

From: Johnson, Paul (Houston)
Sent: Friday, October 30, 2009 12:45 PM
To: DWH, MaintSup (Deepwater Horizon)
Subject: RE: Rig Down time

Steve,

I was unsure to respond to this email today after our discussion last night. But I thought it was the right thing to do.

As discussed nobody is pointing any fingers at you, I fully understand why the rig is in its current condition. As stated in my email we need everyone to pull together, that maintenance marine and drilling. We can not change the past and we have what we have. Your doing a great job I am happy with your performance as is James and Jimmy. So don't take the stress on your own shoulders we need to share that burden amongst the team.

The comments about the people fearing there jobs is a concern that we need to address. We need our guys to understand that people will be held accountable in a fair and structured way. That mean positive and negative recognition. Nobody is going to be fired because they didn't have the correct paper work, however people will be held accountable when they choose not to follow the CMS. This has always been the case, the rash of fatalities and HIPO's have brought this to the fore front.

I need you and all of the offshore management team continuously relaying that message. I am relying on you to manage your team, coaching training, mentoring and supporting is part of that process. Don't let the pressure build up to this point again, pick up the phone and call me or James and lets talk about what's going on and what's giving you cause for concern.

Anyway I can't type as much or as neatly as you so I'll leave it there. Your efforts are hugely appreciated, I know what are problems are and although I may frustrate you at times I can assure you I have the best intentions and I will always listen.

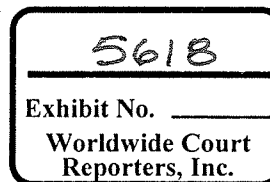
Regards
Paul

From: DWH, MaintSup (Deepwater Horizon)
Sent: Thursday, October 29, 2009 9:08 PM
To: Johnson, Paul (Houston); Kent, James (Houston); Tiano, Robert (Houston); DWH, Captain (Deepwater Horizon); DWH, OIM (Deepwater Horizon); DWH, Toolpusher (Deepwater Horizon)
Subject: RE: Rig Down time

To whom it may concern,

The issues that the Deepwater Horizon is currently experiencing in my opinion is a lack of proper maintenance on the equipment for many years, the drive behind this has been from a performance induced stand point. Historically the rig has been a top performer that has traded performance and staying in operation rather than maintaining the equipment. When the rig does receive maintenance time that time is generally taken up by repairing the equipment that was broke, or just limping along until we got to the maintenance period, thus hindering the much needed maintenance checks on the rest of the equipment. This eventually results in other equipment failing due to lack of proper maintenance to the equipment. I cannot rule out that proper planning and management did not have an adverse effect on this, as I am sure there have been many bad decisions made in the past and present on where to focus maintenance time, resources, and personnel on. I cannot rule out as well that personnel over the years have been for a lack of better words lazy, and not very motivated to contribute to the success of the Horizon team which in turn increases the work load on others that do care as well as hinder much needed maintenance on equipment when the opportunity presents itself.

Currently on the Deepwater Horizon we are running casing, and once again limping along with equipment failures, and everyone doing their best to repair the equipment that we are able to work on, or at least come up with ideas that would allow us to continue operating. Items that are having issues, or are down just on the rig floor are the drawworks brakes, riser skate, gantry crane, rotary skid and back slips. The drawworks brakes are losing hydraulic oil at about 15 gallons every 24 hours, there is obviously a leak, that appears to be located within the drum compartment, but maintenance cannot investigate due to the drum rotating. The riser skate drag chain broke and was repaired with bits and pieces, in hopes of allowing us to return to operation, only to break once again. The riser gantry crane had a track roller guide come apart after we unsuccessfully tried to piece the riser skate drag chain back together the first time, and was driven out of the way of the pipe skate so that the landing string could continue to be fed to the rig floor by the deck crane, and recently repaired riser skate drag chain. Unfortunately the riser skate drag chain destroyed itself once again, the skate was moved to a position of half on the rig floor and half on the deck, which the landing string pipe is now being loaded on the riser skate by the deck crane and pushed in to the rig floor by the upper truck on the riser skate. The rotary



skid has been an issue for several years; many people have attempted to fix or correct the unit, but have failed miserably. The rig has tried replacing or having it rebuilt for the past two years and will finally get this accomplished in 2010. But for some reason no one can understand this and continuously question's why and when this will be operational. The back slips are non operational due to the controlling solenoid valve being washed out, which was apparently tested two days prior, which I question if it was properly tested or just partially functioned. The decision was made to put handles on it and have the guys manually pull the slips.

This just a snap shot in time of what we are fighting on day to day basis on the rig floor not the entire rig. The maintenance department would like nothing more than to have all this equipment operational with occasional issues, but unfortunately there is just too much equipment in need of repairs or maintenance performed and not enough personnel or time to throw at it. Even though we just went through UWILD which the rig was shut down for more than 3 weeks, there were major jobs and upgrades going on in every area on the rig, from the pontoons to the rig floor. There was a major overhaul of the PRS tracks, and PRS pins and bushings, iron roughneck, numerous skin valves changed in all areas below the water line as well as valves changed in the engine spaces, the DP software and hardware upgrade, gyro upgrades, and an enormous amount of work done on the stack, yearly MPI/NDT inspections on numerous pieces of equipment, and several spool pieces built and installed on saltwater cooling lines. This did not allow time or personnel available for preventive maintenance to be performed on the equipment as needed. Then while the rig was neck deep in the UWILD, there was an audit performed and several pieces of equipment were found to be non-operational, or in need of repairs, which some of that was unable to be worked on before the UWILD due to rig operations or skin valves in need of replacement. Even though the rig had been telling people there were issues with the pumps for a long time, all of a sudden it was a surprise to everyone, and questioning why so many pumps were leaking and had not been repaired. The rig had planned in advance and had parts and kits available for a lot of the pumps to be rebuilt, but these pumps take weeks to rebuild and personnel that can be dedicated to just that job.

As everyone is very aware of, the rig is also fighting the new maintenance system RMS, which has an overloaded amount of work that could not be completed even by doubling the amount of workers on the rig, as well as not being very user friendly as promised with its inception. I am aware that Robert Tiano is currently working towards correcting some of this on his off time, but this is an overwhelming amount of work for just one person. The crews are extremely confused, on many aspects of the program and struggle to grasp an understanding of RMS. This in itself hinders progress, since it takes so long for anyone to find certain information that is needed to perform a job, or even figure out what job needs to be done, or not done. When the transition took place it was said that EMPAC would remain on the rig as a reference to assist in history of jobs and other things for a few months, but was removed from the rig two weeks later. I know we still have PMPAC, which several people use daily to get information that is needed quickly.

Audits are another item on the list, we currently have several audits that are being worked on, and all have a priority of must be completed now. The guys on the rig are doing everything they can to comply, and close things on the audits, but something is going to have to give. They understand the need of staying on contract, and the importance of the audits, but there just is not enough time in the day, nor people to complete the items in the allotted time frame. The audits also call for a lot of items to be repaired but the rig does not have the parts onboard to achieve this, and most of these items are very expensive to purchase, which the rigs budget for the year will be blown way out if we were to purchase all these items. Again I understand that this is definitely a break down on the managing side from the rig in regards to proper planning for equipment repairs and budgeting for the next year.

Personnel issues, as far as comments being stated about the supervisors needing to lead and plan in advance, I can assure everyone that all supervisors are doing their best to plan jobs, verify materials, and communicate and follow through with observations. The problems they are having is that so much is happening that they are needed to work right along side of the people they are supervising and just as hard as the people they supervise, and not to mention the experience level of the people has drastically changed over the past couple of years. I am not saying that the workers are incompetent or lack technical knowledge and unable to perform their job duties; it is just that they are not very experienced.

The engineering department has been going down for sometime now, due to lack of knowledge, motivation, and supervision. The Mechanical Supervisors have been extremely overloaded trying to manage three departments which are the engineering, mechanics, and welding department. Several years past the decision was made to make the First Engineers Mechanical Supervisors and the 2nd and 3rd engineers mechanics, unfortunately this did not work out very well at all. The engineers felt like the company did not appreciate their hard work at obtaining a license and specialized trade, so most either quit or transferred to other rigs that still carried engineers. Once the engineers started leaving they were replaced with personnel that did not have the special training and knowledge that most of the engineers obtain from years of training and schools. So unfortunately things were not properly maintained in the engine rooms, pump rooms, and thruster rooms. I am very excited about the change of philosophy and the increase in qualified licensed personnel in the engine rooms, but we must try to understand that they now have a lot of catch up work to do.

The continuous changes to policy and procedures have also taken its toll on personnel. For the past year and a half every time you return to the rig there is a change to policy, some procedure, or something extra that is needed to perform a job. I understand the rig has had a rash of incidents, and something needs to be done, but continuously changing things does nothing but confuse people and may actually cause more harm than good. It was to the point on the rig that people were afraid to do a job, in fear that they did not have the proper piece of paper and would be written up, or worse run off. This does not promote a positive atmosphere or help morale in any way shape or form. When I returned to the rig this hitch it was stated that we were going back to the basics, we would utilize the HS Manual and only do what was required in the manual. I believe this is a step in the right direction, if nothing else at least it would alleviate some of

the confusion, and possible fear of losing your job. I must say that I was to the breaking point myself and was contemplating seeking employment else where, when a person is fearful of there job, or when a job ceases to be enjoyable it is definitely time to relocate.

With all this being said it makes a person wonder if other Maintenance Supervisors in the fleet are having this much stress pressed upon them on a daily basis?

Respectfully,

Steve Bertone
Maintenance Supervisor
Deepwater Horizon
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713 232 8266

God grant me the serenity to accept the things I cannot change;

The courage to change the things I can;

And the wisdom to know the difference. - Serenity Prayer

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From: Johnson, Paul (Houston)
Sent: Thursday, October 29, 2009 10:07 AM
To: DWH, OIM (Deepwater Horizon); DWH, Toolpusher (Deepwater Horizon); DWH, MaintSup (Deepwater Horizon)
Subject: Rig Down time

Gents,
I would like for you to take the time to review our operational down time performance.
How many of the 17 events since the UWILD could have been prevented since by better forward planning and checking?
How many of the events that occurred should not have taken as long to trouble shoot / repair as they did?
How many of the events could we have put on our thinking caps and managed the operation safely in a different manner to carry on.

9% down time after a UWILD is extremely bad and we need to pull together and improve our performance. We need to be checking more rigorously. Looking at the maintenance records of critical path equipment prior to its use.
If we continue to fight fires the way we are, we will continue to perform the same and be fighting 2 – 3 hours of down time a day!
What are our Drillers doing regarding pre use checks? What are our AD's doing? Switching the machine on? Or running through the full operational sequencing?
The AD checks do not seem to be robust,

I know we are operating safely, and the crews are trying very hard but we need to be smarter. Everyone should be coming up with solutions to keep the operation moving, not just the OIM or STP but the whole team.
Use our tools and process. If it cant be done safely then we call Time out and we wait. Absolutely no problem. But lets not sit and wait when there's a perfectly safe alternative to carry on with the operation.
Our customer is not very happy with our performance right now and we need to demonstrate how we will conduct our business.
Safely and efficiently.

Rig Name: Deepwater Horizon

Date From : 15-Sep-2009

Date To : 29-Oct-2009

Number of Days		45 days
Total Operable Rig-days		45.0 days
Total Operable Rig-hours		1080.0 hrs.

Downtime Type	Number of Incidents	Total Time	
BOP	0	0.00 hrs.	0.00%
BOP Controls	0	0.00 hrs.	0.00%
Surface WC Equipment	0	0.00 hrs.	0.00%
Deck / Cargo Cranes	0	0.00 hrs.	0.00%
Hoisting	1	3.50 hrs.	0.32%
Drill String	0	0.00 hrs.	0.00%
Iron Roughneck	0	0.00 hrs.	0.00%
Marine Drilling Riser	0	0.00 hrs.	0.00%
Motion Comp	0	0.00 hrs.	0.00%
Mud Process System	0	0.00 hrs.	0.00%
Mud Pumps / HP Pumping	0	0.00 hrs.	0.00%
Pipe Handling Equip	11	23.00 hrs.	2.13%
Other	0	0.00 hrs.	0.00%
Power Generation	0	0.00 hrs.	0.00%
Station Keeping Mooring	0	0.00 hrs.	0.00%
TDS / Rotary	2	18.00 hrs.	1.67%
Total Mechanical	14	44.50 hrs.	4.12%

Procedural Failure DT(PEF)	1	2.50 hrs.	0.23%
Transocean DT	15	47.00 hrs.	4.35%
Other NPT(OET)	2	41.00 hrs.	3.80%
Planned NPT		13.00 hrs.	1.20%
Total Transocean NPT		101.00 hrs.	9.35%

WOW		0.00 hrs.	0.00%
WOW (Included in Transocean NPT)		0.00 hrs.	0.00%
Wait On Client/3rd Party	0	0.00 hrs.	0.00%
Hole Problems	2	146.00 hrs.	13.52%

Note: Report accounts for those OER's that have more than zero downtime.

Regards
Paul

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