

NOTICE OF NON-COMPLIANCE

September 13, 2023

BY E-MAIL

Bjørn Boge Hercules Rig Manager Odfjell Drilling Ltd. Kokstadflaten 35, 5257 Kokstad NO-5863 Bergen, Norway

Dear Mr. Boge,

Re: Non-Compliance - PDPH Gripper Head Strikes Crane Boom Walkway Railing

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) hereby issues this Notice of Non-Compliance in connection with an incident on the MODU *Hercules* on July 23, 2023. The investigation report findings of Incident EXP2023002 conducted by Odfjell Drilling Ltd. acting as manager for Rig Hercules Contractor Ltd. (Odfjell Drilling), were filed with the C-NLOPB on August 12, 2023. ExxonMobil Canada Limited is the Operator of the MODU *Hercules*, having been granted Operations Authorization No. 24020-020-OA06 on September 11, 2019, as amended. Odfjell Drilling is the employer of the lifting operations team that performed the task on the MODU *Hercules*.

Factual Information:

From the C-NLOPB's review of the above-noted investigation report, we understand that during lifting operations using the port deck pipe handling (PDPH) crane, the Assistant Crane Operator was completing a lift of an empty water bag from the port pipe deck to the starboard fan house for storage. As the PDPH crane was being positioned to lower the load onto the starboard aft fan house roof, the gripper head of PDPH crane struck the walkway section of starboard deck crane walkway railing. The starboard deck was not in use at the time. The Banksman was not at the location to guide the load down to the starboard fan house. The Crane Operator and Deck Pusher were walking from the port pipe deck to the starboard fan house at the time of the incident.

Upon review of the incident report and additional documentation submitted, the following facts have been identified and relate to the following instances of non-compliance:

- 1. A lift plan was not established as required by section 4.2 of the *Lifting Operations on Hercules* procedure (L4-MODU-DSH-C-PR-114), section 4.1.2 and 4.4 of the *Lifting Equipment Operations* procedure (L3-MODU-ALL-TO-PR-042) and section 26 of the Odfjell Safety Standard;
- A documented pre-job safety meeting or risk assessment was not completed as required by section 4.2 of the *Lifting Operations on Hercules* procedure (L4-MODU-DSH-C-PR-114), sections 4.1.2 and 4.3 of the *Lifting Equipment Operations* procedure (L3-MODU-ALL-TO-PR-042) and section 26 of the Odfjell Safety Standard;
- 3. The dedicated roles for safe lifting operations were not established (Banksman or Slinger) as required by section 4.2 and 4.8.2 Odfjell *Lifting Equipment Operations procedure* (L3-MODU-ALL-TO-PR-042), section 26 of the *Odfjell Safety Standard*; and
- 4. The starboard crane was not identified as a potential hazard or structure that could be struck during the lift.

Specific Non-Compliances:

It is the finding of the Chief Safety Officer that Odfjell Drilling did not comply with the following (references are to the federal version of the *Accord Acts*):

1. The employer failed to ensure that all reasonable measures were taken to ensure the health and safety of its employees and other individuals at a workplace under its control during the lifting



operation, contrary to the *Canada–Newfoundland and Labrador Atlantic Accord Implementation Act* paragraph 205.018(a) and the *Canada–Newfoundland and Labrador Offshore Area Occupational Health and Safety Regulations* section 115(1)(f) as noted in points 1 to 4 above under "Factual Information".

 The employer failed to ensure that the employees executing the lifting operations were made aware of known or foreseeable safety hazards, contrary to the *Canada–Newfoundland and Labrador Atlantic Accord Implementation Act* paragraph 205.019(1)(f) as noted in point 4 above under "Factual Information".

Corrective Actions:

We acknowledge that Odfjell Drilling has initiated the implementation of corrective actions to prevent recurrence. In addition and as per paragraph 6(2)(c) of the *Canada–Newfoundland and Labrador Offshore Area Occupational Health and Safety Regulations*, the Chief Safety Officer requires that Odfjell Drilling conduct an audit to determine all of the failures and gaps in the occupational health and safety program that contributed to these non-compliances and provide a report to the satisfaction of the Chief Safety Officer before conducting any work activity in C-NLOPB's jurisdiction.

This Notice of Non-Compliance will be posted to the C-NLOPB website.

Should you have any questions or wish to discuss these matters further please contact the undersigned at

Sincerely,

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Chief Safety Officer

C.c. ExxonMobil Canada Limited