



ALERT

FLASHPOINT

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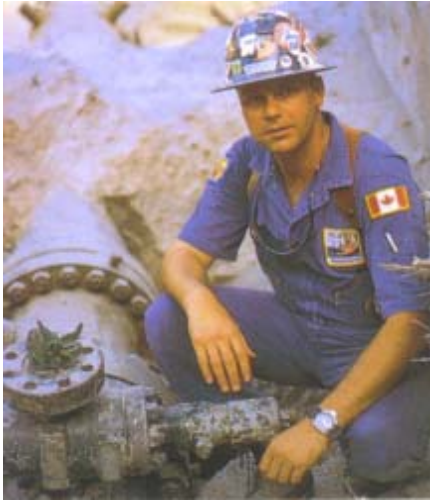
JULY 1988



DNV Accredited ISO 9001 Quality Management System

ALERT DISASTER CONTROL

FLASHPOINT



OVER the past fifteen (15) years there has been a continuous push throughout the industrialized world to develop and implement common standards for the quality management of virtually all critical processes. This drive has led to the development of systems such as the ISO 9000 series of standards. These standards and certification are becoming a requirement for doing business in the international community.

Safety Management, a term more common to most of us, is simply a subset to an effective Quality Management System. The requirement for the implementation of a very stringently structured Safety Management System became prevalent following the Piper Alpha disaster in 1988.

In turn, Incident Management is a subset to Safety Management. Setting standards for the management of incidents, from relatively minor ones to major disasters, has also received a lot of attention over the past fifteen (15) years. History has proven, time and time again, that without effective management incidents can become emergencies, emergencies can become disasters and disasters can turn into catastrophes.

One of the major reasons that incident management standards have gained merit in recent times is that they set common procedures (particularly for response) that all responders learn and adhere to regardless of which agency or company they belong to. This becomes paramount in an emergency as there is never enough time to learn the in-house system as the event unfolds.

We have seen many changes in the exploration and development sectors during the past ten (10) years, all of which affect incident management. These have included down sizing and outsourcing of specialized technical functions, aging

WELL CONTROL MANAGEMENT SYSTEM

equipment, loss of experienced personnel and increased environmental consequences.

A well control problem is an incident that must be managed, whether the incident is a simple kick or a major disaster such as Piper Alpha. If Industry does not develop and embrace an effective standard for managing these incidents, eventually (almost assuredly after another disaster), additional government regulations will be imposed forcing THEIR standards (e.g., safety cases following the Piper Alpha).

Alert Disaster Control, in conjunction with the John Wright Company, proposes a timely strategy designed to fit into existing Quality, Safety and Incident Management Systems. The conception and development of a Well Control Management System proposes a set of common standards and procedures (not withstanding local adaptation) both within the operating company and as much as practicable within the industry. This will eventually increase the efficiency, safety and response capabilities of all operators.

Well Control Management System – Features

Significant features of the system include:

- Three (3) escalating response levels based on: immediate impact to the company and; the risk and consequence for further potential escalation.
- Defined and hierarchically classified operating conditions that control the types of incidents that could occur in a given operating area.
- Identified potential incidents for the given operating area.
- Identified response conditions that would influence the level of response for the operating area.
- Identified response level for major categories of potential well control incidents.
- Response guidelines that lay out basic procedures and notifications at the well site and by office based management for initial response and for subsequent escalation's for each incident level.
- Modular response organization following the Incident Command System.
- Initial Planning Cycle that lays out the meeting and activities to plan for and carry out Level 3 well control response operations during the first few hours/days until a general plan is developed.
- Daily Planning Cycle that lays out the

meetings and activities to manage the execution and modification of the General Plan.

- Incident Action Plans (IAP) that describe the daily tactical response operations.
- A General (Strategic) Plan that describes the strategy of the overall operation, milestones and, long range activities and the resources required in an organized fashion.

Well Control Management System – Reponse Levels

The three (3) level response will be pre-planned and activated based on: the severity of the incident; the operational circumstances; potential for escalation and; the potential risk/consequence impact on HSE and company operations.

Level 1 Response: The incident is of sufficient severity that there is concern for personnel safety and/or potential damage to the well or structure. While this level of response is for incidents that on-site operations staff should be capable of handling, with standard operating procedures, it is often subjective and may be misinterpreted as routine while it has the potential to escalate to a higher level.

Level 2 Response: This response is for well control or related incidents where standard operating procedures do not exist to the extent required to restore the situation to normal. Control may require resources in addition to the on-site operations staff and/or the use of unfamiliar, more difficult, well control procedures. The incident is of sufficient severity that there is DEFINITE concern for personnel safety and/or damage to the well or structure. Well control, however, has not been lost.

Level 3 Response: This response is for well control incidents where control of the well has been lost. The personnel and structure are potentially in IMMEDIATE DANGER. Level 3 incidents have the potential to escalate further during control procedures. Further escalation may cause massive pollution, loss of life, serious structural damage or total loss.

The Justification for developing and implementing a Well Control Management System is threefold: (1) To define the risk and impact of a well control incident on the operating unit; (2) to reduce the occurrence of incidents and; (3) to reduce the cost and time to control such and event, when it does occur.

INTEGRATED LOSS MANAGEMENT SYSTEM

Introduction

Alert Disaster Control (Asia) Pte. Ltd. has assisted a large number of reputable firms in the pursuit and achievement of their loss management goals through the provision of Five (5) Star Health and Safety Management System (HSE) auditing. This has been further enhanced by **ALERT** specialists assuming roles within the clients Safety Management System and assisting with project development and implementation.

ALERT is now pleased to announce a revolutionary development in safety technology. Through the progressive development of an Integrated Loss Management System (ILMS), **ALERT** now offers a total solution to any safety requirement a company may have.

Progressing far beyond a conventional 'audit' **ALERT** utilizes a Loss Control Analysis (LCA) to assess a companies current level of operational efficiency at the time of inspection.

The popular quotation (often used in loss control seminars) – “What gets measured, receives attention and ultimately, gets done”, has never been more true. The first step is to determine the effectiveness of the system that is currently in place. Ultimately this is where the Integrated Loss Management System gains merit.

- If a system has not been developed, one can be tailored to suit the size and needs of the company.
- If the present system fails to meet the



Site specific integrated loss management systems.

specified requirements, it can be modified or amended.

- Any deficiencies noted can be rectified.

The Integrated Loss Management System provides a methodology for rectifying any deficiency within the safety system and a vehicle to facilitate the modification (whether the system has been

multitude of industries. These include but are in no way limited to:

- Aviation
- Petroleum (upstream / downstream)
- Petrochemical
- Marine/Shipping
- Military
- Construction

Strategy

The Integrated Loss Management System provides support for any element of a Safety Management System that may require modification, remedial action or amendment.

Consider the elements as contained in a typical HSE Five (5) Star Health and Safety Management System Audit.

Each element is evaluated during a Loss Control Analysis (or other internal/external audit) and degree of compliance/non compliance noted. **ALERT** offers assistance through the Integrated Loss Management System for every facet of the audit.

Ask Yourself, Are there controllable losses occurring within our operation? If yes, what are we doing about it? Can we do more?



Marine and offshore loss management systems, services, auditing and training.



*John W. Wright – John Wright Company
(Relief Well operations from semi-submersible, Cook Inlet, Alaska).*

JOHN WRIGHT COMPANY

Introduction

In February 1998, Mr. John Wright of John Wright Company and Mr. Mike Allcorn of Alert Disaster Control, agreed in principle to combine the interests of their respective related companies. The completion schedule for this merger is targeted for 01 September 1998. The scheduled merger completion will coincide with the opening of an Alert Disaster Control (Europe) office thereby strengthening our combined well control engineering, emergency response and preventative safety services capabilities, worldwide.

The Company

The John Wright Company (JWC), formed by Mr. John W. Wright in August 1989, offers a new kind of blowout intervention engineering, management and supervision service to the oil and gas industry. The historical record of oilwell firefighting and blowout control operations of the past have given way to a conservative path of emergency management, engineering planning, analysis and preventative training.

As blowout advisors and engineering specialists, JWC provide clients a single source of emergency response for the application and integration of blowout intervention technologies. JWC's goal is the necessary assistance of client's for effective emergency management of a

blowout crisis. JWC strengths include a team – approach to client's issues and non-routine services such as hydraulics simulations and electromagnetic ranging, JWC's extensive practical experience and a proven methodology of blowout intervention engineering. Through JWC's cooperation, a client's emergency management team is thoroughly prepared to: assess response capability and minimize response time; create a blowout intervention task force; identify management, engineering, and operations expertise inside and outside the organization; develop an action plan observing proven methodology, procedures and logistics; and execute a sound kill program.

JWC provide a unique ability to engineer and organize blowout solutions that strike at the cause of uncontrolled flow. The hazardous nature of blowouts requires effective and safe solutions which keep options open. JWC's engineering specialties facilitate the proper identification of blowout mechanics and alternative solutions. By analyzing "what-if" cases, JWC derive an optimum intervention program, involving JWC specialists in relief well operations, surface kill operations, underground flow, kill hydraulics, fluids, fracturing and equipment, as needed. In cooperation with partner organization 'Well Flow Dynamics AS', JWC have demonstrated the ability to quantify and execute kill operations based on computer modeled kill hydraulics. It is these kinds of techniques which permit the proper logistical coordination and crisis decision making that minimize risks.

JWC works with client's to develop sound principles and long-term strategy for blowout response. JWC encourages a comprehensive emergency management goal of blowout prevention, preparedness, and swift cost-effective response. The fires of Kuwait proved planning ahead treats blowouts quickly, safely and economically, JWC provide such services as prevention audits, contingency planning of blowout scenarios, training, drills, and call off contracts to help clients gain control of their blowout risk exposure. This interaction gives clients a direct way to quantify blowout and organizational issues and to build confidence in their internal ability to respond.

In summary, JWC answered the changing oil and gas industry's need for



First reactive plug kill operation from Relief Well – Argentina.

emergency management and engineering support during blowout intervention projects. JWC formed an organization of veteran blowout intervention professionals, distinguished by their engineering abilities. Their functions to help clients range from general contingency planning to large scale project coordination.



Relief Well – Lake Maracaibo, Venezuela.

Service Structure

These services are divided into two (2) primary categories – contingency planning and field operations.

Contingency Planning is separated into five (5) subsets of the Well Control Management System:

- Management of Response
- Training
- Technology
- Risk
- Information for the three (3) levels of increasing impact

Field Operations consist of:

- Project Management, Logistics and General Contracting for Special Services
- Design and Supervision of Well Intersections
- Design and Supervision of Well Hydraulic Kills

Experienced Management

John Wright key personnel have supervised dozens of relief wells, borehole intersections and kill operations around the world. Mr. Wright was instrumental in pioneering blowout control contingency planning, the development of procedures for special services and response organizations, and the introduction of a comprehensive ‘Well Control Management System’.

Associated Services

Through Well Flow Dynamics a.s., an affiliated Norwegian firm, hydraulic simulations using the “OGLA-Well-Kill” software package are offered. This is the most advanced model currently on the market. Under the management of Dr. Ole Rygg, the model is used for blowout diagnostics, blowout modeling and, kill modeling. In addition, magnetic pole and

computational services available through JWC include: kick modeling; customized directional drilling planning packages to plan and analyze 3D relief well trajectories; customized multi-media packages to record blowout control events, set-up tabletop drills and production of training packages; hydrocarbon explosion modeling; gas dispersion and heat radiation modeling.

The Future

ALERT, together with the John Wright Company, look forward to continuing to meet the objectives set forth by our customers and the unique challenges our industry faces in its quest to serve global energy demands.



Deep HPHT Relief Well from Jack-up.

Logistics Support Study – BAKU, AZERBAIJAN



Passports and Visas

Entrance visas for Azerbaijan are granted to foreign citizens in accordance with established procedures. The period of validity for a single entry visa is from three (3) days to three (3) months, while a multiple entry visa is valid for one (1) year. A re-entry visa can be obtained by foreigners who complete an application form and present it with their passport upon departure. This will give the applicant permission to re-enter Azerbaijan provided they return within one (1) month.

All visitors to Azerbaijan are recommended to obtain a visa prior to their arrival. Passports without visas are retained by the immigration authorities at the airport. Visitors must then apply to the Consular Department of the Ministry of Foreign Affairs of Azerbaijan during the working day to retrieve their passport.

ALERT DISASTER CONTROL conducted a logistics support study of the Caspian Region in support of the development of a comprehensive Well Control Management System.

location at the crossroads of East and West will ensure its dominance as a center of economic dominance.

Baku has changed dramatically since

Objective

The objective of the work assigned to **ALERT** was to determine the availability of the resources and logistic support as defined within the Clients Firefighting and Capping Strategy for Drilling Operations – Caspian Sea.

The following are brief excerpts that our client base may find interesting.

Infrastructure

Population of the Azerbaijan Republic:-
7.1 Million

Population of Baku:- 1.8 Million

Territory of Azerbaijan:-
86.6 thousand sq. km.

Language:- Azeri

Neighboring Countries:-

Russia, Georgia, Armenia, Iran, Turkey

Monetary System:-

Manat (3850 : 1 USD, April 1998)

With the disintegration of the Soviet system during the 1990's, Baku has again assumed its role as the capital of an independent Azerbaijan. Baku is presently poised to play a significant role in the revitalization of the region on the basis of new relationships with American, British, Iranian, Russian, German, Turkish and many other foreign partners. Its natural resources, industrial base and



Upgrading existing equipment to Western technology standards.

1995 in terms of business structure and a greater presence of 'western operations'. The city has become integrated with the economic structure of the region, and of the entire world of business. The progressive development of the oil industry, along with joint ventures, local offices of foreign corporations and improvements in telecommunications and transportation, have made Baku a regional business center.

For the second time in its history Baku is in the midst of a boom. But, unlike the first oil boom a hundred years ago, Baku is experiencing a more general industrial boom. The local foreign community has grown enormously, bringing international business and its culture into the social fabric of the city. **This has had a dramatic impact on the business mentality of both local and foreign companies.**

Special Considerations

By all accounts from personnel and companies established within the region, Baku provides a friendly atmosphere to Western access and Western ideals.

In simple terms, results will be directly proportional to financial input. Direct investment in the region has been of paramount importance in the integration of companies into the local infrastructure.

Conclusion

In preparation for a potential well control incident within the Caspian Sea / Region it is imperative that all Operators prepare a comprehensive site specific 'Well Control Management System' prior to commencement of exploration / drilling activities. The following resources, although limited and in varying states of operational efficiency, are currently located within Baku:

- Two (2) runways capable of landing heavy lift aircraft
- Accommodation
- Communication
- Vessels
- Barges
- Cranes
- Shipyards
- Passenger access to Amsterdam, London and Dubai.



ALERT SAFETY AND SURVIVAL TRAINING CENTER STATUS

ALERT would like to take this opportunity to express our sincere thanks and appreciation to the Maritime and Port Authority of Singapore (MPA).

The MPA has been instrumental in our achievement of International Maritime Organization (IMO) STCW 95 accreditation. The MPA has assisted **ALERT** not only through their assessment and subsequent recognition of our training operations but through their most valued guidance.

Interpretation of the STCW Code has been debated since its inception. The MPA provided **ALERT** with a definitive criteria for the accreditation process. These guidelines included interpretation of the Code, document preparation, instructor and staff qualifications, training standards, time scheduling, assessment of competencies, curriculum presentation and the examination process. **ALERT** has achieved accreditation for the following training programs:

- Advanced Firefighting
- Personal Survival Techniques
- Proficiency in Survival Craft

Programs developed and currently tabled for approval include but are not limited to:

- Proficiency in Survival Craft and Rescue Boats Other Than Fast Rescue Boats
- Proficiency in Fast Rescue Boats
- Basic Firefighting
- Personal Safety and Social Responsibilities
- Medical Emergency Basic Training
- Medical Emergency First Aid
- Medical Emergency Medical Care

ALERT looks forward to continuing our association with the MPA in the future and eventually providing our customers with the full range of STCW 95 Emergency Response and Safety related training programs.

QUALITY CONTROL

WITH the number of personnel trained by **ALERT** rapidly approaching forty thousand (40,000) we are seeing more and more repeat students. **ALERT** has always maintained a progressive approach in everything we do, training is no different and we're sure that those returning to **ALERT** would agree. Implementing a Quality Management System to ISO 9001 standards was one method through which **ALERT** has set forth to remain at the forefront of the training industry.

All training activities are closely monitored with customer service and student welfare being of utmost concern. Student input and feedback has played a noteworthy role in our facilities development over the past ten (10) years. This has been mainly in the form of Course Evaluations which are distributed to the students at the end of each training program. What may seem like a trivial bit of paper to some is actually a valuable tool for **ALERT** and the Customer, and while your Company may be paying your tuition it is your comments that direct our actions.

Examples of changes that have been initiated by comments from our course participants include:

- Seven choices of lunches including ethnic compatibility
- Course presentations standardized to a slide format
- Lockers on board the training vessel
- Larger designated lunch facility
- New manuals and course notes
- Better utilization of training hours
- New lifejackets and training aids
- Continued improvement of our Loss Management System



Further data is compiled relating to the individual instructor. This is ultimately used to identify internal and external training requirements and to monitor the effectiveness of **ALERT**'s Instructor Development Program.

Finally we assess the customers perception of each program and the facility as an integrated unit. This assessment is derived from the scores allocated by the participant for each relevant section of the Evaluation Form. To put this into perspective, sixty percent (60%) is a SATISFACTORY rating, eighty percent (80%) is a VERY GOOD rating and one hundred percent (100%) is an EXCELLENT rating. It is with great pride that we see consistent ratings of the facility at over eighty-nine percent (89%) .



CADET SCOUT VISIT

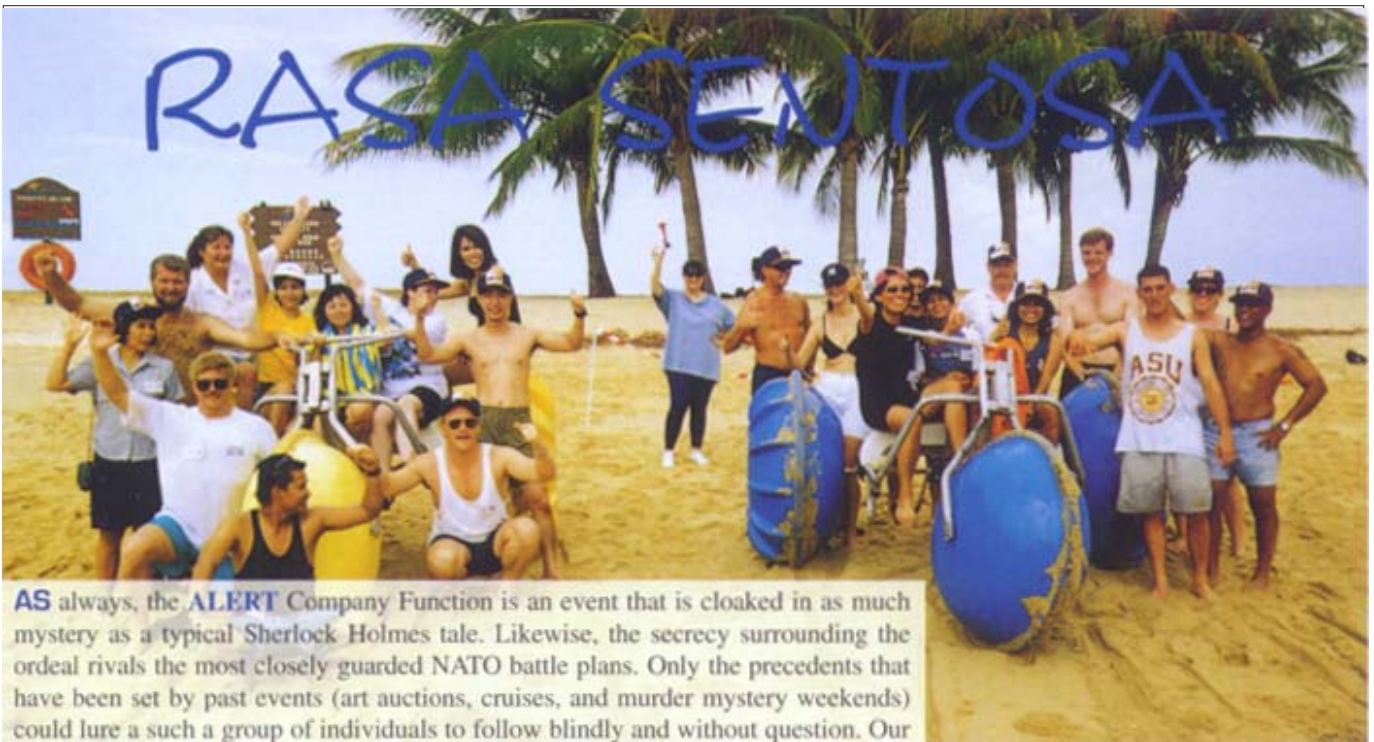
ALERT was proud to open the Safety and Survival Training facility to the Scouts, Leaders and several parents of the Tanglin Cadet Scouts (Friday Pack). The Scouts spent an entertaining afternoon exploring the many aspects of Emergency Response

that are covered within **ALERT**'s scope of services.

After attending the mandatory Safety Induction, the Scouts watched video footage of several regional disasters and how **ALERT** responded. This was followed by a series of practical exercises where the boys actually donned emergency breathing apparatus and navigated through a smoke filled structure.

Leaving the shore based facility, the Scouts boarded a Totally Enclosed Motor Propelled Survival Craft (TEMPSC) for their trip to the Alert 1-Sri Kresna (**ALERT**'s purpose built training vessel). On board the boys responded to simulated emergencies using Fast Rescue Boats (FRB), Survival Craft and **ALERT**'s Helicopter Simulator (HUET). The Scout's visit culminated with a full scale Emergency Evacuation Drill. With the alarms sounding the boys mustered, proceeded to the embarkation deck level, boarded the TEMPSC and evacuated the vessel in a most professional manner.

ALERT would like to extend our sincere thanks and appreciation to the Tanglin Cadet Scouts for their interest in our facility and we look forward to seeing you again in the future.



AS always, the **ALERT** Company Function is an event that is cloaked in as much mystery as a typical Sherlock Holmes tale. Likewise, the secrecy surrounding the ordeal rivals the most closely guarded NATO battle plans. Only the precedents that have been set by past events (art auctions, cruises, and murder mystery weekends) could lure a such a group of individuals to follow blindly and without question. Our

"PIED PIPER", known as Debbie to most of you, truly outdid herself this year. Armed only with a suitcase full of leisure clothes and a designated pick-up time the **ALERT** Team set forth on what was to become a weekend of laughs, hard work, strategy, vengeance and above all else **TEAMWORK** (sound like a normal day at the office).

Having divided into two (2) teams we were challenged with a series of ten (10) events to be fought with the beautiful Rasa Sentosa as a backdrop. Each event devised by Deb encouraged friendly competition (sometimes not so friendly) and was highlighted by the leisure activities that followed. Deb held a firm hand in controlling each event and Mike kept things honest as our fair and impartial invigilator. In the end, all things being equal, old age and treachery overcame youth and enthusiasm. That is to say, Agnes' team won.

The **ALERT** Team would like to take this opportunity to express our most heartfelt thanks and appreciation to Mike and Deb for a weekend to remember. In fact, thank you seems inadequate. We would also like to extend our best regards to the Management and Staff of the Shangri-La's Rasa Sentosa Resort who were more than accommodating and conducted themselves with the utmost professionalism throughout what must have seemed to be quite bizarre at times.

If you would like further information on any of the articles or services mentioned within this newsletter, please contact:

ALERT DISASTER CONTROL (ASIA) PTE LTD.

Box 5008, Block B, #01-00
Loyang Offshore Supply Base
Loyang Crescent
Singapore 508988

Tel : (65) 545 5088 (24 Hours)

Fax : (65) 545 3033

Tlx : RS 20413 FLAMES

email: mail@alert.com.sg

URL : <http://www.alert-flashpoint.com>