternwell.com.au">mscott1@easternwell.com.au</a>	a) Acceptance of DROPS the Guidelines as the agreed standard; b) Adopt the colour coding and zone breakdown; c) Clearly outlined an equipment fastening method; d) Inventory of equipment for each rig in an agreed format; e) Agreed timeframe for Training program to be developed and implemented and f) Risk matrix: clear structure and process for determining risk scores Replies received from <b>Easternwell, Savanna, Weatherford and Ensign (Full agreement)</b> <b>Saxon (partial agreement a-c).</b> Replies outstanding: <b>Wild Desert &amp; Atlas Drilling.</b>



<p><b>6. Data Collection of Incident Alert Information for Audit Tool and Trial Audit</b></p>	<p>10/2015 (TBC)</p> <p>10/2015 (TBC)</p> <p>31/12/2015</p>	<p>All operators to send information regarding Dropped objects incidents and trends via email information to Justin Nally: <a href="mailto:dropped.objects@h-r-i.com">dropped.objects@h-r-i.com</a></p> <p>Horizon &amp; Lloyds Register to liaise together to draft audit tool.</p> <p>Horizon &amp; Lloyds register to conduct trial audit</p>	<ol style="list-style-type: none"> <li>1. Incident alerts information regarding incidents that were not due to primary retention, send to Justin Nally ASAP for collation and development of audit questions for checklist. Remind all to send report to Justin ASAP. Outstanding action item.</li> <li>2. Horizon and Lloyds Register are to develop a draft audit tool for review at the next Working Group meeting.</li> <li>3. Conduct trial audit with Ensign and Wild Desert rigs (due 12/2015). Report findings to Working Group and identify opportunities for improvement.</li> </ol>
<p><b>7. Training Program</b></p>	<p>10/2015 (TBC)</p>	<p>John Cairns (Lloyds Register) is to send to <a href="mailto:mscott1@easternwell.com.au">mscott1@easternwell.com.au</a></p> <p>Justin Nally to provide training package for rig personnel</p>	<ol style="list-style-type: none"> <li>1. Lloyds Register - DROPS Training Program. Permission to be granted for use by WG</li> <li>2. Horizon to provide training package for rig personnel based on DROPS Guidelines.</li> </ol>
<p><b>8. Reliable Securing Review</b></p>	<p>30/10/2015</p>	<p>Reliable Securing Guidelines Rev 3 (word version) with tracking to be sent to all working group members by <a href="mailto:mscott1@easternwell.com.au">mscott1@easternwell.com.au</a></p>	<div data-bbox="1160 643 1552 1185" data-label="Image"> </div> <p>All operators to advise what parts of Reliable Securing Guidelines that onshore rigs are willing to agree to for developing the audit requirements.</p> <p>Provide feedback ASAP.</p> <p>Aim is to develop an acceptable minimum standard relevant to Australian onshore rigs, which can be audited against.</p>
<p><b>9. Inventory of Equipment</b></p>	<p>31/12/2015</p>	<p>All Rigs are to complete 'inventory of equipment' and "inspection protocol".</p>	<ol style="list-style-type: none"> <li>1. In accordance with DROPS "The Guidelines", complete an inventory of equipment spreadsheet and</li> <li>2. Establish inspection protocol.</li> </ol>