

Chief Safety Officer Decision (Regulatory Exemption)

Date: 29 May 2015

C-NLOPB Reference: 2015-RQ-0026 (Rev 1)

Applicant: Seadrill Canada Ltd.

Applicant Reference: WA-DP-32 (Rev 1)

Installation Name: West Aquarius

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: *Paragraph 25(b) of the Newfoundland Offshore Petroleum Drilling and Production Regulations*

Decision:

The Chief Safety Officer concurs with the Applicant's, the owner of the West Aquarius, proposal for a temporary exemption from the *Newfoundland Offshore Drilling and Production Regulations* Paragraph 25(b) five-year comprehensive inspection requirement for the West Aquarius thrusters with the following conditions:

1. Between May and 31 August 2015, an inspection of the critical elements of each thruster will be performed by the Original Equipment Manufacturer (OEM) in accordance with the Scope of Work (SOW) provided with the RQF. This will include, but is not limited to:
 - Internal inspection of critical elements of each thruster by endoscopic inspection
 - Additional vibration measurements of each thruster through the full range of operating capacities

The Operator shall provide bi-weekly progress status reports until the completion of the inspection of all thrusters.

2. The OEM inspection reports shall be provided to the C-NLOPB for review. Any findings or recommendations from the OEM will be implemented by the Applicant, inclusive of thruster replacement if necessary.
3. Following the above inspection, the Applicant will continue to follow the CA-approved PM system, inclusive of the Karsten Moholt Condition-Based Monitoring (CBM) program. The CBM reports shall be provided to the C-NLOPB and any findings or recommendations from the CBM will be implemented (inclusive of thruster replacement if necessary). Notwithstanding, all thrusters shall be replaced / overhauled no later than the next five-year Special Periodic Survey (SPS) scheduled for April 2018 per OEM guidance for thruster replacement intervals.


Chief Safety Officer