



Chief Safety Officer Decision (Regulatory Equivalence)

Date: November 17, 2014

C-NLOPB Reference: 2014-RQ-0118

Applicant: Husky Energy

Applicant Reference: RQF-GSF-32.1

Installation Name: GSF Grand Banks

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

Regulation: *Subsection 8(2) of the Newfoundland Offshore Petroleum Installation Regulations*
Section 1.1 of the Draft Petroleum OSH Regulations
Section 11.6 of the Draft Petroleum OSH Regulations
Section 17.4 of the Draft Petroleum OSH Regulations

Decision:

The Chief Safety Officer concurs with the following in respect of the Applicant's proposal to conduct hot work operations onboard the GSF Grand Banks while drilling development and exploration wells:

1. In all circumstances, hot work should be deferred to periods when the Installation is not connected to the well. 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. Hot work, while connected to a delineation or exploration well, is not allowed except as other wise permitted by this decision.
3. Hot work, while connected to a development well, is not allowed when the Installation is performing riserless drilling or when hydrocarbon levels reach or exceed 5% of the LEL at the header box.

4. Hot work, while connected to a development well, is allowed if:
- the work is conducted in accordance with the Installation's permit to work system and risk assessment procedure
 - while drilling in hole sections with targeted reservoir sections, the well is isolated, inclusive of at the wellhead/BOP with active monitoring in place
 - the work is not conducted in the vicinity of other sources of ignitable vapor
 - the fire suppression systems and fire and gas detection systems are fully functional, and
 - the measures outlined in the Application are followed.
5. Hot work, in interior non-hazardous locations as outlined in the Application, is 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:
- Sealed HVAC providing a gas tight environment
 - Sealed fire/blast protected doors
 - Fire suppression systems
 - Fire and gas detection systems

No other hot work activities are approved



Chief Safety Officer