



Sustaining Safe and Clean Operations in the GOM OCS

*A Perspective of the
Offshore Operators Committee*

**MMS 2008 Industry Awards Program
April 10, 2008**



Topics of Discussion

Offshore Operators Committee (OOC)

- Who are we & What do we do?
- Recent/Current Activities

Gulf of Mexico OCS Safety & Environment

- Industry Performance (how are we doing?)
- Challenges – today and on the horizon

Looking Forward, Staying Safe & Clean

- What Should our Approach be?
- Opportunities



Offshore Operators Committee

Who are we?

- Non Profit Trade Organization
- Focused on GOM Operational Issues
- Our GOM Member Companies represent:
 - 96% of Oil and Gas Production
 - 90% of Leases Operated
 - 85% of Wells Drilled
 - 84% of Facilities Operated
- 64 Member Companies
- 60 Associate Members



Offshore Operators Committee

What do we do?

Work with Government Agencies, e.g., MMS, USCG, EPA, and other trade organizations;

- Participate in the development of Operational Standards and Recommended Practices;
- Perform Technical Studies;
- Comment on Agency Rulemakings;
- Sponsor / participate in workshops and conferences;
- Conduct Industry surveys
- Host Stakeholder events on OCS issues



OOC/API-MMS Past Collaborative Efforts

- Joint sponsorship of key workshops:
SEMP, Crane Safety, Subpart J and K, Hurricane Preparedness, Incident Reporting
- Development of significant Industry API RPs:
Security - RP 70, Mooring/Site Evaluation 95 J & F, 2SK, Met Ocean Criteria Development, Facilities Assessment, Management of Sustained Casing pressure - RP 90, Surface Preparation & Painting – TB 91, Helidecks - RP 2L
- Scientific studies to support offshore activity:
Deep Spill Research – fate and effect of deepwater releases, Explosive removal of structures, Marine mammal sound issues, Synthetic based mud sea-bed survey, Hypoxia Study, Mercury in the marine environment, Mooring JIP.



OOC/API-MMS Current Efforts

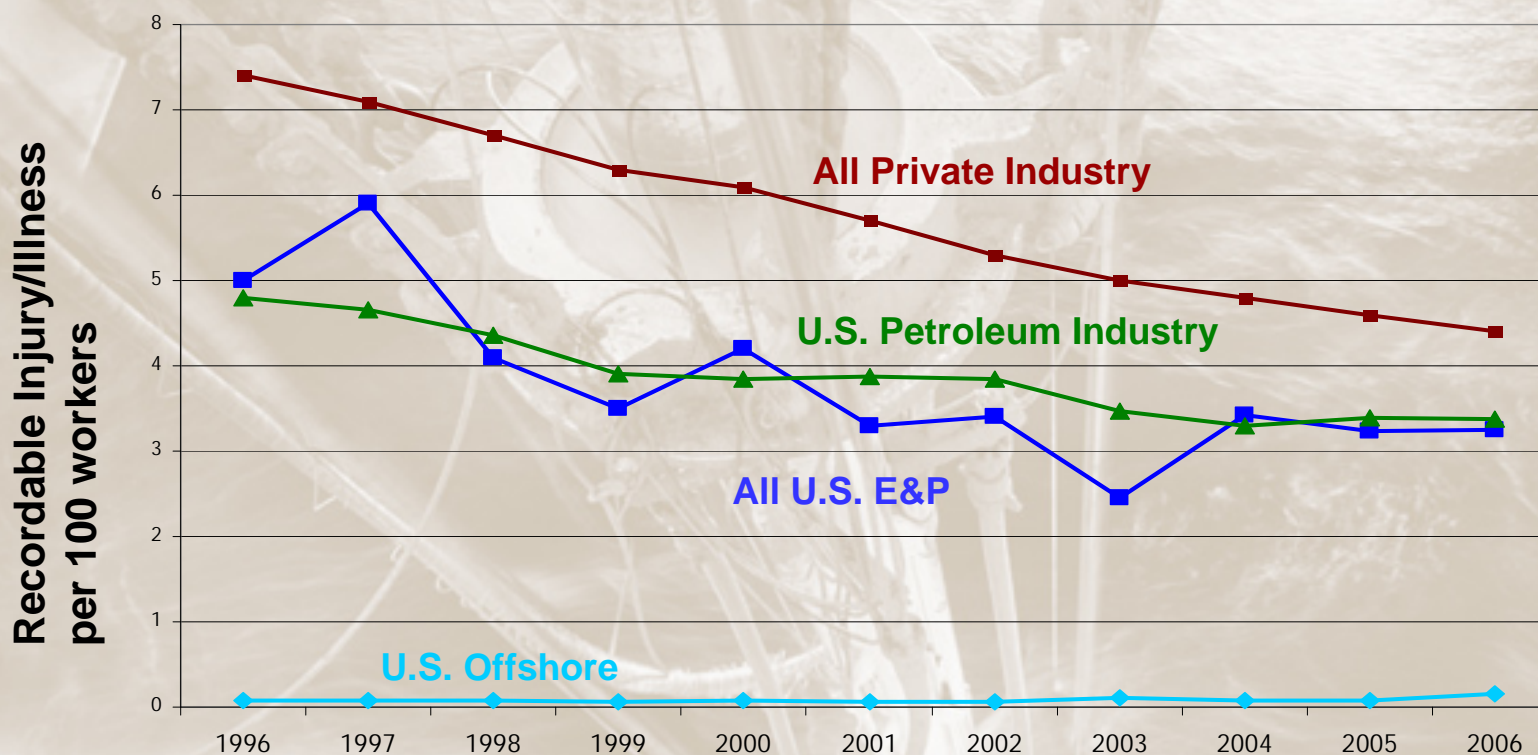
- Rigs to Reef
- MARPOL – Transport of SBM
- Cooling Water Intake Structures
- BOP Reliability Testing
- Security Regulations (CFATS, TWIC)
- Oil Spill Worst Case Discharge



OPERATING SAFELY

OCS Performance

U.S. Offshore vs. Other Industry Job-related Injury and Illness Rates

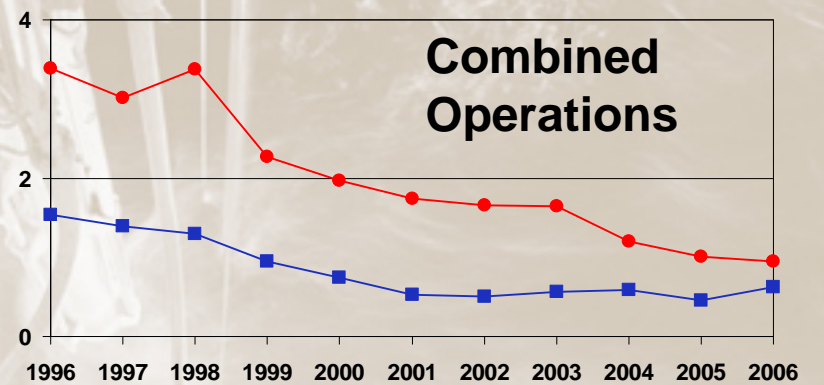
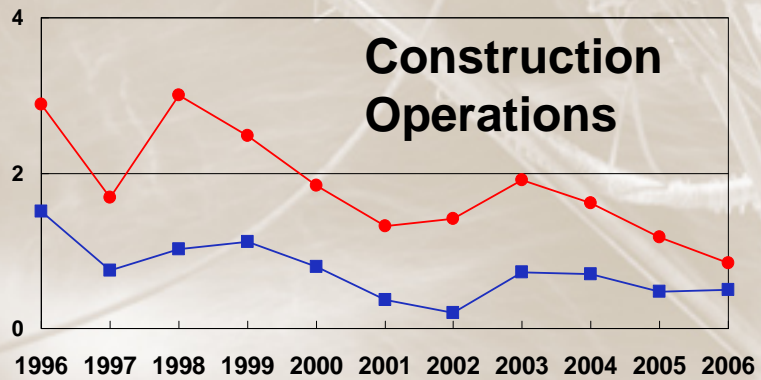
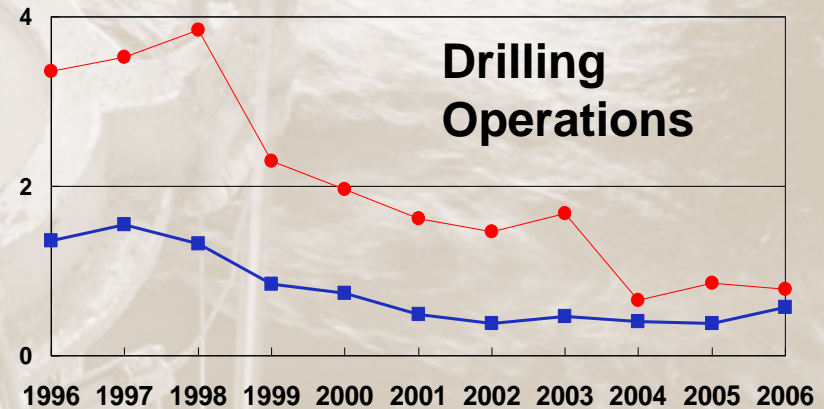
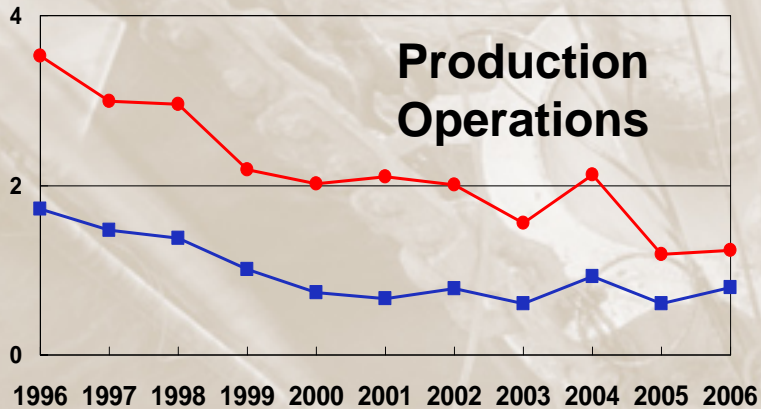


Source: BLS and MMS



Recordable and Lost Workday Case Incident Rates

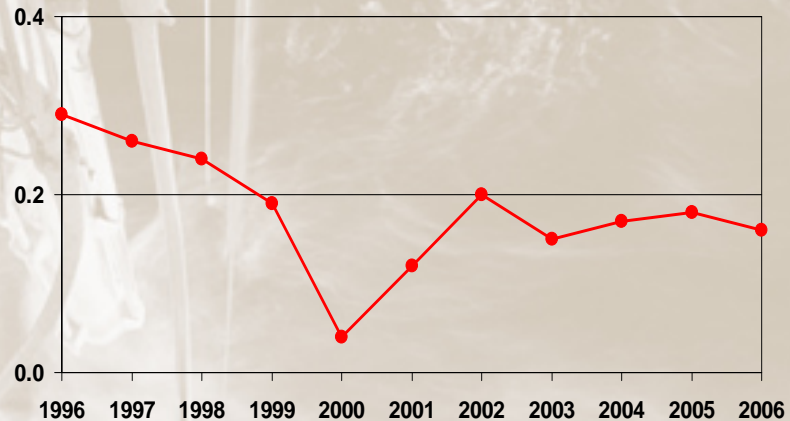
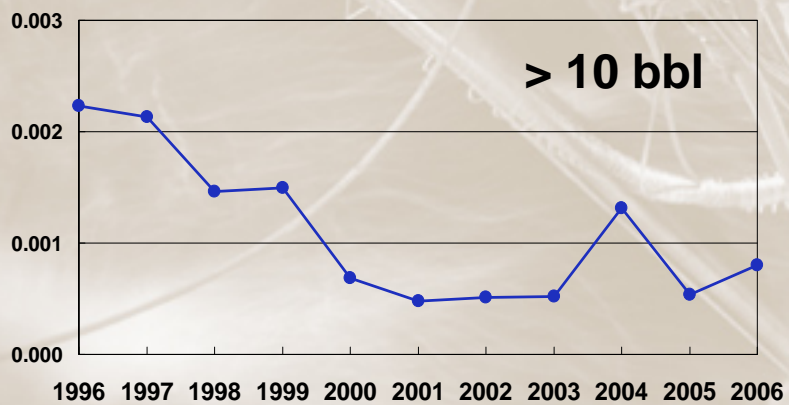
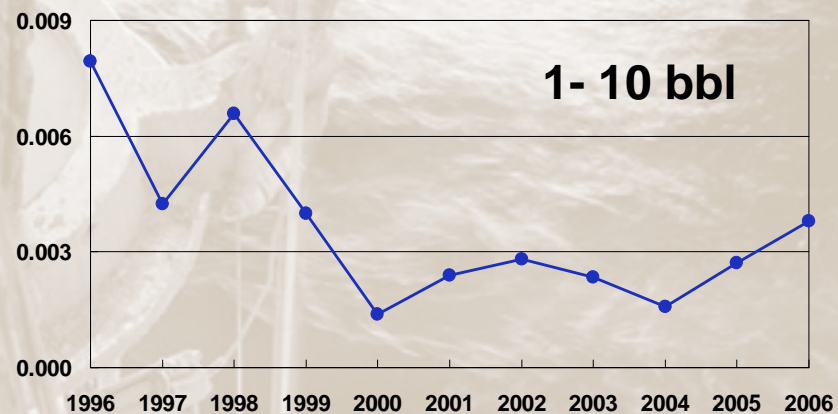
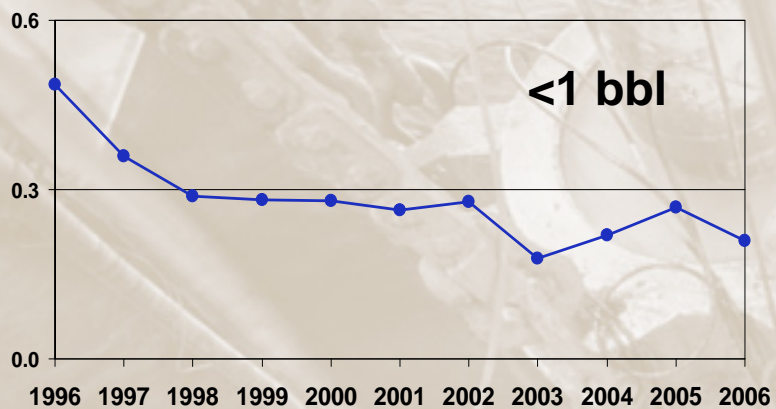
● Recordable ■ Lost Workday





Environmental Incident Rates

■ Number of Oil Spills ● NPDES Non Compliance

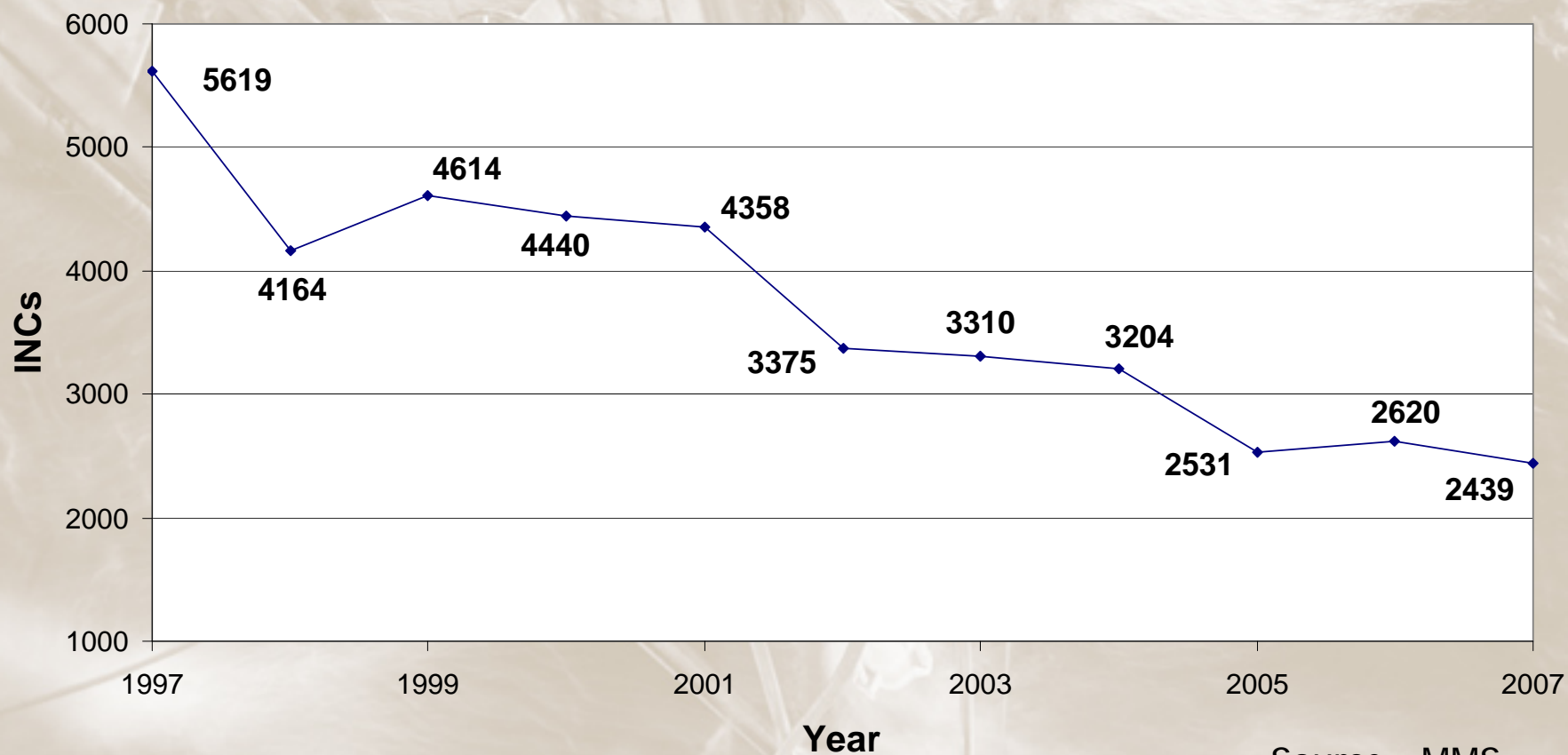




COMPLIANCE HISTORY

Continuous Improvement!

GOM OCS INCs (1997 - 2007)



Source: MMS



The key question going forward....

How do we maintain or improve performance in an environment of significant change?



The Changes are Real...

- The "Big Crew Change"
- More Complex Facilities and rapid integration of technology and equipment
- Distance from Shore Increasing
- Aging Infrastructure
- More Activity, Global Pressures, Limited Workforce

Change Creates Opportunities for Increased Safety and Environmental Exposure!



Whose Challenge is it?

- A. Individual Companies?
- B. Trade Associations (OOC, API, IADC)?
- C. Government Agencies (MMS, USCG, EPA)?
- D. All of the Above

Answer: D



What should our Approach be?

- Collaborative
 - Working together is imperative considering pace and activity levels.
 - Safety and environmental protection is not a competitive advantage!
- More Strategic
 - Less reactive; not driven by incidents
 - Data driven (leading indicators, key areas of increased exposure)
 - Prioritized and aligned for resourcing (people and funding)



Opportunities to Impact GOM OCS Future Performance

Expanded
Safety/Enviro
Network

Effective
performance
assessment
tools

Structures & Wells:
manage complexity
& future utility

Training Collaboration/
Workforce Development

Alt. Compliance &
Performance
based programs

Enhanced
Med-Evac
Response

Others??

Expanded
Weather &
Data Stations

Define "clean"
and respond to
global concerns

Improve/Expand
Communications

Efforts to Attract,
Hire & Retain



Thank You!

**If you are not a member of OOC,
please consider joining!**

Contact us

@

www.offshoreoperators.com