

From: Guide, John
Sent: Wed Mar 24 15:15:45 2010
To: Rich, David A
Cc: Sims, David C; Holt, Charles A; Stoltz, Dan; Sanders, Robert O; Kidd, Gavin N; Gray, George E; Frazelle, Andrew E; Little, Ian
Subject: RE: TOI Performance Feedback
Importance: Normal

Horizon

Lows

Column flooding incident ~ two years ago; It took something so extreme for TOI management to recognize issues that we (Bp) were concerned about for some time.

PM's have not been followed causing a considerable amount of rig NPT

Highs

Greatly improved day to day safety culture – also coming up on 7 years without an LTA

Consistently delivers 1st quartile performance

New 3 yr contract extension

Drilled Tiber well – 35,500' MD

From: Little, Ian
Sent: Wednesday, March 24, 2010 8:23 AM
To: Frazelle, Andrew E; Rich, David A
Cc: Sims, David C; Guide, John; Holt, Charles A; Stoltz, Dan; Sanders, Robert O; Kidd, Gavin N; Gray, George E
Subject: RE: TOI Performance Feedback

Dave,

I would add on the Horizon:

Continued excellent drilling performance by the rig. Safety culture improved considerably since key personnel change outs (OIM and Rig Manager). The disappointing thing with this is that we as BP had to push to make these changes, they were either not recognized or not acknowledged by Transocean. Also the rig is getting old and maintenance has not been good enough, again it took BP pushing this and the personnel change out's for this to be recognized and auctioned. The rig now has an excellent leadership team. The worry is that if key people move there is not a sustainable culture of excellence within Transocean's organization to sustain the improvements.

John and David, please ad your comments.

Thanks, Ian.

From: Frazelle, Andrew E
Sent: Tuesday, March 23, 2010 5:35 PM
To: Rich, David A
Cc: Little, Ian; Sims, David C; Guide, John; Holt, Charles A; Stoltz, Dan; Sanders, Robert O; Kidd, Gavin N; Gray, George E
Subject: FW: TOI Performance Feedback

Dave,

Attached is the TOI feedback received from several of the WTLs plus myself. I have included all of the people who may want to add to or clarify any comments

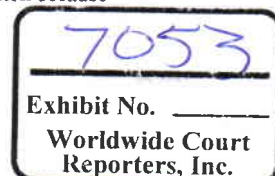
Let me know if you need more info,

Andy

Marianas:

Lows

- Pulling blocks into crown, experience / training / mentorship issue.
- Having a man leave their Safety Leadership Foundation training and fall from 30 feet the next hitch because



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he wasn't following an excellent TSTP including 100% tie off. Lack of onsite leadership verifying compliance.

- Town based asset team management's performance seemingly disconnected from the business. Evidence of this during shipyard repairs and BOP issues. It is partially about not taking good enough care of aging iron and also not proactively managing maintenance in a timely manner.
- BOP issues - Shaffer annular problems and pod maintenance issues (Pod gradually deteriorated over several year period and TODDI did not respond until downtime resulted.)

Highs

- Commitment, effort and performance of most rig based personnel.
- Commitment, effort and performance of Rig Performance Manager (Tom Shackelford).
- When the rig was working we performed very well.

DDII

- Asset and performance not aligned
- Reactive not proactive
- They sit back and let bp do the running and then look for commercial opportunities
- Treatment of their people could be better.
- Client/ Customer relationship could be more collaborative.

DDIII

Positives

- Technical Support staff from Greenway such as Terry Loftis et al are technically excellent - and responsive.
- Will address issues after they arise.
- A lot of the field personnel while new to their role have potential to be very good at their job given the time and support to learn.

Opportunities

- Would question how effective asset organization and shared parts philosophy is working - for example DD rigs - during IAT and in first four months of operations have been challenged with having the correct and adequate spare parts to stay out of a reactive mode - some examples - DDIII has different fluid ends, DDIII has different roller assemblies for top drive dolly - maybe specific to DD line of rigs but it leaves me a bit uncomfortable at times. Understand and support philosophy of keeping capital spares in check but some fundamental things are being overlooked.
- Standardization of New Build Rig Readiness - would think with so many new builds coming out they would have a standard way of bring crews up to speed in equipment operations - for example - simulators to at least give an initial awareness, build bench strength, ongoing testing etc. Helpful to learn before we have to learn on the sharp end of the pencil. DDIII does not have a simulator up and running to this date.
- On equipment readiness the IAT for the DDIII demonstrated a great lapse in commissioning, experience in running kit, etc. TOI has to take more ownership and not be a victim of the NOV's of the world - build a different relationship or do more trust and verify vs. buy and install.

Enterprise Comments:

- Good safety record over the past 14 months with only 1 Recordable
- Rig came back from the out of service period in quite a mess and not really ready to go back to work
- Very slow to respond to issues and requests for incident reviews and closeouts
- Tend to internalize results and findings from incident reviews and not share across the fleet
- Incident investigations are very weak and should be performed by Middle

management with an objective view of getting to the root cause and correcting issues in a standardized manner across their fleet