



**WCI Board of Directors Meeting – 3 November 2015
Hyatt Regency Riverwalk Hotel, San Antonio, Texas**

Attendees:

Moe Plaisance, Chairman
Alan Marsack, Shell
Andy Krieger for Gary Jones, BP
Claus Hemmingsen, Maersk Drilling
David Payne, Chevron
David Williams, Noble Corporation
Dawood Al-Dawood, Saudi Aramco
Gary Halverson, Cameron
Gene Stahl for Kevin Neveu, Precision Drilling (via phone)
Jeff Flaherty for John Lindsay, Helmerich & Payne (via phone)
J.F. Poupeau, Schlumberger
Joe Rovig, National Oilwell Varco
Leesa Teel, IADC
Lyndol Dew, Diamond Offshore Drilling Inc.
Michael Engell-Jensen (via phone)
Mike Nuss, Ensign Energy Services (via phone)
Richard Lynch, Hess (via phone)
Simon Drew, KCA Deutag (via phone)
Steve Colville, IADC
Steve Kropla, IADC
Taf Powell, IADC
Mark Denkowski, IADC

1. Introductions and Anti-Trust Statement

Moe Plaisance greeted members of the Board. Sadly, he announced the passing of Don Jacobsen who was a founding member of the WCI Board. The Board held a moment of silence in Don's honor. Steve Kropla gave a building safety overview, and noted that the meeting was subject to the [IADC Anti-Trust Policy and Guidelines](#). Mr. Kropla took roll call.

2. Discussion – Status of Action Items

IADC & IWCF Comparison to IOGP 476

Mr. Plaisance referred to the action items listed on the agenda. The Board discussed the submissions from IADC and IWCF. Mr. Plaisance noted how pleased he was with the detail of the submissions from both organizations. He suggested the Board form a work group to analyze the submissions and report the highlights to the Board. Mr. Williams asked what qualifications and experience persons to be nominated to the work group

should possess. Mr. Plaisance suggested the work group be a mix of training and operations personnel.

Mr. Krieger committed a BP representative to participate on the group. He noted BP had reviewed the responses and had observations to share. Mr. Colville discussed the possibility of eventually working towards a universal global standard. Mr. Williams noted that initially the purpose of WCI was to deliver a single standard to industry and that for various reasons that had not occurred. Mr. Plaisance suggested the first step be to review the documents in detail. After that process, he suggested the Board could determine the next steps. Noble and Maersk agreed to join the group. BP will take the lead in organizing the work group and will coordinate action steps via email. Mr. Dew suggested that someone familiar with IWCF contribute to the group as well. He noted that when reviewing the documents he was more familiar with the functions of WellSharp. Mr. Hemmingsen noted that Maersk is familiar with IWCF and would be able to analyze the response from that perspective. It was noted IOGP 476 is currently under revision. Mr. Engell-Jensen said he was not certain of the timeframe for completion of the 476 revision, but that it would not occur until sometime next year.

Mr. Colville noted IOGP 476 was a recommendation with WellSharp and IWCF serving as the delivery mechanisms. WCI serves in an oversight capacity and could endorse one or both of those mechanisms. He noted regulators would certainly make note of such an endorsement. Mr. Payne asked for clarification on the remit of the work group. The Board agreed the initial assessment should provide a comparative analysis looking for gaps and best practices. Mr. Lynch suggested developing a terms of reference document from the assessment.

Mr. Dew asked which version of IOGP 476 would be used for the assessment. The Board agreed to move ahead with the assessment using the original version of 476. Once the new revision has been published, the Board will determine next steps at that time. Mr. Payne noted 476 is not an industry standard, so a comparison of all three to identified best practices is necessary. Mr. Dew suggested a representative from IOGP be included in the work group. Mr. Hemmingsen suggested a representative from IWCF be included as well. Mr. Plaisance noted the importance of diverse representation. (Postscript: Following the meeting, Seadrill offered the services of David Gouldin to participate in the work group.)

Letter to BSEE re Well Control Rule

Mr. Kropla reviewed the major industry concerns over the proposed BSEE Well Control Rule articulated in the letter from WCI to Director Brian Salerno in August. At this time, there has been no response to the letter sent by WCI and Mr. Plaisance was not expecting a response. Mr. Plaisance stated the Final Rule is expected to be published no later than March 2016. He asked the Board if they felt an additional letter should be written. Mr. Dew asked where bill currently resides. Mr. Plaisance thought it was held in the Appropriations Committee. Mr. Williams was in favor of a show of support for legislators. Mr. Halverson encouraged the group to make themselves available to the legislators and suggested setting up a dinner or meeting. The Board was in favor of a dinner or meeting and Mr. Halverson will report back on plans. Mr. Poupeau also suggested a site visit to a training facility as an option. Mr. Plaisance noted a meeting or site visit was a great first step to communicate with the legislators following the response.

Whitepaper – Human Factors and Competence

Mr. Denkowski noted the whitepaper included in the pre-read materials. Board members agreed they needed more time to review the document before putting any recommendations forward.

The Board discussed the role of human factors in well control, the huge amount of information around this topic and how they might track errors differently. Mr. Payne noted some pilot programs currently ongoing at Chevron. The Board discussed the need to review what's currently being done in the public domain. Mr. Colville suggested a mapping document with specific deliverables that could be adopted by industry.

The Board noted this topic is among the initial list of projects adopted by the Board, within the priority topic of competency. Mr. Hemmingsen would like to see efforts centered on the role human factors plays in well control for this Board. The Board agreed to limit the scope. Mr. Poupeau noted work done at Schlumberger and discussed results leading to emergency checklists.

The Board members agreed a mapping document should be developed. Mr. Plaisance and Mr. Kropla will work to develop the document for the review at the next Board meeting. Mr. Payne offered a part-time resource to assist with the mapping document.

3. Industry Developments – BSEE Well Control Rule

The Board discussed the well control rule earlier in the meeting.

4. Discussion – Additional Topics of Interest

Mr. Kropla reviewed the items of interest from the Board's recent conference call.

BOP Reliability JIP

After updating the Board on the JIP the group discussed the issues that need to be resolved prior to the agreement being signed. Mr. Powell explained the issues involved with the final agreement around indemnification of IADC. Mr. Powell noted he thought more operating companies would join the JIP. At this time, monies collected would only cover the first 6 months of operation for the JIP. The group discussed the cap associated with the risk to IADC. Mr. Powell noted the JIP would be discussed in the IADC Offshore Advisory Panel meeting the following day and a recommendation would likely be made to the IADC Executive Committee for action. Mr. Colville said he felt the agreement was very close to being finalized and hoped to have a signed agreement next week. Of course this would depend on the action of IADC's Executive Committee. Mr. Plaisance noted he would be standing by for notification from Mr. Powell when a deal was indeed signed. Mr. Plaisance will inform the Board on the status.

Shear Ram Testing JIP

Mr. Kropla reported this JIP is somewhat delayed. There is a draft charter in place along with a prospectus. He noted the WEC meets next week and the JIP will be discussed at that time. He noted DeepStar has developed a similar JIP and there's a possibility the two may join together. Mr. Williams asked if the objective was data collection. Mr. Payne confirmed data would be collected along with setting protocols for testing so all involved would perform the same tests.

Barrier Management

Mr. Kropla explained a workshop on barrier management had been proposed by Mr. Colville to be held in conjunction with an industry conference. Mr. Payne asked if the focus was to be subsea. Mr. Kropla noted the idea had not been discussed in detail. Mr. Payne noted if the workshop was held in conjunction with the IADC International Deepwater conference in Rio, then the focus would likely be limited to subsea. Mr. Krieger inquired about the objective of the workshop. The group discussed the possibility of an open forum to review different philosophies and best practices. The Board also discussed the impact of the subject on onshore operations and noted there were no guidelines available for industry at this time. Mr. Colville asked if the Board would like a whitepaper on this topic. The Board concluded the idea was a good one and more information was needed. Mr. Plaisance and Mr. Kropla will follow up with the Board to determine the direction and focus of such a workshop, as well as timing and possible venues. (Postscript: Barrier Management has already been suggested as the topic of a panel discussion at the IADC Well Control Conference scheduled for Copenhagen in October 2016.)

Mr. Kropla asked if there were any additional areas of interest to discuss. Mr. Payne suggested the Subsea Training Competency Assurance program be rolled under WCI. Mr. Denkowski noted the progress for the program had been delayed due to the response to the BSEE Well Control Rule. He noted a co-chair is to be elected so there would be a contractor and operator representing the program. Mr. Denkowski gave a brief overview of the program status. Mr. Williams noted he was not in favor of additional tests and the associated costs when most companies had programs in place. He asked if there were plans to audit companies' programs. Mr. Payne encouraged Mr. Williams to send a Noble representative to the program meetings. Mr. Payne noted stresses in the current systems, a broad range of competencies and the need for an industry standard.

Mr. Denkowski noted there should be no additional costs to the contractor. Mr. Williams disagreed and noted the cost for an additional test. Mr. Payne noted the program would be developed and put in place and the only issue was whether WCI should be involved. Mr. Hemmingsen suggested exploring the current programs and holding a best practices workshop. Mr. Williams agreed more information was needed to determine if this program was within the remit of WCI. Mr. Williams asked for a complete description of the program, with goals and deliverables. Mr. Colville volunteered IADC to develop a paper for the Board's review. Mr. Williams noted at this point, the program appeared to be an accreditation of what contractors already have in place.

Mr. Al-Dawood proposed the Board develop a timeframe in which it could become independent of IADC. He felt it prudent to have true independence for WCI and would like to set a target date for that to occur. Mr. Williams suggested the Board review the WCI priority list and pointed out that several initiatives should live with IADC, such as well control competency. Mr. Colville noted that IADC is currently covering all expenses for operations of WCI, and that independence would require additional sources of funding. Mr. Colville asked the Board members if any felt a "heavy hand" of IADC in the current structure of WCI. The Board agreed it felt independent; Mr. Al-Dawood noted independence was important for perception as well. Mr. Payne suggested the Board evaluate independence on an annual basis and consider the funding issue at that time. Mr. Plaisance suggested this could be a goal to work towards and didn't feel it was the right time for a change in light of the industry downturn. He noted sometimes moving slowly is diligent.

5. Legal/Administrative Update

Mr. Kropla noted the new Board members that had been approved – Richard Lynch, David Payne, Ed Kautz and J.F. Poupeau. Mr. Kropla reported that Alan Marsack had been nominated to replace Don Jacobsen and Mr. Neveu requested Gen Stahl replace him as a permanent Board member; he noted final approval of this would be recommended to the IADC Executive Committee the following day. Mr. Kropla reported there was one vacancy remaining for that of a service company representative. Mr. Plaisance asked the Board to recommend any candidates to him or to Mr. Kropla. Mr. Williams asked for a reminder in follow-up correspondence to the Board.

6. Date & Venue of Next Full Board Meeting

The next meeting of the Board will be Monday, 13 June, Estoril Conference Centre, Lisbon, Portugal (held in conjunction with IADC World Drilling 2016). Mr. Plaisance noted a meeting via conference call would be organized as needed and one would likely be held prior to the June meeting.

7. Any Other Business

There was no other business to discuss at this time.

8. Adjournment

Mr. Plaisance thanked the Board members for participating.