



Chief Safety Officer Decision
(Application for Substitution, Equivalency, or Exemption)

Date: 2020-May-01 | 12:53:02 PM NDT

C-NLOPB Reference: 2020-RQ-0038

Applicant: Diamond Offshore Drilling Inc.

Applicant Reference: OGW-005-PIR

Installation Name: MODU Ocean GreatWhite

Authority: *Canada-Newfoundland and Labrador Atlantic Accord Implementation Act, subsection 151(1) & section 205.069*
Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act, subsection 146(1) and section 201.66

Regulation: *Subsections 8(2)(3)(a)(b) of the Newfoundland Offshore Petroleum Installation Regulations*

Decision:

The Chief Safety Officer approves the Applicant's, the owner of the *MODU Ocean GreatWhite*, proposal to deviate from Subsection 8(2) and 8(3) of the *Newfoundland Offshore Petroleum Installations Regulations* in respect of the Applicant's proposal to conduct hot work operations onboard the *MODU Ocean GreatWhite* with the following limitations. In all circumstances, hot work should be deferred to periods when the installation is not connected to the well unless otherwise permitted in this decision (Condition 3.0). Where this is not practical or is not the lowest risk approach, hot work may only proceed as defined below and subject to a risk assessment process with appropriate mitigations/precautions in place. For exploration wells, the necessity for hot work must be critical in nature and conducted only when exceptional circumstances exist:

- Hot work is of an unplanned nature that could not have been reasonably foreseen and completed while previously disconnected;
 - The risk of not completing the work is unacceptable and/or it is not possible to progress the operation without completing the hot work scope;
 - There is no alternative or temporary means of achieving an acceptable level of safety without the use of hot work; and
 - The scope of the hot work is limited to the extent required to safely resume operations.
1. In all circumstances, hot work should be deferred to periods of shutdown. Where this is not practical or is not the lowest risk approach, hot work may only proceed as defined below and subject to a risk assessment process with appropriate mitigations/precautions in place.



2. Welding shop and protected Interior Spaces: Hot work in interior non-hazardous locations and inclusive of the Welding Shop, is only permitted if work is conducted in accordance with the Installation's Permit to Work System, is not conducted in the vicinity of other sources of ignitable vapor and the following systems are fully functional:
 - i. Sealed HVAC providing a gas tight environment
 - ii. Positive overpressure protection relative to the external process/utility areas from which hazardous vapors may originate.
 - iii. Sealed fire/blast protected doors, bulkheads, decks and fire dampers.
 - iv. Fire Suppression system.
 - v. Fire and gas detection system.

3. Exterior Spaces: Exterior hot work is permitted provided:
 - i. Work is conducted in accordance with Ocean GreatWhite's Permit to work system.
 - ii. The fire suppression system and gas detection systems are fully functional.
 - iii. When conducting hotwork within 50 m of a source of ignitable vapour, a pressurized habitat is used in accordance with the manufacturer's recommendations.
 - iv. All hazards and risks associated with repair work are to be identified, risk assessed and mitigated to ALARP. This shall include all high and medium risk work activities on the facility and must consider ongoing well operations.

4. All expectations addressed in the associated C-NLOPB Hot Work Interpretation Note 14-01 apply to this RQF decision and where required Ocean GreatWhite's Permit to Work System shall reflect the these expectations.

This Decision is effective from the date of issuance herein until the earlier of:

- a) the date a Regulation referenced herein is repealed or the date a particular subsection that is the object of a substitution or exemption being granted hereby is amended or replaced, or
- b) the date on which the CSO and /or CCO (as applicable) revokes this Decision as a result of i) any enforcement action by the Board related to this Decision or ii) new information or analysis coming to light challenging the assessment upon which this Decision was based, including but not limited to any changes to commitments made by the Applicant in its application.

For greater certainty, the Chief Safety Officer will no longer have authority under the Accord Acts to grant exemptions for Part III.1 transitional regulations once they are repealed.

DocuSigned by:

A handwritten signature in black ink, appearing to read "Paul Allen".

Chief Safety Officer