

Meeting:	<b>Date:</b> Wednesday, 30 September 2015 <b>Time:</b> 10.00am – 11.30am <b>Address:</b> Easternwell Boardroom <b>10 Russell St, Toowoomba</b>
Attendees:	<b>Atlas Drilling:</b> Karen Halliday <b>Easternwell:</b> Luke Smith, Megan Scott, Dan Smith & Nigel Logan <b>Harness Energy:</b> Jay Ramanah & Rory Duff <b>Lloyd's Register:</b> John Cairns & Eric Adlard <b>Horizon Resources International:</b> Justin Nally & Peter Ashe <b>QGC:</b> Col Habarow <b>Savanna:</b> Russell Moon <b>Weatherford:</b> Johnny Bromage
Apologies:	<b>Arrow:</b> Beck Weaver & Benjamin Prain <b>Atlas/Titan:</b> Andrew Gallagher & Andrew Lear <b>Ensign Energy:</b> Ian Nash <b>Grizzly Energy:</b> Craig Vandeborn <b>Harness Energy:</b> Michael O'Reilly <b>High Arctic:</b> Mike Maguire & Steve Lambert <b>JJ Richards:</b> Mick Turner <b>Lloyd's Register:</b> Paul Wee & Laurie Robertson <b>Origin:</b> Brett Gungl <b>QGC:</b> Barton McGrath & Steve Daly <b>Santos:</b> Mick Brennan, Chris Longwell & Justin Sullivan <b>Saxon:</b> Luke Fleming <b>Savanna:</b> Phil Walton & Ken Ledger <b>Senex:</b> Paul Seamer <b>Weatherford:</b> Andrew McDonald <b>Wild Desert:</b> David Whiley
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 **27.08.2015**, previously emailed to Working Group members. No changes were requested and minutes accepted.
- **Outstanding actions:**  
 Luke reminded all present that the Rig Inventory list (**Action Item 5 (d)**) needs to be in place prior to audit tool being utilised and the deadline suggested to the Safety Leadership Group was that all requirements to utilise the audit tool would be in place by the end 2015.  
 At the last meeting, the group considered running a trial on a couple of rigs (Ensign & Wild Desert) which is not possible until the audit tool is ready to be utilised. To be further discussed when the audit tool is ready to undergo first trial (refer to **Action Item 6**).  
 Discussion about the outstanding **Action Item 8** for review of “Reliable Securing Guidelines”, this will be ongoing and members can send in changes with tracking at any time. This action item will continue to be reviewed at each DROPS Working Group meeting.



- **Easternwell Incident Presentation by Luke Smith:**

- Dropped Tubing Tong
- Torque Rein Arm Snags on Derrick Basket
- Dropped Drill Pipe
- Drill Collar Falls Striking Floor hand
- Winch Line Parting

Robust discussion about the various dynamic drops incidents to determine relevant audit tool questions and if any that could be added to the audit tool to address these particular types of incidents. Talked about the need for a strong relationship with the Regulator, similar to the Offshore contractors and NOPSEMA. They appear to be more in tune with their contractors as they send out alerts on behalf of the industry and conduct inclusive workshops to deal with common issues.

- **Workshop – “DROPS Audit Tool”:**

The main focus for the meeting today is to workshop the ‘DROPS Audit Tool’ to ensure that Horizon and Lloyds Register are on the right track, detailing the right types of questions that are cognisant of meeting the audit requirement for rigs to achieve an agreed minimum standard.

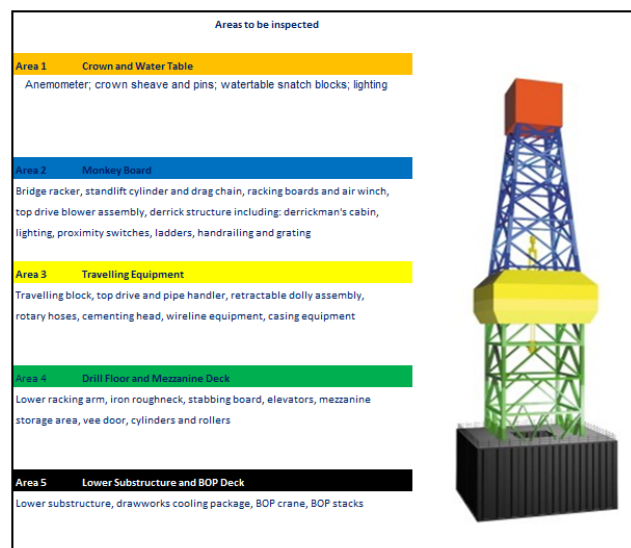
Justin advised that a monthly update can be organised and sent out for inclusions and/or changes to the audit checklist as it is a live document.

Points to be included in the Audit Tool:

- Is there a DROPS champion in place? Relevant experience (K2, IADC) skills and experience identified and measurable. Minimum experience/time on rigs for DROPS Champion (Minimum 3-6 years). Identify checklist questions for audit.
- Inventory of equipment (split into zones) exists? Is there an inspection regime in place? Rig specific and adequate (fit for purpose)? Demonstrate history of inspections.
- Inspection regime after difficult operations (jarring, long rig moves), and third party contractors (evidence of checks in place).
- Working at heights tools, audit permits to work for evidence of working at heights items? Limit to travelling assembly, any interlocks in place?
- Is there a Lifting equipment register in place? Working at height tools identified and certified.

Justin Nally showed the audit tool with the relevant tabs and question completed to date:

- Cover (Audit Tool Header)
- Rig Details (Specific to rig)
- Areas (to be inspected)
- Criteria  
(Slight/Minor/Major/Fatality)
- Systems (Review – 35 questions)
- All Rig (95 questions)
- 1. Crown (25 questions)
- 2. Monkey Board (TBA)
- 3. Travelling Blocks (TBA)
- 4. Drill Floor (TBA)
- 5. Substructure (TBA)
- Other



- **General Discussions:**



### **Bowtie Methodology**

Discussion about the Bowtie methodology and the benefit of using this methodology to determine threats, barriers and consequences for DROPS activities.

**Action Item (9):** A Sub Group to conduct Bowtie analysis of Dropped Objects is to be formed from this Working Group and will be led by Dan Smith. A report to Working Group of the outcomes and findings is to be supplied to the next Working Group meeting.  
(Nigel Logan and Russell Moon to assist)

### **Auditor Competence**

Discussion about the important requirement for Auditors to be both experienced and competent, including having DROPS experience. This group to provide details of the minimum requirements for Auditor's below and the Safer Together Group to endorse as a Committee:

- Industry experience of 5 years
- Member of Safer Together
- Quality certified
- No conflict of interest
- Inductions/Training
  - Lead Auditor (prescribed course)
  - DCGI
  - DROPS
  - Permit to Work
  - Working at Heights
  - 4WD

### **Training**

There was discussion about the various training opportunities that will exist, to run different scenarios following the completion of rig audits. This will enable coaching and mentoring opportunities on site. Allows for Site Managers to respond to audit with the controls they are not happy with and be able to assist with the education so will be a win/win for all involved. DROPS currently is not a recognised as a core competency, IADC has this competency but not in Australia. There may be an opportunity to push this issue for resolution with SkillDMC. At the next working group Jay is provide an example of learning outcomes for feedback purposes.

### **Disposal Process**

There is no disposal process in place for rig equipment; this issue needs to be discussed further.

### **Third Party**

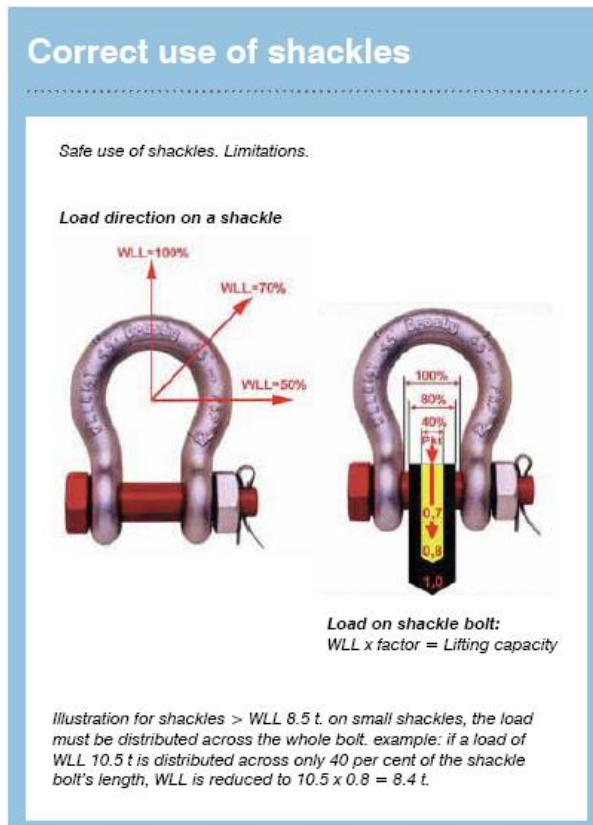
Discussion about third party contractors and that the reliable securing guidelines cover third party on site and the Rig Manager has the onsite responsibility so need to communicate expectations. Option may be to add the requirement for a DROPS audit to be added to the prequalification process.

### **Licence to Operate**

There must be a grace period for implementing recommendations following DROPS audit. The first audit will be the baseline audit, with the self-assessment being completed prior to audit. Following the grace period for implemented recommendations, then 2 years later the audit will be for issuing the licence to operate.

### Plant and Equipment rating

There was discussion about the retention not just being about primary and secondary but also what ratings the plant and equipment are rated for to be used. Reliable Securing Guidelines provides recommendations. Discussion about use of sheaves, need to ensure pad eyes are rated to suit sheave, noting that the associated shackle is appropriately rated including the load distribution impacts. See Rev 2 recommendations below. Rev 3 recommendations are pages 60-64. Working Group to go through recommendation and make more simple and suited to land rigs.



### Functional recommendations

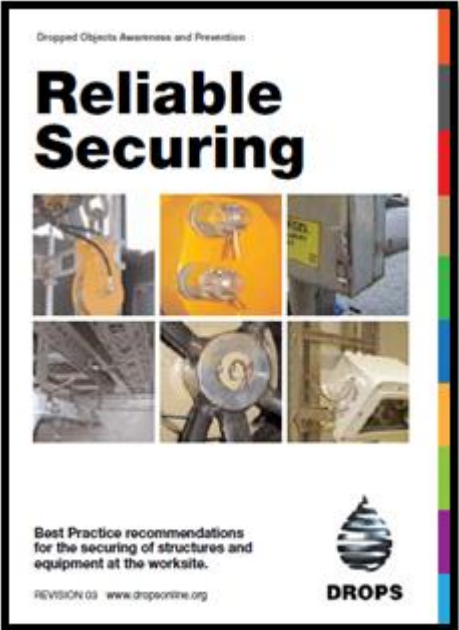
- Shackles must be certified and approved, ie marked with the designated colour code of the year (preferably by using coloured tie wraps).
- Shackles must be equipped with two barriers: nut and cotter pin.
- Shackles must only be used for their intended purpose and manner.
- The user must be familiar with the applicable limitations and guidelines for use.
- Shackles are designed to support the load at the bottom of the hollow torus and evenly across the shackle bolt.
- If shackles are exposed to loads in other places, this must be taken into account during use as it will reduce capacity.
- Point loads on the shackle bolt should be kept to a minimum as it will reduce capacity.
- On shackles with a capacity of more than 8.5 t, or with large openings, the reduction factor shown at the bottom of the figure may be used to prevent deformation of the shackle bolt.

**Action Item (10):** John Cairns is to provide the references from Reliable Securing Guidelines relating to use of shackles and securing equipment at height, with the aim to make more applicable to land rig operations.

Closing Time:	12:19 am
Next Meeting:	4 <sup>th</sup> November (TBC), to be held prior to the SLG meeting on 6 <sup>th</sup> November 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>	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	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) 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	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>	<ul style="list-style-type: none"> <li>a) Acceptance of DROPS the Guidelines as the agreed standard;</li> <li>b) Adopt the colour coding and zone breakdown;</li> <li>c) Clearly outlined an equipment fastening method;</li> <li>d) Inventory of equipment for each rig in an agreed format;</li> <li>e) Agreed timeframe for Training program to be developed and implemented and</li> <li>f) Risk matrix: clear structure and process for determining risk scores</li> </ul> Replies received from <b>Easternwell, Savanna, Weatherford and Ensign (Full agreement) Saxon (partial agreement a-c).</b> Replies outstanding: <b>Wild Desert &amp; Atlas Drilling/Titan.</b>



<b>6. Data Collection of Incident Alert Information for Audit Tool Development</b>	30.09.2015	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>	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 audit tool checklist. Remind all to send report to Justin ASAP. Outstanding action item.
<b>7. Training Program</b>	30.09.2015	John Cairns (Lloyds Register) is to send to <a href="mailto:mscott1@easternwell.com.au">mscott1@easternwell.com.au</a> subject to Lloyds approval the DROPS Training Program documents.	Lloyds Register - DROPS Training Program. Permission to be granted for use by Working Group.
<b>8. Reliable Securing Review</b>	04.11.2015	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>	All operators to advise what parts of Reliable Securing Guidelines that onshore rigs are willing to agree to for developing the audit requirements. Provide feedback ASAP. Aim is to develop an acceptable minimum standard relevant to Australian onshore rigs, which can be audited against. 



<p><b>9. Bowtie Methodology applied to DROPS</b></p>	<p>04.11.2015</p>	<p>A Sub Group is to be formed from this Working Group led by Dan Smith to conduct Bowtie Analysis of Dropped Objects. A report is to be provided to Working Group at the next meeting. (Nigel Logan and Russell Moon offered to assist)</p>	<p>The diagram is a bowtie model. At the top center is a yellow and black hazard symbol labeled 'Hazard'. Below it is a red circle labeled 'Top Event'. To the left of the Top Event are three blue boxes labeled 'Threat'. Each Threat box is connected to the Top Event by a line. Below each Threat box are two white boxes labeled 'Barrier', also connected to the Top Event. To the right of the Top Event are three red boxes labeled 'Consequence'. Each Consequence box is connected to the Top Event by a line. Below each Consequence box are two white boxes labeled 'Barrier', also connected to the Top Event.</p>
<p><b>10. Reliable Securing references</b></p>	<p>04.11.2015</p>	<p>John Cairns is to provide the references from Reliable Securing Guidelines relating to use of shackles and securing equipment at height, with the aim to make more applicable to land rig operations.</p>	<p>References – Reliable Securing Guidelines Rev 2 and Rev 3.</p>