



Canadian Association of Oilwell Drilling Contractors
800, 540 - 5 Avenue SW
Calgary, Alberta T2P 0M2
Telephone (403) 264-4311
Facsimile (403) 263-3796

MEMORANDUM

DATE: January 13, 2012
TO: Service Rig Contractor Registered Representatives
Safety & Technical Committee
FROM: Kelli Whitehead
SUBJECT: **32nd Annual CAODC Service Rig Safety Awards (for 2011)**

As a celebration of our industry's dedication to safety, the CAODC has been hosting the CAODC Service Rig Safety Awards for the past 32 years. These awards are a unique opportunity for individual righands to be recognized by their peers for their safety achievements.

Support for this event is vital as it gives us the opportunity to stand united in front of industry, government, and the public. By continuing to showcase these safety achievements we are able to further promote a safe drilling business, while at the same time give back to those dedicated individuals in the field who are keeping our industry safe.

The 32nd Annual CAODC Service Rig Safety Awards will be taking place Saturday, April 28, 2012 at the Delta Edmonton South Hotel and Conference Centre; ticket request forms and hotel room reservation information will be sent in a separate memo titled *Ticket Request & Reserved Tickets*.

Enclosed are the application forms for Rig Manager and Operator Scroll Awards, Service Rig Plaque Awards, CAODC Safety Leadership Awards and the CAODC Safety Excellence Awards. These awards recognize safe performance for the period of January 1, 2011 to December 31, 2011.

It is the responsibility of each company to ensure their submissions are complete, accurate and returned to the CAODC office no later than **Wednesday, February 29, 2012**; submissions received late **will not** be accepted under any circumstances. Please submit your applications electronically to awards@caodc.ca.

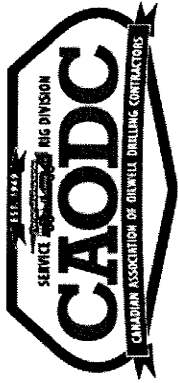
For information on award criteria, refer to the attached Explanatory Notes Part A and Part B.

Regards,

Kelli Whitehead
Manager, Safety and Training Services

Encl.

KEW/jlk - 422.0



2012 SAFETY LEADERSHIP AWARDS APPLICATION FORM

Company: _____ Date: _____

	Manhours Worked	Fatality FTL#	Lost Time Incident (LTI)		Restricted Work Cases (RWC)	Medical Treatment Only (MTO)	
			LTI #	RWC #		RWC DAYS	MTO #
Rig & Field Personnel							
Field Superintendents & Safety Supervisors							
Non-Salaried Rig Managers*							
Office Staff & Management							
Shop Staff							
TOTAL							

*Note: Rig manager hours must be allocated to the area worked (i.e. rig, shop, administration).

Each award submission form must be authorized by the CAODC Registered Representative, or a senior management representative. I certify to the best of my knowledge that the information contained herein is true and correct.

Print Name: _____ Signature: _____

Position: _____ Telephone: _____

Registered Representative Signature: _____

PRIVACY NOTICE: Personal information is collected to recognize CAODC Service Rig award recipients; CAODC does not sell trade or exchange any personal information within the CAODC membership or with other organizations.



2012 CAODC Safety Excellence Award Form

I would like to nominate the following individual or rig for the 2011 CAODC Safety Excellence Award. I understand and have read the *CAODC Part A Explanatory Notes*. The nominee(s) below meet or exceed the requirements as set out in the CAODC official rules.

Please check only one:

Individual Award

Please name the individual to be recognized. The name of the individual and position will be engraved on a plaque that will be distributed to the individual at the banquet. Correct spelling is mandatory. Any reprints will be at the cost of the contractor.

Name: _____

Position: _____

Rig Award

Please list the members' names of the rig crew to recognize. The individual names and their positions will be engraved on a plaque that will be distributed to the rig crew at the banquet.

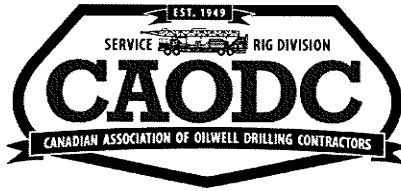
_____ Rig Name
_____ Rig Manager
_____ Operator
_____ Operator
_____ Operator

If you would like additional names engraved on the plaque, please indicate using a separate sheet.

Company Name: _____

CAODC Representative: _____

Signature: _____



PART A - EXPLANATORY NOTES

CAODC SAFETY LEADERSHIP AND SAFETY EXCELLENCE AWARD FOR 2011

- | |
|----------------------------------|
| A. CAODC Safety Leadership Award |
| B. CAODC Safety Excellence Award |

It is the responsibility of each company to ensure their submissions for the CAODC Safety Leadership and Excellence Awards are complete, accurate and received no later than **Wednesday, February 29, 2012**. Any submissions received later than this date **will not** be accepted under any circumstances.

A.1 CAODC Safety Leadership Award

The trophies being awarded are:

1. *Chairman of the Board Shield Trophy* will go to the service rig member company who has achieved the most improved safety performance (TRIF) for the year of 2011. Negative point totals are not eligible.

Contractors must have participated in last year's safety awards to be eligible for this trophy.

2. *Class A, B, and C Safety Leadership Awards* will go to the service rig member company who has achieved the lowest TRIF in their class.

Note: Classes will float until all applications have been received. Classes will then be divided according to the *manhours worked* in order to balance the number of entries per class.

Service rig member companies will be organized into classes based on submitted manhours. Within each class, participating companies will then be ranked according to their CAODC Total Recordable Injury Frequency (TRIF).

Classes and TRIF are based on the calendar year January 1, 2011 to December 31, 2011 inclusive.

Awards will be presented as follows:

- a) The company's TRIF based upon the submissions to the injury analysis program. It is the responsibility of each company to ensure their submissions are complete and accurate;
- b) For each class, the company with the lowest TRIF (after any deductions) will be awarded the Safety Leadership Award for the current awards period.

Companies will be required to submit copies of their Workers' Compensation Board (WCB) statements from all applicable provincial jurisdictions where they have worked in order to validate application.

A.2 CAODC Safety Leadership Award Recipients

Only one company per class is eligible to receive a Safety Leadership Award (per year basis).

In the event of a draw (TRIF), both companies will be recognized. TRIF totals are rounded to two decimal points.

A.3 Recordable Incidents (RI)

The following recordable incidents shall be counted:

- a) Any work related incident or illness that can be considered by any of the classifications that appear on the CAODC Injury Analysis Definitions (attached). Additionally, any incident or illness that renders an employee unable to work in any capacity on his next regularly scheduled workday must also be counted;
- b) Vehicle incidents accepted by the WCB will be counted as Recordable Incidents against the company. Loss of CAODC Recordable-Free days for the rig, Rig Manager and Operator will be individually reviewed by the CAODC Health, Safety & Environment Safety Awards Subcommittee;
- c) Each case of hernia or carpal tunnel syndrome accepted by the WCB as having resulted from an incident or requiring immediate or future surgical operation should be charged though administration with the employer. These incidents should not be counted against the record of the Rig Manager, Operator or Rig.

A.4 A service rig contractor can only use manhours from a CAODC registered rig operating in Canada. Rigs that are not registered with the CAODC *do not* qualify for rig days, Rig Manager or Operator awards.

- A.5** A service rig contractor **must work a minimum of 6,000 manhours** during the calendar year covered. The manhours referred to are manhours worked by field crews only and must be accounted for by Floorhands, Boilermen, Operators, Derrickmen, and Rig Managers combined.

To be eligible for any of the Safety Leadership Award, a minimum of 75% of these hours (4,500 hours minimum per year) must be accounted for by hourly paid rig and field personnel, including Rig Managers.

The following guidelines are to be used in the calculation of your manhours:

- a) *Rig and Field Personnel* - Actual number of hours worked as per payroll records;
- b) *Field Superintendents and Safety Supervisors* - 200 hours per month or 2,400 hours per year, per person;
- c) *Non-Salaried Rig managers** - 12 hours per day while supervising a rig (no maximum per month or year);
- d) *Office Staff and Management* - 162½ hours per month or 1,950 hours per year, per person (based on a 37½ hour work week);
- e) *Shop Staff (hourly paid shop personnel and field maintenance personnel)* - Actual number of hours worked as per payroll records.

Note: Rig Managers hours must be allocated to the area worked (i.e., rig, shop, administration).

- A.6** In the event of a merger or takeover, rigs that are obtained will be recognized as if they were new rigs purchased and added to the fleet. The company that makes the purchase cannot include manhours that were previously obtained by these rigs, nor will they be liable for incidents that had previously occurred on the rigs. This applies to the Safety Leadership Awards only. The rigs are still eligible for rig awards;
- A.7** Fatalities are recorded as one recordable incident. Any company suffering a fatality in the current awards year will not be eligible to compete for Safety Leadership Awards for the current year;
- A.8** All TRIF calculations will be calculated according to the CAODC Injury Analysis Program definitions and formulas (attached);
- A.9** All submissions for the 2012 Safety Awards must be authorized and approved by the CAODC Registered Representative or a member of senior company management;
- A.10** It is the responsibility of each company to ensure their submissions are complete and accurate no later than **Wednesday, February 29, 2012**.

Submissions received later than this date will not be accepted under any circumstances.

B.1 CAODC Safety Excellence Award

Each company will select one individual or one rig to be recognized at the awards. The nominating company must have a representative present at the awards banquet. The recipient(s) should reflect these qualities:

- a) The individual or service rig should have demonstrated outstanding safety leadership and consciously extends this leadership to sub-contractors, service companies, and suppliers who may be present on the worksite;
- b) The actions of an individual or service rig should be conducted in a professional manner;
- c) The individual or service rig understands that as an employee he/she is the face of the oil and gas industry when in public and undertakes this responsibility through his/her actions and attitude;
- d) The individual or service rig goes beyond the prevention of immediate injuries and focuses on the longer term health and well-being of workers;
- e) In the case of an individual, he/she should not have any recordable incidents personally or among those that he/she directly supervised in the year 2011, or in the case of a service rig, the service rig should not have any recordable incidents in the year 2011.



PART B - EXPLANATORY NOTES

OPERATOR AND RIG MANAGER SCROLL AWARDS AND SERVICE RIG PLAQUE AWARDS FOR 2011

1. It is the responsibility of each company to ensure their submissions are complete and accurate and received no later than **Wednesday, February 29, 2012**. Any submissions received later than this date will not be accepted under any circumstances.

2. **Rig Manager Scrolls** are awarded to Rig Managers who have accumulated a minimum of 200 consecutive operating days without a Recordable Incident to themselves or any crew member under their supervision.

A working day for a Rig Manager is a calendar day with a crew (one or more persons) being supervised.

3. **Operator Scrolls** are awarded to Operators who have accumulated a minimum of 200 consecutive operating days without a Recordable Incident to themselves or any crew member under their supervision.

A working day for an Operator is 8 hours with a crew (one or more persons) being supervised. A 12-hour shift is equivalent to 1.5 days.

4. **Rig Manager and Operator Scroll awards will be prepared with the spelling that is submitted. Any scrolls that need to be reprinted will be charged to the contractor at a cost of \$30.00 per scroll, plus GST. Errors made by the CAODC staff will be provided at no cost. All reprints must be submitted between April 16, 2012 and June 30, 2012.**

5. Operator and Rig Manager recordable-free days are accumulated separately, i.e., Operators do not add their recordable-free days to their Rig Manager record if they become a Rig Manager.

a) If an Operator moves to the position of Rig Manager, he does not lose his Operator days and may use them if he again becomes an Operator;

b) If an employee has transferred to a new employer, the incident-free record previously obtained may be transferred. The present employer must obtain a letter from the previous employer, detailing the name of the award applicant, the incident-free period, and the unrecognized recordable-free days worked.

This letter must satisfy the new employer's understanding of the employee's previous work experience or the transfer may be disallowed. A copy of the letter must be submitted to the CAODC with the award application form;

- c) Rig Manager and Operator unrecognized recordable-free days are lost after **four** calendar years of not working as a Rig Manager or Operator for a CAODC service rig contractor.

6. Service Rig Plaque Awards are awarded to CAODC registered service rigs, which have accumulated a minimum of 200 consecutive operating days without a recordable incident to any member of its crews. For a service rig, a working day is a calendar day with a crew working.

For the purposes of this award:

- a) A "crew" is defined as a Rig Manager and/or Operator supervising at least one other employee in the operation of a service rig, i.e. moving, servicing, or repairing at a field location;
- b) A watchman at a service rig site does not qualify the service rig for a recordable-free day;
- c) If a service rig is under repair at a shop facility, it is not operating and does not earn recordable free days;
- d) If a service rig is de-listed with CAODC, all unrecognized recordable-free days earned by the service rig are lost one calendar year after the date of de-listing;
- e) If a service rig changes ownership, the CAODC recordable-free record it had obtained will be transferred to the new owner, providing the new owner obtains a letter of verification from the previous owner. The letter must specifically detail the service rig number, the current incident-free period, as well as the unrecognized recordable-free days worked. This letter must satisfy the new owner's understanding of the rig's previous record or the transfer may be disallowed. A copy of the letter must be submitted to the CAODC with the award application form. This applies to the Service Rig Plaque awards only.

7. Awards are earned for every successive 200-day continuous recordable-free period. If a Recordable Incident occurs, the incident-free record is broken and a new record will begin the day after the incident. Awards earned prior to the Recordable Incident will be issued at the awards function.

- a) Recordable-free days accumulated on service rigs that are not listed with the CAODC are not eligible for any CAODC Safety Awards;
- b) Recordable-free days accumulated by Rig Managers, Operators, or service rigs while on foreign contracts are not eligible for any CAODC Safety Awards.

8. In cases of vehicle incidents accepted by the WCB, the loss of recordable-free days for the Rig Manager, Operator and Service Rig will be reviewed individually by the CAODC Health, Safety & Environment Safety Award Subcommittee. This applies to Rig Manager, Operator and Service Rig awards only.

In cases of Recordable Incidents for hernia or carpal tunnel syndrome, Rig Managers, Operators and Service Rigs will not be charged with a recordable incident and their safety records will remain intact



ADDENDUM

32nd Annual CAODC Service Rig Safety Awards Checklist

Please ensure the following submissions are included with your application before **Wednesday, February 29, 2012**:

1. CAODC Safety Leadership Award Form
 - Complete *CAODC Safety Leadership Award Form*;
 - Rules are outlined in the Explanatory Notes;
 - Form must be signed off by the registered CAODC representative.

 2. CAODC Safety Excellence Award Form
 - Complete *CAODC Safety Excellence Award Form*;
 - Rules are outlined in the Explanatory Notes;
 - Form must be signed off by the registered CAODC representative.

 3. Rig Manager and Operator Scroll Awards and Service Rig Plaque Award Forms
 - Complete in full (one for each Rig Manager, Operator and Service Rig);
 - Rules are outlined in PART B of the Explanatory Notes;
 - Form(s) must be signed off by the registered CAODC representative.
-
- Rig Managers**
- Operators**
- Service Rigs**

Please submit completed application packages electronically to awards@caodc.ca