

## SAFETY FIRST, SAFETY ALWAYS.

Safety stands out as a core value for the oil and natural gas industry, embedded in every process and decision for operations. This approach has led to continued advancements in technology, improved industry standards and enhanced best practices, smarter regulations, and innovative approaches to addressing offshore safety. This continued and comprehensive progress has made offshore oil and natural gas exploration and production the safest it's ever been.

Continuous improvements occur through learning, collaborating and innovating. For example, because industry has been producing offshore for many decades, there's been an increased understanding of offshore operations, which has led to a growing and improving list of operating standards to improve safety. Currently there are more than 200 American Petroleum Institute (API) offshore industry standards, and since 2010, API has revised or created more than 100 new exploration and production standards. These standards help to reduce risk significantly by ensuring that smart and proven techniques and protocols are available for operators to follow.

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Immediately following the Deepwater Horizon incident the industry came together to invest substantial time, expertise, and millions of dollars in support of major enhancements to prevention and emergency response capabilities. The Center for Offshore Safety was established by industry to promote the highest level of safety for offshore exploration and production through leadership, effective safety and environmental management systems and collecting safety and incident data to support the continuous improvement of safety management programs. Additionally, two new companies were formed, the Marine Well Containment Company and HWCG, LLC. These companies focus solely on improving industry response in the event of a deepwater well control incident. Equally as important they demonstrate a step change in the collaborative nature in which the industry approaches safety. Together they are using the latest deepwater technologies, employing industry's well control experts, and routinely collaborating with federal officials to conduct incident response drills.

Their strategically positioned and readily available equipment, such as capping stacks and the vessels required to transport them, are designed to allow industry's experts to quickly "cap" and shut off a flowing well.

This approach to safety is not only an industry effort, but a community effort along with multiple federal and local agencies as well as local businesses all actively participating.

Industry and government are better prepared than ever to prevent an incident from ever occurring, responding in the unlikely event one does occur, and mitigating against any possible impacts. In addition to these more traditional methods of reform, BSEE's requirement for operators to implement a Safety Environmental Management System (SEMS) shows a new and less traditional approach to safety by focusing on human performance and not just technical regulations. BSEE's SEMS regulation references API RP 75 Recommended Practice for Development of a Safety and Environmental Management Program for Offshore Operations and Facilities and references three Center for Offshore Safety documents regarding SEMS auditing.

Safety and Environmental Management Systems are now implemented by every offshore operator which empowers workers to promote and participate in safety decisions. Furthermore, the government established additional, robust drilling safety requirements in 2010 that cover the key operational aspects of drilling an offshore well, and regulatory enhancements have continued since then. And with dedicated funding for inspections and enforcement, the government is in a strong position to ensure the offshore industry is meeting its obligations.

Improvements to industry standards, best practices, safety systems and government regulations work effectively together to enhance our capability to prevent and responds to a potential well control event. As the global demand for energy continues to grow, it is vital that we continue to develop our offshore oil and natural gas resources to fill this need and to provide energy security domestically and for our allies.

