Safety and Environmental Management Systems (SEMS)

MANUAL
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1 General – Management Responsibility
Fieldwood Energy LLC (Fieldwood) fully recognizes the value of developing, implementing, and maintaining an integrated Safety and Environmental Management Systems (SEMS) for its outer continental shelf (OCS) facilities that operate under the jurisdiction of the Bureau of Safety and Environmental Enforcement (BSEE) and pipelines regulated by the Department of the Interior (DOI).

Fieldwood is committed to requiring that the program elements of its SEMS are properly implemented, documented, and available at field and/or office locations, as appropriate for each program element. Fieldwood’s management is also committed to continuously maintain and improve the SEMS based on changing circumstances, audit program results, and evolving technologies.

1.1 Purpose and Objective
The Safety and Environmental Management Systems (SEMS) is structured to ensure safety, environmental protection, and operational efficiency is achieved during drilling, construction, and production activities on Fieldwood’s offshore facilities in OCS waters. The objective of SEMS is to identify, address, and manage safety and environmental hazards during the design, construction, start-up, operation (including but not limited to drilling and decommissioning), inspection, and maintenance of all new or existing facilities, including mobile offshore drilling units (MODUs), in an efficient and practical manner. The various elements of the program are written in accordance with the guidelines outlined in:

API RP 75 Recommended Practice for Development of a Safety and Environmental Management Program for Offshore Operations and Facilities

30 CFR Part 250 Oil and Gas and Sulphur Operations in the Outer Continental Shelf, Subpart S – Safety and Environmental Management Systems (SEMS) (Sections 250.1900-1933)

1.1.1 Owners and Operators
Fieldwood’s SEMS is designed to promote safety and environmental protection during the performance of offshore oil, gas, and sulphur operations. This SEMS document is based upon the following hierarchy of program development:

1. Safety and Environmental Policy
2. Planning
3. Implementation and operation
4. Verification and corrective action
5. Management review
6. Continual improvement

1.1.2 Contractors
Fieldwood will ensure that contractors are familiar with the SEMS and that contractor’s established safety and environmental policies and practices are consistent with Fieldwood’s
SEMS. Fieldwood has contracted with ISNetWorld (ISN) to effectively manage contractor compliance. See Section 6 for further details.

ISN will work with contractors to gather information in order to verify and evaluate the information based on Fieldwood and BSEE criteria.

1.2 Management of Program Elements and Principles

1.2.1 Management of Program Elements

The SEMS elements described herein address the following areas:

a. Management Responsibility (Section 1)
b. Safety and Environmental Information (Section 2)
c. Hazards Analysis (Section 3)
d. Management of Change (Section 4)
e. Operating Procedures (Section 5)
f. Safe Work Practices (Section 6)
g. Training (Section 7)
h. Assurance of Quality and Mechanical Integrity of Critical Equipment (Section 8)
i. Pre-Startup Review (Section 9)
j. Emergency Response and Control (Section 10)
k. Investigation of Incidents (Section 11)
l. Audit of Safety and Environmental Management Program Elements (Section 12)
m. Documentation and Record Keeping (Section 13)
n. Stop Work Authority - SWA (Section 14)
o. Ultimate Work Authority – UWA (Section 15)
p. Employee Participation Plan – EPP (Section 16)
q. Reporting Unsafe Working Conditions (Section 17)

1.2.2 Principles

Fieldwood’s SEMS is based on the following principles:

a. Management is responsible for the development, support, continued improvement, and overall success of the SEMS.
b. Management is responsible for developing and endorsing a written program which addresses the elements identified in 1.2.1.
c. Management provides leadership in establishing goals and performance measures, demanding accountability for implementation, and providing necessary resources for carrying out an effective SEMS.
d. Management appoints specific management representatives that are responsible for establishing, implementing, and maintaining the SEMS. Fieldwood CEO, Senior Vice Presidents, and Vice Presidents jointly perform this function. An organizational chart is included in Appendix A.
e. Management designates specific management representatives who are responsible for reporting to management the performance of the SEMS. Fieldwood has designated the SEMS Supervisor as responsible for reporting.
f. Management will review the SEMS annually to determine if it continues to be suitable, adequate, and effective. The management review will address the possible need for changes to policy, objectives, and other elements of the program in light of program audit results, changing circumstances, and the commitment to continual improvement. Observations, conclusions, and recommendations from the review are documented and maintained by the SEMS department.

g. Management has developed and endorsed a written description of the company’s safety and environmental policies and organizational structure that define responsibilities, authorities and lines of communication required to implement the SEMS. These documents can be found on the SEMS Portal (https://semsportal.fieldwoodenergy.com).

h. Management utilizes the expertise of personnel in identifying safety hazards and environmental impacts, optimizing operations, developing safe work practices, developing training programs, and investigating incidents.

i. Fieldwood management and their contractors’ management each have their own responsibility to protect the environment, safety, and health of their work forces.

j. The facilities are designed, constructed, maintained, monitored and operated in a manner compatible with applicable industry codes, consensus standards, and generally accepted practice in compliance with all applicable governmental regulations.

k. Management of safety hazards and environmental impacts is an integral part of the design, construction, maintenance, and operation, and monitoring of a facility.

l. Suitably trained and qualified personnel are employed to carry out all aspects of the SEMS. All personnel involved in the SEMS must be trained to have the skills and knowledge to perform their assigned duties.

m. The SEMS described herein is maintained and updated by means of periodic audits to ensure effective performance.

n. Safety and environmental management enhances operational performance, protection of personnel and property, and protection of the environment by reducing the probability and/or severity of uncontrolled releases and other undesirable events.

o. Human factors are considered in the design and implementation of the company’s SEMS.

The subsequent sections of this document will specify the policies and procedures required for implementation of Fieldwood’s SEMS.

1.2.3 Setting Objectives and Goals
Fieldwood’s SEMS utilizes a goal and performance measurement system to gauge the success in meeting safety and environmental objectives. The Vice President – HSE and Regulatory will monitor and report results to management. The following are considered in this system:

a. A commitment to continuous improvement.

b. Responsibilities for achieving objectives and goals at each relevant function and level of the organization.

c. Objectives and goals specifying the means and timeframes by which they are to be achieved.
d. Performance measures established to gauge safety and environmental performance using industry standard definitions and formulas that allow Fieldwood to compare their performance from year to year and with industry “averages” or other operators.

e. Internal programs to effectively communicate the safety and environmental objectives, goals, and performance measures. Fieldwood’s safety and environmental performance is communicated externally as required by regulations.

1.2.4 Communication
Fieldwood has established policy and procedures for both internal and external communication of safety and environmental information.

**Internal Communication**
Internal communication is the communication of SEMS information between the various levels and functions within Fieldwood.

SEMS information is communicated internally utilizing the following methods:
- SEMS Annual Management Plan Reviews
- HSE and Regulatory Quarterly Performance Reports
- Safety and Regulatory Alerts
- SEMS Portal
- Safety Meetings
- Scheduled Webinars
- PIC Meetings
- Computer Based Training (CBT)
- HSE & Regulatory Crew Change Meetings

**External Communication**
External communication is the receiving, documenting, and responding to relevant communications from external interested parties, which includes significant safety and environmental events as well as the SEMS.

SEMS information is communicated externally (to and from) utilizing the following methods:
- Fieldwood Safety and Regulatory Alerts
- SEMS Portal
- Scheduled Webinars
- Computer Based Training (CBT)
- BSEE-0131 Forms (OCS Performance Measures) Annually
- BSEE Annual Performance Reviews
- Industry/Regulatory Agency Alerts
- Industry Trade Associations (API, CGA, OOC, LMOGA, NOIA, LOGA)
1.3 Scope

1.3.1 Applications

1.3.1.1
Fieldwood’s SEMS is intended for offshore oil, gas, and sulphur facilities and associated equipment. This includes well drilling, plug & abandonment/decommissioning, servicing, production and pipeline facilities and operations that have the potential for creating a safety hazard or significant environmental impact. The elements of this SEMS will be applied to these facilities as appropriate. For simple and nearly identical facilities (such as well jackets, subsea tiebacks and single well caissons), certain elements of the SEMS will be addressed only once after verifying that site specific deviations have been evaluated. Fieldwood will incorporate SEMS for all existing facilities and any other facilities as acquired.

Facilities include all types of offshore structures permanently or temporarily attached to the seabed (i.e., mobile offshore drilling units; floating production systems; floating production, storage and offloading facilities; tension-leg platforms; multi-service vessels, and spars) used for exploration, development, production, and transportation activities for oil, gas, or sulphur from areas leased in the OCS. Facilities also include DOI regulated pipelines.

When actions are taken in accordance with the SEMS, such actions shall conform to the most current requirements of applicable federal, state and local regulations or flag State requirements. Some parts of Fieldwood’s SEMS may allow for more appropriate guidelines for certain applications (e.g., the International Maritime Organization’s (IMO) International Safety Management (ISM) Code for vessel operations).

1.3.1.2
Fieldwood’s Safe Work Practice Section H Chapter 8 identifies the environmental impacts of its activities and includes processes to minimize environmental impact. Section 3 of this SEMS Manual documents the hazards analysis process that was developed for determining those environmental impacts which can be expected to have or can have significant impact on the environment.

1.3.1.3
Toxic substances currently handled on Fieldwood’s OCS operations include naturally occurring hydrocarbon compounds such as benzene and hydrogen sulfide (H2S). These substances are addressed in Fieldwood’s Safe Work Practices, which will be updated as appropriate to include future toxic substances as identified.

1.3.1.4
Other materials are considered in this SEMS. Due to their flammability, thermal, physical, or chemical properties, such materials handled in offshore operations may constitute a safety or environmental hazard if released in an uncontrolled manner. Fieldwood’s Safe Work Practices shall address these substances as necessary for safe operations.
1.4 Applicable Standards, Regulations, and References

The identification and access to applicable regulations, codes, and standards are provided through the electronic code of federal regulations (https://www.ecfr.gov/) and the BSEE.gov website. Applicable references such as API recommended practices are obtained through API’s web-based system as needed. Access is available through the SEMS Portal under the RESOURCES tab for all personnel.

Monitoring of changes to governmental regulations pertinent to Fieldwood’s SEMS is accomplished by regulatory alert subscriptions, membership in industry groups such as API, GCAT, OOC, Clean Gulf Associates, GCEAG, GCSTG, etc. and the BSEE mailing list.
2 Safety & Environmental Information

2.1 General
Fieldwood’s SEMS requires a compilation of safety and environmental information to be developed and maintained for each OCS facility. This information will provide the basis for implementing the SEMS elements. Consideration will be given to the requirements of all the SEMS elements, including Section 3, “Hazards Analysis” in determining the extent and detail of required information. The Safety and Environmental information will include documentation on process and mechanical design. Process, mechanical, and facilities design information shall be retained for the life of the facility. Relevant portions of this information are available at the manned platform and/or onshore offices.

For simple and nearly identical facilities within the same field, a common compliance documentation package may be compiled. Such documentation must reflect site-specific deviations from the norm for each facility.

2.2 Process Design Information
Process design information is presented in SAFE Charts and Safety Analysis Flow Diagrams that are prepared in accordance with API RP 14C “Recommended Practice for Analysis, Design, Installation, and Testing of Basic Surface Safety Systems for Offshore Production Platforms.” Required process design information will also comply with API RP 14J “Recommended Practice for Design and Hazards Analysis for Offshore Production Facilities.” All installed devices that are listed on the SAFE Charts are shown on the Safety Flow Diagrams (SFD), Process Flow Diagrams (PFD) or simplified Piping and Instrument Diagrams (P&ID). The latest BSEE approved compliance drawings can normally be found on the SEMS Portal. Safe upper and lower operating limits for process variables such as temperatures, pressures, flows, and compositions can be found on the BSEE safety device testing data.

Where the original process design information no longer exists, information will be developed in conjunction with a hazard analysis in sufficient detail to support the analysis.

Process design information will include, where available, design material and energy balances.

2.3 Mechanical and Facilities Design Information

2.3.1
Process and mechanical design information forms the basis for all SEMS elements such as hazards analysis, management of change, training, and operating procedure. Fieldwood maintains the following types of information for each facility:

- Process & mechanical design information (Houston engineering)
- Simplified Process Flows and/or Safety Flow Diagrams (ADEPT, SEMS Portal, onsite)
- SAFE charts (ADEPT, SEMS Portal, onsite)
- Equipment arrangement drawings (ADEPT, SEMS Portal, onsite)
- Electrical area classifications (ADEPT, SEMS Portal, onsite)
- Description of alarm, shutdown, and interlock systems (SAFE chart, 3rd party inspections)
- Description of well control systems (individual project files)
• Design basis for passive and active fire protection systems (fire protection & safety
equipment layouts – ADEPT, SEMS Portal, onsite)
• Emergency evacuation procedures (SEMS Portal & onsite)
  Emergency evacuation procedures are designed per USCG regulations (33 CFR Chapter I,
Subchapter N).
• Relief System Analysis/Design Basis (Fieldwood electronic files)

Information on materials of construction, equipment and piping specifications, corrosion
detection and prevention systems, and design codes, regulations, and standard practices
employed may be also included, if applicable.

2.3.2
The mechanical and facility design for Fieldwood operated mobile offshore units (MOUs) shall
conform to the applicable requirements of the flag State and classification society. The
combination of appropriate and valid flag State certificates (e.g., International Load Line
Certificate, U.S. Coast Guard Certificate of Inspection, IMO MODU code certificate, or
International Oil Pollution Prevention Certificate) and classification society certificates generally
provide substantial evidence of conformance with these requirements.

2.3.3
The mechanical and facility design will be consistent with the applicable consensus codes and
standards in effect at the time the design was prepared or, in the absence of such codes and
standards, recognized and generally accepted engineering practices as well as the applicable
governmental regulations. When the mechanical design is not consistent with applicable
consensus codes and standards or when a hazards analysis or other review reveals that existing
equipment is designed and is constructed in accordance with consensus codes, standards, or
practices that are no longer in general use, suitability of design for intended use shall be
documented.

2.3.4
Where the original mechanical design information no longer exists, suitability of equipment
design for intended use shall be verified and documented. This may be done on the basis of
engineering analysis or documentation of successful prior operating experience.

2.3.5
Design and installation of new facilities and major modifications shall include consideration of
human factors.
3 Hazards Analysis

3.1 Application

Fieldwood has developed and implemented hazards analysis (facility level) and Job Safety Analysis (JSA) (operations/task level) for all of its facilities and activities identified or discussed in its SEMS. A complete hazards analysis report, including updates, shall be kept on file for the life of the operation at the facility. All hazards analysis reports are available on the SEMS Portal.

The purpose of the hazards analysis is to identify, evaluate and, where unacceptable, reduce the likelihood and/or minimize the consequences of uncontrolled releases and other safety or environmental incidents. Human factors shall be considered in this analysis.

Hazards analysis is included in Fieldwood’s Safe Work Practices.

3.2 Methodology

The hazards analysis (facility level) shall be appropriate to the complexity of the operation and will identify, evaluate, and manage the hazards involved in the operation. The hazards analysis shall address the following:

- Hazards of the operation
- Previous incidents related to the operation being evaluated, including any incident in which an Incident of Noncompliance or a civil or criminal penalty was issued
- Control technology applicable to the operation being evaluated
- A qualitative evaluation of the possible safety and health effects on employees, and potential impacts to the human and marine environments, which may result if the control technology fails
- Human Factors

As a minimum, hazards analysis requirements for production equipment may be met by ensuring that the facility conforms to the requirements of API RP 14C, Recommended Practice for Analysis, Design, Installation and Testing of Basic Surface Safety Systems on Offshore Production Platforms. API RP 14J, Recommended Practice for Design and Hazards Analysis for Offshore Production Facilities contains guidance in selecting analysis techniques appropriate to the risk of each facility. Locations with clusters of structurally interconnected platforms shall be analyzed together.

Hazards analysis requirements for simple and nearly identical facilities, such as well jackets, single well caissons, and subsea tie-back systems may be fulfilled by performing a single hazards analysis which can be applied to all such facilities after verification that any site-specific deviations are addressed in each of the elements of the SEMS.
3.3 Initial Analysis
Per requirements as defined in 30CFR250 Subpart S, Section 250.1911, a hazards analysis (facility level) must be performed on each facility. The hazards analyses shall be performed in order of priority. The following factors (not necessarily in prioritized order) may be considered when establishing priority ranking for performing hazards analyses:

a. Areas with continuous offshore population, such as living quarters on major platforms, and platform clusters or complexes.
b. Inventory and flow rate of flammable, toxic or other materials that may constitute a safety hazard or cause a significant environmental impact.
c. Locations involving simultaneous operations such as producing while drilling or producing while constructing above or below the water line.
d. Facilities that remove natural gas liquids or handle hydrogen sulfide.
e. Facilities with severe operating conditions, such as high pressures, highly corrosive fluids or conditions such as abnormal sand production or high flow rates that may cause severe erosion or corrosion.
f. Facilities in proximity to areas the operator considers to be environmentally sensitive areas.

In performing a hazards analysis on a new or modified facility, special consideration shall be given to the following:

a. Previous experience with a similar facility.
b. Design circumstances, such as changes in the design team or the design itself, after the project is underway.
c. Unusual facility location, design or configuration, equipment arrangement or emergency response considerations.
d. Any findings that need to be brought to resolution before startup or that require immediate attention shall be clearly identified.
e. Operating procedures and practices, including simultaneous operations guidelines.

3.4 Periodic Analysis
Hazards analyses shall be reviewed periodically and updated as appropriate, with typical review intervals ranging between 5 years for high-priority facilities and 10 years for low-priority facilities. Revalidations will be scheduled and completed within a calendar year (< or >) of the anniversary date. Priority factors listed in Section 3.3.a and changes in the facility process shall be considered in establishing review frequency. The hazards analysis may be updated if necessary when an internal audit is conducted to ensure that it is consistent with current operations on the facility.

3.5 Analysis Personnel
The team or individual shall be person(s) knowledgeable in engineering, operations, design, process, safety, environmental and other specialties deemed appropriate. The team or individual must include person(s) with experience in the operations being evaluated. At least one person on the team shall be proficient with the hazards analysis methodology being employed. If the assessment team consists of only one person, that person cannot be someone who was involved in the original design or modification.
3.6 Analysis Record
The hazards analysis record shall document the hazards that were identified, the recommended actions to reduce the hazards, appropriate safeguards, alternatives or corrective actions as necessary for risk mitigation and a qualitative assessment of the risk level of the hazards recommended for mitigation if required to prioritize response and recommendations close-out verification.

The designations of low and high risk facilities as defined in API 14J may be used as a facility-level qualitative evaluation in lieu of qualitative assessment for individual identified risks on existing facilities. For new facilities or significant modifications to existing facilities, a more rigorous qualitative analysis may be warranted depending on the size of the facility and type of equipment present.

The Area Foreman or MOC initiator shall ensure the communication of all identified hazards and follow-up actions to the appropriate personnel. The SEMS department shall insure a current analysis for each operation, including updates, shall be maintained for each facility covered by the SEMS requirements for the life of the facility. The documentation will be maintained on the SEMS Portal.

All hazard analysis recommendations will be resolved, and the resolutions will be documented. When resolution before startup is stipulated, or when immediate action is required, the Area Foreman or MOC initiator shall assure that hazardous conditions are resolved and that the resolution is documented. Area Foremen are responsible for ensuring the timely and adequate completion of hazard analysis recommendations and action items.

3.7 Job Safety Analysis - Application
The Job Safety Analysis (JSA) is a technique used to identify risks to personnel associated with their job activities. The JSAs are also used to determine the appropriate mitigation measures needed to reduce job risks to personnel. JSA’s shall be prepared, conducted, and approved for OCS activities on all facilities that are covered by Fieldwood’s SEMS.

3.8 Job Safety Analysis - Methodology
The JSA is a group activity coordinated by the Person in Charge (PIC), Lead Operator, or Consultant. All personnel involved with the job activity must be involved in the Job Safety Analysis process. The JSA will identify, analyze, and record:
   a. The steps involved in performing a specific job
   b. The existing or potential safety and health hazards associated with each step
   c. The recommended action(s)/procedure(s) that will eliminate or reduce these hazards, the risk of a workplace injury or illness, or environmental impacts

The Pre-Job safety meeting shall be held before work begins so that the actual work environment will be communicated and the crew will become familiar with the job. The completed JSA form will be reviewed by all who will work on the particular job for which the JSA was developed. The immediate supervisor of the crew performing the job onsite must conduct the JSA, sign the JSA, and ensure that all personnel participating in the job understand and sign the JSA.
individual designated as being in charge of the facility must approve and sign all JSAs before personnel start the job. For manned locations, the individual designated as being in charge of the facility will approve and sign all JSAs prior to commencement of the work. On unmanned locations, the designated person in charge of the facility (PIC, Consultant, OIM, Captain of vessel, etc.) will approve and sign all JSAs prior to commencement of the work. Work will be reviewed and coordinated by the individual designated as the person in charge. Training of all personnel, which includes contractors, are covered in Section 7.

3.9 Documentation
Fieldwood’s Daily Work Review and Permit Storage (DWRAPS) is designed to store and maintain work permits and JSAs. The DWRAPS process is accessible through the SEMS Portal.
4  Management of Change

4.1  General

Fieldwood’s SEMS has established procedures to identify and control hazards associated with change and maintain the accuracy of safety information. A facility is subject to continual change to increase efficiency, improve operability and safety, accommodate technical innovation and implement mechanical improvements. On occasion, temporary repairs, connections, bypasses or other modifications may be made out of operating necessity. Any of these changes can introduce new hazards or compromise the safeguards built into the original design. Care must be taken to understand the process, facility and personnel safety and environmental implications of any changes. Although some changes may be minor with little likelihood of compromising safety or environmental protection, all changes may have the potential for disruption, injury or business loss.

Fieldwood’s SEMS has established and implemented a Management of Change (MOC) procedure for modifications associated with the following:

   a. Equipment
   b. Operating Procedures
   c. Personnel Changes (including contractors)
   d. Materials
   e. Operating Conditions

MOC ensures that changes are recognized, documented, formally reviewed, and approved before being implemented to avoid potential safety, environmental and operational problems.

MOC procedures do not apply to situations involving replacement in kind (such as replacement of one component by another component with the same performance capabilities).

All changes must be reviewed prior to implementation.

4.2  Change in Facilities

Change in facilities arises whenever the process or mechanical design is altered. Fieldwood’s MOC addresses changes in facilities that occur as a result of changes in produced fluids, process additives, product specifications, byproducts or waste products, design inventories, instrumentation and control systems, or materials of construction.

Typical instances in which change in facilities would likely occur include the following:

   a. Construction of new production or process facilities.
   b. New facility projects that involve production or process tie-ins to existing facilities, equipment reconfiguration, or modification of existing facilities/equipment.
   c. Modification of existing facilities that result in changes to facility or equipment design, structural support, layout, or configuration.
   d. Projects to increase facility throughput or accommodate different produced fluids which are outside the original design parameters.
   e. Significant changes in operating conditions, including pressures, temperatures, flow rates or process conditions different from those in the original process or mechanical design.
f. Equipment changes, including the addition of new equipment or modifications of existing equipment. These can include changes in alarms, instrumentation and control schemes.

g. Modifications of the process or equipment that cause changes in the facility’s pressure relief requirements. These can include increased process throughput, operation at higher temperatures or pressures, increased size of equipment or the addition of equipment that might contribute to greater pressure relief requirements.

h. Bypass connections around equipment that is normally in service if the bypass is not part of the currently permitted configuration.

i. Operations outside the scope of current written operating procedures, including procedures for startup, normal shutdown, and emergency shutdown.

j. Changes made in the process or mechanical design or in operating procedures that result from a hazards analysis performed as described in Section 3, “Hazards Analysis.”

k. Introduction of new or different process chemicals (for example, corrosion control agents, anti-foulants, anti-foam agents), drilling muds or workover/completion fluids.

l. Change in facilities may include mechanical changes that would not necessarily appear on a process and instrument diagram, including drilling and construction equipment and temporary connections or replaced components that are “not in kind,” such as:
   1. Replacement equipment or machinery that differs in specifications from the original equipment or previously approved modification.
   2. Temporary piping, connections, pipe repairs, or hoses.
   3. An alternate supply of process materials, catalysts, or reactants, such as temporary tanks or drums located within the facility.
   4. Temporary electrical equipment or utility connections, other than for emergency situations.
   5. Modifications to drilling diverter system, blowout preventers (BOPs) and drilling top drives that have not been previously approved. These management of change items will be addressed by the drilling contractor.

4.3 Change in Personnel

Fieldwood’s MOC addresses change in personnel, including contractor personnel as appropriate, that occurs whenever there is a change in the organization or in personnel that supervise or operate the facility. Routine personnel vacancies and replacements, rotation, and shift or tour changes (utilizing facility crew) do not require additional management of change action. Personnel changes and initiation of personnel MOCs are monitored utilizing the ePOB.

Under some certain circumstances, organization changes particularly those brought about by acquisition or sale of a facility necessitate a thorough review of the facility’s safety and environmental management program. Upon acquisition or transfer of management control, a screening level review will be conducted and the facility will be incorporated into Fieldwood’s SEMS.

4.4 Managing the Changes

Fieldwood’s management program has established and implemented written procedures to manage change in facilities and personnel. These procedures are flexible enough to accommodate both major and minor changes. The MOC procedure covers the following:
a) The technical process and mechanical design basis for the proposed change.
b) An analysis of the safety, health, coastal and marine environments considerations involved in the proposed change, including, as appropriate, a hazards analysis.
c) The effects of the proposed change on separate but unrelated upstream or downstream facilities (i.e., structures/platforms, pipelines, process equipment, emergency isolation and control systems and equipment, mitigative systems and equipment, accommodations areas, emergency evacuation facilities and equipment) and on area wide emergency plans (i.e., evacuation or oil spill) shall also be reviewed.
d) Time period necessary to implement the proposed change(s).
e) The necessary revisions of the operating procedures, including the facilities’ SEMS, safe work practices and training program. If an MOC results in a change in the operating procedures of the facility, such changes shall be documented and dated.
f) Communication of the proposed change and the consequences of that change to appropriate personnel.
g) The necessary revisions of the safety and environmental information.
h) The duration of the change, if temporary.
i) Required management approval or authorizations for the proposed change(s).

As appropriate, employees (including contractors) whose job tasks will be affected by the change will be informed of and/or trained in the change prior to startup of the process or affected part of the operation.

Additional details regarding Fieldwood’s MOC program are available in the Safe Work Practices on the SEMS Portal.
5 Operating Procedures

5.1 General
Fieldwood’s SEMS includes the requirement for written facility operating procedures designed to enhance efficient, safe and environmentally sound operations. Each facility’s written operating procedures shall be readily accessible to all employees involved in the operations. A complete copy of the manual is readily available at the manned platform for each facility on the SEMS Portal. Within Fieldwood’s group of facilities, the designs may differ only in the size and/or number of equipment items present. Consequently, standard operating procedures may be written and applied to multiple facilities, if appropriate. Fieldwood’s operating procedures directly address human factors issues associated with the interaction between facilities and personnel. The operating procedures’ format, content, and intended use consider the final user (human factors) to minimize the likelihood of procedural error.

5.2 Content of Operating Procedures
Developed and implemented written operating procedures shall provide instructions for conducting safe and environmentally sound activities involved in each operation including, as appropriate:

- startup (initial, following construction, and after an emergency shutdown)
- normal operations
- emergency operations (including but not limited to medical evacuations, weather-related evacuations and emergency shutdown operations)
- normal shutdown

Instructions for simultaneous operations (SIMOPS) and bypassing/flagging out-of-service equipment are included in Fieldwood’s Safe Work Practices. Operation-specific procedures will be developed for temporary operations on an as-needed basis.

The operating limits resulting from the information specified in Section 2 and, where safety and environmental considerations are present, a description of the following:

- safety and environmental consequences of deviating from equipment operating limits
- steps required to correct or avoid a deviation from the operating limits.

Environmental and occupational safety and health considerations shown below are included in Fieldwood’s Safe Work Practices or compliance documentation, as appropriate.

a. properties of, and hazards presented by, the chemicals used in the operations
b. precautions to be taken to prevent environmental damage and personnel exposure, including control technology, personal protective equipment, and the control-measures to be taken if physical contact or airborne exposure occurs
c. any special or unique hazards (identified hazards during operations and the degree of hazard presented)
d. continuous and periodic discharge of hydrocarbon materials, contaminants or undesired by-products into the environment is restricted by governmental limitations
e. raw materials used in operations and the quality control procedures used in purchasing these raw materials, if applicable
f. control of hazardous chemical inventory  
g. impacts to the human and marine environment identified through hazards analyses  
h. any lease or concession stipulations established by the recognized governmental authority

Job titles and reporting relationship of the person or persons responsible for facility operations are covered in Fieldwood’s *Safe Work Practices*. Facility operating procedures are utilized by Facility Qualified (FQ) personnel. Training on facility operating procedures is required for all FQ personnel.

5.3 Periodic Review

When changes are made in facilities, operating procedures shall be reviewed as part of the management of change procedure described in Section 4 – Management of Change.

Facility written operating procedures will be reviewed as part of the Hazard Analysis Revalidation process or as often as necessary to verify that they reflect current and actual operating practices, including any changes made to operations. Since the Hazard Analysis Revalidation process frequency is established for each facility based on its priority/risk factor, the frequency of review of the facility’s written operating procedures corresponds to the degree of hazard presented. Review of and changes to the procedures will be documented and communicated to appropriate personnel.
6 Safe Work Practices

6.1 General
Fieldwood has established and implemented Safe Work Practices (SWP) designed to provide guidance for minimizing the risks associated with operating, maintenance, modification activities, and the handling of materials or substances that could affect safety or the environment. These practices apply to all individuals on Fieldwood facilities, including employees, contractors and visitors. Human factors are considered in the development of safe work practices.

Fieldwood will communicate the safety and environmental management system expectations and specific requirements to all employees, including contractors.

6.2 Safe Conduct of Work Activities
Fieldwood provides Safe Work Practices for all personnel, including contractors, provide for the safe conduct of operating, maintenance and modification activities, including simultaneous operations.

Safe work practices will meet the most current provisions of applicable federal, state or local regulations or flag state requirements and include, but are not limited to:

a) Opening of pressurized or energized equipment or piping.

b) Lockout and tag-out of electrical and mechanical energy sources.

c) Hot work and other work involving ignition sources.

d) Confined space entry

e) Crane operations

The safe work practices are available to employees and contractors on the SEMS Portal.

Within the safe work practices a permit to work systems will contain provisions for adequate communication of work activities for shift change, replacement personnel or contractors performing the work that may be affected. Work authorization or permit-to-work system include, but are not limited to a, b, c and d above.

The permit-to-work system includes provisions for adequate communication of work activities to shift change and replacement personnel, including contractors, if they will perform the work or may affect or be affected by it.

6.3 Control of Hazardous Materials
Materials specifications, inventories, separation, confinement, and handling of toxic or hazardous materials that can affect safety and environmental protection are determined, documented and communicated to appropriate personnel per Fieldwood Hazard Communications Program.
6.4 Contractor Selection

Fieldwood will select contractors utilizing the Contractor and Subcontractor Safety and Environmental Requirements and Guidelines criteria in the Safe Work Practices. During selection of contractors, Fieldwood will obtain and evaluate, at a minimum, the following information utilizing ISNetworld (ISN):

- Safety record and environmental performance
- Written safe work practices
- Safety and environmental management policies and practices
- Contractor subcontractors

Note: These requirements do not apply to contractors providing domestic or other contractor services such as: domestic janitorial work, food and beverage service, laundry service, housekeeping, and similar activities.

Fieldwood’s SEMS Agreement and Expectations Document outlines Fieldwood’s expectations regarding the contractor’s safety and environmental responsibilities in complying with Fieldwood’s SEMS. Contractors shall agree to the conditions set forth in this document prior to initiating any work on Fieldwood’s facilities or leases.

Documentation that contracted employees are skilled, knowledgeable, and experienced in the work practices necessary to perform their job and assigned duties in a safe and environmentally sound manner will be verified and available upon request using:

- Data/information entered in the ISNetworld (ISN) Training Qualifier (TQ) System by the contractor, and
- ISN ID Cards and Helipass Electronic Scanning System.

Fieldwood will periodically evaluate the performance of contractors and contracted employees to verify they are fulfilling their obligations.

Contractor safety policies and procedures and documentation of each contracted employee’s expertise to perform his/her job will be available to Fieldwood and BSEE upon request. Fieldwood’s verification for selecting contractors will be available to BSEE upon request.

Fieldwood’s SEMS includes procedures and verification that contractor personnel understand and can perform their assigned duties for activities such as, but not limited to:

- Installation, maintenance or repair of equipment
- Construction, startup and operation of facilities
- Turnaround operations
- Major renovation
- Specialty work

Fieldwood will inform its contractors of any known hazards at the facility they are working on including, but not limited to, fires, explosions, slips, trips, falls, other injuries or hazards.
associated lifting operations during the site-specific orientation. The presence, entrance, and exit of contract employees in operation areas will also be addressed in the site-specific orientation.

Fieldwood will maintain a contractor employee injury and illness log for 2 years, related to the contractor’s work in the operation area and include this information on Form BSEE-0131.
7 Training

7.1 General

Fieldwood’s SEMS has established and implemented training programs so that all personnel are trained in accordance with their duties and responsibilities to work safely and are aware of potential environmental impacts.

Training will address, at a minimum, such areas as:

- Operating Procedures (§250.1913)
- Safe Work Practices (§250.1914)
- Emergency Response and Control Measures (§250.1918)
- Stop Work Authority, SWA (§250.1930),
- Ultimate Work Authority, UWA (§250.1931)
- Employee Participation Plan, EPP (§250.1932)
- Reporting Unsafe Working Conditions (§250.1933)
- How to recognize/identify hazards, construct and implement Job Safety Analysis (§250.1911).
- Environmental protection and pollution control for regularly assigned personnel

Fieldwood shall only utilize selected training providers with qualified instructors. Providers will ensure instructor qualifications are maintained, documented, and available upon request.

The training program may utilize industry recognized training modules, videos, and other media to supplement our Computer Based Training (CBT) modules and shall be reinforced by appropriate demonstrations and “hands-on” training where applicable. Reinforcement through on-the-job training is permissible if under the supervision of a knowledgeable operating/maintenance person of proven performance.

If hydrogen sulfide is present at levels that require training, all personnel and visitors are trained according to the facility specific H₂S contingency plan.

7.2 Initial Training

Initial training for the basic well-being of personnel and protection of the environment, and ensure that persons assigned to operate and maintain the facility possess the required knowledge and skills to carry out their duties and responsibilities, including startup and shutdown.

All new personnel, contractors, and visitors receive a safety orientation when they arrive on Fieldwood’s facility. Additionally, all personnel shall receive training per API RP T-1, Recommended Practice for Orientation Program for Personnel Going Offshore for the First Time (latest edition) or the equivalent, prior to their first work assignment offshore.

Personnel regularly assigned offshore, will be trained, as applicable, in non-operating emergencies per AP RP T-4, Recommended Practice for Training of Offshore Personnel in Non-Operating Emergencies (latest edition), rescue of persons in the water per API RP T-7, Recommended Practice for Training of Personnel in Rescue of Persons in Water (latest edition),
and fire-fighting per API RP 14G, Recommended Practice for Fire Prevention and Control on Open Type Offshore Production Platforms.

Appropriate personnel, regularly or occasionally assigned as required by the circumstances, will be training in safe work practices (e.g., hot work, hot tapping, safe entry, lockout/tagout), simultaneous operations planning, and hazards communication.

All regularly assigned offshore personnel will be trained as appropriate per applicable governmental regulations.

### 7.3 Qualification Criteria
Qualification criteria is developed and implemented for all operating and maintenance personnel. Processes are in place to evaluate whether persons assigned to operate and maintain the facility possess the required knowledge and skills to carry out their duties and responsibilities, including startup and shutdown. Some examples of appropriate training are:

- Safety and Anti-Pollution Device Training (API RP T-2 latest edition), for those who maintain and test safety valves and controls.
- Crane Operation and Maintenance Training (API RP 2D latest edition), for those who operate platform cranes.
- Production Operations Training (Reservoir, Wellhead, Separation, Process, Compressors, Glycol Dehydration, Pumps, Measurement, Treaters, etc.)

### 7.4 Periodic or Refresher Training
Periodic or refresher training will be performed to maintain understanding of, and adherence to, the current operating procedures, using periodic drills, to verify adequate retention of the required knowledge and skills.

### 7.5 Communication
Whenever a change is made to operating procedures, safe work practices, or emergency response and control procedures, training and/or notice of change will be given before personnel are expected to operate the facility.

### 7.6 Records
Training records for Fieldwood’s employees will be kept in the SEMS Training Management System (TMS) database. Training requirements, courses, and frequencies for employees can be found in the Fieldwood Gulf of Mexico Employee Training Matrix.

### 7.7 Contractor Training
Fieldwood’s Contractor and Subcontractor Safety and Environmental Requirements and Guidelines outlines the process for verifying contractors are trained in the work practices necessary to understand and perform their jobs in a safe and environmentally sound manner, in accordance with the provisions of §250.1915.
Contractors providing incidental services will be trained to perform their jobs in a safe and environmentally sound manner. Training in transportation safety, emergency evacuation, and other applicable safety and environmental procedures is required per Fieldwood’s Contractor Training Matrix requirements.

Training provided to contract personnel will include applicable site-specific safety and environmental procedures and rules pertaining to the facility and the applicable provisions of emergency action plans during the facility site specific orientations.

Fieldwood will verify contractor training using audits of the contractor’s environmental, health and safety training programs, observation of contractor work performance, or other methods.
8 Assurance of Quality and Mechanical Integrity

8.1 General

Fieldwood’s SEMS requires the development and implementation of written procedures that provide instructions to ensure the mechanical integrity and safe operation of equipment through inspection, testing, and quality assurance. The purpose of the mechanical integrity program is to ensure that equipment is fit for service.

Fieldwood’s mechanical integrity program encompasses all “critical equipment”. “Critical equipment” means all equipment and systems used to prevent or mitigate uncontrolled releases of hydrocarbons, toxic substances, or other materials that may cause environmental or safety consequences and includes the following facility equipment:

- Wellheads
- Pressure and Atmospheric Vessels
- Storage tanks
- Piping systems (including casing and tubular goods)
- Relief devices and systems
- Safety shutdown and alarm systems
- Process control devices
- Electrical systems
- Pumps and compressors
- Firefighting equipment

Procedures are in place and implemented so that critical equipment for any facility subject to SEMS regulations is designed, procured, fabricated, installed, calibrated, tested, inspected, monitored, and maintained in a manner consistent with appropriate service requirements, manufacturer’s design/recommendations, or industry standards. Fieldwood requires through contractor agreements that contractors have programs in place to address their own critical equipment. Human factors are considered, particularly regarding equipment accessibility for operation, maintenance and testing. The overall quality assurance strategy to require conformance to specifications/requirements will be developed at the beginning of any project and become a part of the overall project execution plan and maintenance program. The quality assurance strategy will carry over into the operating and maintenance procedures and management of change.

8.2 Procurement

Fieldwood will provide written procedures for procurement of critical equipment as part of the overall quality and mechanical integrity assurance program to verify equipment compliance with applicable design and material specifications as defined in the purchase order, purchase document or contract. This includes purchase of maintenance materials, spare equipment and parts to provide assurance that these are suitable for the application for which they will be used.
8.3 Fabrication
Fieldwood will provide written quality control procedures and specifications for critical equipment to confirm that materials and construction, during the fabrication stage, are in accordance with design specifications.

8.4 Installation/Modification
Fieldwood conducts appropriate checks and inspection before startup to verify that the installation of new critical equipment as well as modification of existing critical equipment is consistent with design specifications and the manufacturer’s instructions as defined in the purchase order, installation specification or manufacturer’s instructions as appropriate. The application for which the equipment and systems will be used must be addressed. Applicable standards, specifications and industry codes include but are not limited to Fieldwood’s standard specifications and Appendix B of API RP 75.

8.5 Maintenance
Maintenance programs include appropriate inspection and testing for critical equipment to sustain ongoing mechanical integrity. Fieldwood executes a maintenance program that enhances safety and protects the environment. Maintenance personnel includes both Fieldwood and contract employees involved in maintenance.

The maintenance program includes the following provisions:
   a. Procedures and work practices to maintain the mechanical integrity of equipment.
   b. Use of contractor maintenance personnel whose training in the application of the procedures, relevant hazards, and safe work practices has been verified per Section 7 of this document.
   c. Quality control procedures to verify that maintenance materials and spare equipment and parts meet design specifications.
   d. Procedures to review all changes in facilities in accordance with Section 4.

8.6 Testing and Inspection
Fieldwood has established programs for testing, inspection, calibration, and monitoring of critical equipment. Such programs include the following items:
   a. For critical equipment and systems that are subject to inspection and testing, the method and interval of testing and inspection, acceptable limits, and criteria for passing the test or inspection are available in the applicable databases and records for the specific equipment type.
   b. Testing and inspection procedures that follow commonly accepted standards and codes.
   c. Documentation of completed testing and inspection as required by regulations. Pressure vessel testing and inspection documentation will be retained for the life of the equipment. All other documentation will be retained for a minimum of 2 years or as needed to determine any changes that may be needed in frequency of testing, inspection, and preventive maintenance, or as required by regulatory agencies or for the preparation or revision of hazards analyses.
d. Procedures to document and correct critical equipment deficiencies or operations that are outside acceptable (manufacturer’s recommended) limits. Such corrections must be made before further use of the equipment and system. Corrections are tracked in the applicable databases or Fieldwood’s INSPECT (Inspection Tracker) system.

e. A system for reviewing and authorizing changes in tests and inspections.

f. Appropriate auditing procedures to ensure compliance with the program.

The frequency of inspections and testing of equipment and systems will be consistent with industry codes and standards, applicable manufacturer's recommendations, good engineering practices and regulatory requirements. Inspection and testing frequency may be increased or decreased based upon prior experience but shall in no instance be less stringent than regulatory requirements.

Performance of inspections and testing must be verified. The procedures must be appropriate to ensure that equipment and systems are installed consistent with design specifications and the manufacturer’s instructions.

Deficiencies found to be outside the manufacturer’s recommended limits shall be corrected before further use of the equipment.

The technologies utilized and measurement systems used for compliance with testing, inspection, calibration, and monitoring programs for critical equipment will be documented by applicable subject matter experts.

8.7 Training
The training of Fieldwood and contract personnel involved in maintenance, testing and inspection shall be defined by the appropriate training matrix and is more fully described in Section 7 of this document.

8.8 Documentation & Recordkeeping
All inspection and testing of equipment and systems covered by the SEMS shall be documented.

Testing and inspection documentation shall include:
- the date of the inspection or test,
- the name, position and signature (electronic acceptable) of person performing inspection or test,
- a serial number, API 14C component designation or other identification of the equipment on which the inspection or test was performed,
- a description of the inspection or test performed,
- the results of the inspection or test, including any deficiencies,
- verification that all deficiencies were adequately addressed.
9 Pre-Startup Review

Fieldwood’s SEMS requires that the commissioning process include a pre-startup safety and environmental review (PSR) for new and significantly modified facilities to confirm that the following criteria are met:

a. Construction and equipment are in accordance with applicable specifications.

b. Safety, environmental, operating, maintenance and emergency procedures are in place and are adequate.

c. Safety and environmental information is current.

d. Hazards analysis recommendations have been considered, addressed, and implemented as appropriate.

e. Training of operating personnel has been completed.

f. Programs to address management of change and other elements of this publication are in place.

g. Safe work practices are in place.

Documentation of PSR completion is included in Fieldwood’s Management of Change procedure.
10 Emergency Response and Control

10.1 General
Fieldwood’s SEMS requires that emergency response and control plans are in place and are ready for immediate implementation. These plans are validated by drills carried out to a schedule defined by the Emergency Action Plans as defined below. The drills address the readiness of personnel and their interaction with equipment.

10.2 Emergency Action Plan
Written action plans have been established to assign authority and responsibility to the appropriate qualified person(s) at a facility for initiating effective emergency response and control, addressing emergency reporting and response requirements, and complying with all applicable governmental regulations. These plans include the following:
- Emergency Evacuation Plan (EEP)
- Oil Spill Response Plan (OSRP)
- Station Bill
- Medical Transportation Procedure
- Offshore Hurricane Evacuation Plan

10.3 Emergency Control Center
The on-site Emergency Control Center (ECC) will be located in the main office on each manned facility. In the event the facility needs to be evacuated, the disaster ECC will be located at either the Houston or Lafayette office.

An emergency control center(s) has access to the following:
   a. Emergency Action Plans (refer to 10.2) that address events such as:
      1. Spills of hazardous substances
      2. Collisions
      3. Fire and/or blowouts
   b. Oil Spill Response Plan
   c. Safety and environmental information (refer to SEMS Section 2)
      1. information that provides the basis for implementing all SEMS elements
      2. process design information
      3. mechanical design information

10.4 Training and Drills
Training incorporating emergency response and evacuation procedures is conducted periodically for all personnel (including contractor’s personnel). Training drills based on realistic scenarios for all these plans are conducted periodically at all Fieldwood facilities to ensure that all personnel can react to an emergency situation in a prepared, organized and confident manner.

Periodic drills are analyzed and critiqued to identify and correct weaknesses.
11 Investigation of Incidents

11.1 General
Fieldwood’s SEMS has established procedures for investigation of incidents with serious safety or environmental consequences. The program requires investigation of incidents that are determined by facility management or BSEE to have possessed the potential for serious safety or environmental consequences. Incident investigations are initiated as promptly as possible, considering the necessity of securing the incident scene and protecting people and the environment.

The intent of the investigation is to learn from the incident and help prevent similar incidents. A corrective action program is established based on the findings of the investigation in order to analyze incidents for common root causes. The corrective action program is a follow-up system to the incident analysis procedures. The investigation is to be expedited and findings and recommendations resolved in a timely manner.

The incident investigation is conducted by personnel designated by Fieldwood and/or contractor. An incident investigation is to be conducted by personnel knowledgeable in the process involved, investigation techniques, and other specialties that are viewed as relevant or necessary.

11.2 Investigation
The investigation of an incident will address the following:
   a. The nature of the incident.
   b. The factors (human or other) that contributed to the initiation of the incident and its escalation/control.
   c. Recommended changes identified as a result of the investigation.

The corrective action program will:
   a. Retain the findings of investigations for use in the next hazard analysis update, company audit, or for a minimum of 2 years, whichever is greater.
   b. Determine and document the response to each finding to ensure that agreed-upon corrective actions are completed in a timely manner; and
   c. Implement a system whereby conclusions of investigations are distributed to similar facilities and appropriate personnel within their organization.

Additional information can be located in Fieldwood’s “Incident Investigation Process” Safe Work Practice on the SEMS Portal.
12 Audit of Safety and Environmental Management System Elements

12.1 General
Fieldwood has established and maintains an audit program for the periodic audit of the SEMS. The purpose of the audit program is to determine if the program elements have been properly implemented and maintained and to provide information on the results of the audit to management. Fieldwood’s management has committed sufficient resources to the SEMS audit in order to meet its intended scope.

The audit program will cover:
   a. The activities and areas to be considered in audits.
   b. The frequency of audits
   c. The audit team
   d. How audits will be conducted
   e. Audit reporting

The SEMS department is responsible for scheduling and coordinating the auditing of Fieldwood’s SEMS.

12.2 Scope
The scope of the audit includes:
   a. Determining if the SEMS elements of all sections 1-17 are in place.
   b. Determining if the SEMS elements incorporate the required components.
   c. Testing system to evaluate the effectiveness of the SEMS. The system shall include a review of records and documentation as discussed in Section 13, private interviews of various levels and disciplines of personnel, and facility inspections.
   d. Identifying areas of potential improvement in the SEMS.

12.3 Audit Coverage
When selecting facilities to audit, consideration will be given to common features to obtain a cross-section of practices for the facilities operated.

The testing system of the audit need not be applied to each facility; rather, inspections and interviews will be conducted at fields that differ significantly. This will include a number of facilities sufficient to evaluate management’s commitment to items a, b, and c in Section 12.2

During each audit cycle, at least fifteen percent (15%) of Fieldwood operated facilities will be audited. The facilities included in the audit shall not be the same as those included in the previous audit. If sufficient deficiencies are identified in the effectiveness of any safety and environmental management program elements, the test sample size will be expanded for that program element.

12.4 Audit Plan
A written audit plan will be developed prior to the audit and submitted to BSEE at least 30 days before the audit. The audit plan will be flexible enough to permit changes based on information gathered during the audit and to permit the effective use of resources. Fieldwood shall revise the facility listing if requested by BSEE.
The audit plan includes the following elements to the extent they are applicable to the specific audit:

- Audit objectives and scope
- Audit criteria
- Identification of the audit team
- Identification of the facilities to be audited
- Identification of the program elements to be audited.
- Procedures to be used in the audit.
- Confidentiality requirements
- Report contents and format, expected date of issue and distribution of the audit report.

### 12.5 Audit Frequency

Fieldwood performed an initial audit within two (2) years of SEMS implementation. Audits will be performed at least once every 3 years thereafter.

### 12.6 Audit Team

Effective June 2015, Fieldwood’s SEMS will require audits by an accredited audit service provider (ASP) according to the requirements of 30 CFR 250 Subpart S and API RP 75, Section 12.

### 12.7 Audit Report

Upon completion of the audit, the audit team will prepare an audit report. The topics to be addressed in the audit report are those determined in the audit plan and will contain the audit findings. The final report will be dated and signed by the audit team. Audit related information that may be in the audit reports includes, but is not limited to:

- Identification of the facilities audited
- Identification of the program elements audited
- Summary of objectives and scope of the audit
- Criteria against which the audit was conducted
- Period covered by the audit and the date(s) the audit was conducted
- Identification of the audit team
- Statement of the confidential nature of the contents
- Distribution list for the audit report
- Summary of the audit process, including any obstacles encountered
- Audit findings and conclusions, such as whether the program element(s) is properly implemented and maintained.

The findings and conclusions of the audit will be provided to Fieldwood’s management named in section 1.2.2 d above. They shall jointly be responsible for developing and implementing a Corrective Action Plan (CAP). The CAP shall document the appropriate response to the findings and assure a satisfactory resolution. Included in the CAP is the name and job title of the personnel responsible for correcting the identified deficiencies and a time frame for completion of the response.

Per the audit plan, the audit report of the audit findings, observations, deficiencies identified, and conclusions will be provided to BSEE within 60 days of completion of the audit. Also, per the audit plan, the CAP for addressing deficiencies identified in the audit will be provided to BSEE within 60 days of completion of the audit. BSEE will notify Fieldwood as soon as practicable after receipt of the CAP if the proposed schedule is not acceptable or if the CAP does not effectively address the audit.
findings. BSEE may verify that the corrective actions were completed and that the actions effectively address the audit findings. Audit reports will be retained for reference until the completion of the next audit.

Records of the audit are to be retained at least 6 years from the date of completion at Fieldwood’s Houston and/or Lafayette offices.

12.8 Audit Process
The initial Fieldwood audit was started on October 21, 2014 which precedes BSEE’s ASP accreditation requirements.

The SEMS audit process will meet or exceed the criteria that applies to non-COS member companies in Sections 9.1 through 9.8 of Requirements for Third-Party SEMS Auditing and Certification of Deepwater Operations (COS-2-03) or its equivalent. The process will require a comprehensive audit including all elements of the SEMS, including identifying safety and environmental performance deficiencies. The audit process will also require that the audit team lead must be an employee, representative, or agent of the ASP and must not have any affiliation with Fieldwood.

Effective June 2015, the audit process will be performed by ASP as describes in 250.1921. The ASP qualifications will be included in the audit plan submitted to BSEE.

Only ASP that are COS Approved will be utilized to perform Fieldwood audits to avoid conflicts of interest related to the development of the SEMS and the independent third party auditor and/or the designated and qualified personnel.
13 Records and Documentation

13.1 General
Fieldwood’s SEMS procedures ensure that records and documents are maintained for a period of 6 years, except as provided below. Documentation will be sufficient to describe the core elements of the program and the interaction between the elements. All SEMS audits are documented and kept for 6 years and are available to BSEE upon request. Fieldwood shall maintain a copy of all SEMS documents at an onshore location.

All records and documentation will be dated (with dates of revision), kept in an orderly manner, retrievable, legible, and readily identifiable.

13.2 Documentation
For JSAs, the person in charge of the activity will document the results of the JSA in writing and ensure that records are kept onsite for 30 days (via DWRAPS system on the SEMS Portal). In the case of a MODU, records must be kept onsite for 30 days or until the MODU is released, whichever comes first. Fieldwood will retain these records for 2 years and make them available to BSEE upon request.

Fieldwood documents and dates all management of change provisions as specified in §250.1912. Fieldwood will retain these records for 2 years and make them available to BSEE upon request.

Fieldwood will maintain injury/illness log for 2 years and make them available to BSEE upon request.

Fieldwood keeps all evaluations completed on contractor’s safety policies and procedures for 2 years and makes them available to BSEE upon request.

Fieldwood will document all training and reviews for Stop Work Authority (SWA) per §250.1930 and ensure that records are kept onsite for 30 days (via DWRAPS system on the SEMS Portal). In the case of a MODU, records must be kept onsite for 30 days or until the MODU is released, whichever comes first. Fieldwood will retain these records for 2 years and make them available to BSEE upon request.

Fieldwood will document its employees’ participation in the development and implementation of the SEMS as part of its Employee Participation Plan (EPP). These records will be retained for 2 years and will be made available to BSEE upon request.

In the event of server errors or SEMS Portal outage, records and documentation can be obtained by contacting the SEMS Department.
13.3 Records
Records shall be maintained to include, as applicable:
(a) Information on applicable regulations or other information
(b) Complaint records
(c) Training records
(d) Process information
(e) Product information
(f) Inspection, maintenance and calibration records
(g) Pertinent contractor and supplier information
(h) Incident reports
(i) Information on emergency preparedness and response
(j) Information on significant environmental aspects
(k) Audit reports
(l) Management reviews

13.4 Related Documentation
Documents that are used in the development and implementation of Fieldwood’s SEMS include:
- Organizational charts
- Internal standards
- Operational procedures
- Site Emergency Response Plans
- Site Emergency Evacuation Plans
- Oil Spill Response Plans

13.5 Record and Document Control
Fieldwood has established and maintains procedures for controlling records and documents pertaining to the SEMS. Fieldwood has established a documentation control system to ensure that records and documents are maintained in a manner sufficient to implement and support SEMS that include the following considerations:
- Records and documents are located and maintained in an orderly manner.
- Records and documents are readily retrievable and protected against damage, deterioration, or loss.
- Records and documents are periodically reviewed, revised as necessary, and approved for adequacy by approved personnel.
- Current versions of relevant documents will be available at all locations where operations essential to the effective functioning of the safety and environmental system are performed.
- Records and documents are retained for specified periods of time.
- Obsolete documents are promptly removed from all points of issue and points of use or otherwise assured against unintended use.
- Any obsolete documents retained for legal and/or knowledge preservation purposes are suitably identified.
- Confidential records and documentation are identified and properly handled.
Fieldwood Energy LLC
SEMS Manual

Section 14
Stop Work Authority

14 Stop Work Authority (SWA)

Fieldwood has implemented Stop Work Authority procedures that ensure the capability to immediately stop work that is creating imminent risk or danger.

Imminent risk or danger means any condition, activity, or practice in the workplace that could reasonably be expected to cause:

- Death or serious physical harm; or
- Significant environmental harm to
  - Land,
  - Air, or
  - Mineral deposits, marine, coastal, or human environment.

All personnel have the authority and responsibility, without fear of reprisal, to stop work or decline to perform an assigned task when an imminent risk or danger exists.

The use of Stop Work Authority will be reviewed during all meetings focused on safety.

Stop Work Authority procedures and expectations are a standard statement in all Job Safety Analysis (JSA).

Training on Stop Work Authority procedures will be conducted as part of orientations for all new personnel who perform activities on the OCS.

Stop Work Authority procedures are included in Fieldwood’s Safe Work Practices.

Individuals who receive a notification to stop work must comply with that direction immediately.

The supervisor (person in charge) of the conducted work is responsible for ensuring the work is stopped in an orderly and safe manner.

Work may be resumed when the individual on the facility with Ultimate Work Authority determines that the imminent risk or danger does not exist or no longer exists. The decision to resume activities must be documented in writing as soon as practical.

The SEMS Portal will be utilized to document Stop Work Authority.
15 Ultimate Work Authority (UWA)

Fieldwood’s SEMS has procedures in place to identify the individual with Ultimate Work Authority on all of its OCS facilities. Ultimate Work Authority (UWA) means the authority assigned to an individual or position to make final decisions relating to activities and operations on the facility.

Fieldwood takes into account all applicable USCG regulations that deal with designating a person in charge of an OCS facility.

This individual must be identified before the operation commences and all crew members must know who has ultimate work authority for their operation or facility at all times, including when that responsibility shifts to a different individual.

If an emergency occurs that creates an imminent risk or danger to the health or safety of an individual, the public, or to the environment, the individual with UWA is authorized to pursue the most effective action necessary in that individual's judgment for mitigating and abating the conditions or practices causing the emergency.

In the event that multiple facilities, including a MODU, are attached and working together or in close proximity to one another to perform an OCS operation, SEMS will identify the individual with the UWA over the entire operation, including all facilities.

Ultimate Work Authority procedures are included in Fieldwood’s Safe Work Practices.

The SEMS Portal will be utilized to document Ultimate Work Authority.
16 Employee Participation Plan

The purpose of the Employee Participation Plan is to promote active involvement of personnel, working in offices and working on offshore facilities, in the development and implementation of Fieldwood’s SEMS.

The objective is to consult with employees, where applicable, on the development, implementation, modification, and improvement of various elements of Fieldwood’s SEMS.

Fieldwood will provide access to sections of the SEMS that are relevant to their jobs utilizing the SEMS Portal.

Fieldwood’s Employee Participation Plan is included in Fieldwood’s Safe Work Practices.
17 Reporting Unsafe Working Conditions

Fieldwood’s SEMS includes procedures for all personnel to report unsafe working conditions. In accordance with 30 CFR 250.193, any person may report to BSEE any hazardous or unsafe working condition on any facility engaged in OCS activities, and any possible violation or failure to comply with the SEMS regulation or program. Any person may also report a possible violation of any USCG violation or any other hazardous working condition on any unit engaged in OCS activities to an Officer in Charge, Marine Inspection.

Fieldwood will post a notice on all manned facilities in a visible location frequently visited by personnel regarding reporting procedures.

Procedures for reporting unsafe working conditions are included in Fieldwood’s Safe Work Practices.
18 Reference Information

18.1 Fieldwood Energy LLC – SEMS Organizational Chart