



#### WHAT WILL I COVER?

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Background - Where are we now?

What's going on in industry?

Where do we need to get to?

#### NO SHORTAGE OF GOOD IDEAS?

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We have done the theoretical work – we know this stuff!

- + "Balanced Scorecard" 1997
- + UK HSE 2006
- + OECD 2003, 2006, 2008
- + CCPS 2008
- + Energy Institute 2010
- + OGP 2011 Only specific Upstream guidance

# OGP: Process Safety – Recommended Practice KPIs (Report 456) 2011

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The only specific upstream guidance on KPIs from an international body

Closely follows content of API 754

3 main Issues:

- + Language and concepts
- + Loss of Containment Focus
- + Upstream Major Incidents

### OGP 2011 Report 456 Consequences of API heritage:

- + Language and concepts
  - Loss of *Primary* Containment
  - Pressure Relief Devices
  - Does this language resonate with drilling industry?
- Upstream Major Incidents not losses of containment
  - Alexander Kielland
  - Ocean Ranger
  - Kolskaya and others

#### Conclusions on OGP 456

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- + Commend OGP for the effort
- + But it is only a small incremental improvement on API 754
- + Too focussed on a narrow range of consequences eg loss of containment
- + Does not resonate with Drilling
- + Insufficient focus on other types of Major Incidents

More work needs to be done!

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# Abandoning the West Atlas Jack Up over the Montara WHP

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#### Montara Blowout

- + Cemented casing shoe not tested
- + No Blow Out Preventer (BOP) in place
- + Mud replaced by (underbalanced) Seawater
- + INADEQUATE MANAGEMENT OVERSIGHT

## PTTEP Australasia Line of Sight (LoS) Tool - 1

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Montara Action Plan: "Ensure senior managers have oversight over major accident risks"

- + Essential barriers or controls to major accident events (MAEs) identified with workforce.
- + MAEs chosen:
  - Unignited Blowout
  - Loss of stability
  - Toxic Gas release
  - Large scale fire
  - Unsafe helicopter operating environment

### PTTEP Australasia Line of Sight (LoS) Tool - 2

- + Process similar to HSE 2006/Scottish Power
- + Identify and specify the barriers (with workforce) record using bowties
- Identify checks for each barrier and accountabilities
- + Carry out the checks on "health" of barriers

# Line of Sight (LoS) Tool Unignited Blowout

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- + 12 barriers for the Unignited Blowout MAE egs:
  - Mud weight and properties as per drilling program
  - Tripping speed verified as per Well Control Manual (WCM)
  - Excess barite and cement on board
  - Diverter and associated valves function tested in accordance with WCM
  - Well barrier verification sheets completed and signed off as per Well Manual

## PTTEP Australasia Line of Sight (LoS) Tool - 3

- + Currently in use (2 different rig owners one jack up and one semi)
- Provides details on health of barriers to all levels of management
- + Status of barriers recorded and reported via IT system and displayed on managers screens
- + Company drilling supervisors and rig owners report no significant additional burden
- + Much greater transparency on "process safety"

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#### What do we need to do?

- 1. Recognise that OGP RP 456 is not sufficient
  - Too loss of containment focussed
  - Doesn't work well for drilling sector
  - Misses out other major accident event types
- 2. Revisit OGP Report 456
- 3. Implement the recommendation on data from the recent National Academy of Sciences report (with *all* relevant stakeholders including the workforce).

