



Dear Southwind Employees,

Without a doubt the upcoming months promise to be challenging ones for domestic contract drilling companies like ourselves. Not only are we dealing with low crude prices, now we are seeing many of our competitors slashing their footage and daywork prices in order to pull work their way. We in management are working hard daily to secure contracts to drill in our operating area. It is going to be up to you and your rig's performance whether or not any of these operators want to give Southwind Drilling a call back. I certainly hope everyone works with a good attitude, is courteous and most importantly SAFE! I believe that combination will always bring back repeat customers.

In this month's issue I really hope <u>Toolpushers</u> and <u>Drillers</u> especially pay a little extra attention to page 9 and the "Start Safety With The Hiring" article. Employee turnover has been an incredible inefficiency we have we dealt with the past few years and now is the perfect time to be more selective. It makes sense in every way that you, as a foreman, know what kind of hand you have hired before you bring him to location. Actually, you as the leader of the crew are the one responsible for everyone's safety. Think about it and hire smart!!

Sincerely,

## Todd E. Morgenstern

Todd E. Morgenstern CEO/President





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\*\*Featuring Kenny Thompson

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What Happened:

A drill line slack event occurred during the final stages of running 5.5" casing when the casing stopped downward motion and excess line became slack on the drum. The incident occurred when the drill line crew surveyed the slack drill line problem at the drawworks and a crewmember, while attempting to manually manipulate the drill line into the correct grooves on the drawworks drum, placed himself in a caught-between situation. The 5.5" casing after being static suddenly moved downward, causing the drill line to go tight and trapping the crewmember between the drill line and the turn back roller. A rescue operation was initiated. The injured person was taken to a medical facility where it was later reported that he passed away.

## What Went Wrong:

- 1. The drawworks cover was removed by the crew members and work was initiated without implementation of Contractor's Lockout-Tagout procedure.
- 2. The individuals working on the drawworks failed to recognize the hazard and the associated risk of the stored energy in the un-landed casing string.
- 3. The Driller and Night Drilling Supervisor were initially on the rig floor assessing the change in work conditions and potential hazards that could be associated with the slack drill line, while the activity at the drawworks proceeded beyond the assessment phase without their knowledge.
- 4. Colleagues failed to enact their authority to stop work upon witnessing a co-worker performing an unsafe act.
- 5. Training processes were conducted for crews, but in this case the training did not adequately affect the identification and mitigation of hazards for this specific scenario.



## Corrective Actions & Recommendations

- 1. Contractor will establish a job specific Job Safety Analysis (JSA) to deal with the slack drill line scenarios, including requirements for Lockout-Tagout, steps for securing stored energy hanging from the hoisting equipment, such as casing or drill pipe, and the removal of protective guards before work begins.
- 2. Implement a stop work authority campaign with onsite drills or exercises to test and teach stop work and hazard recognition culture. Audit to ensure work stoppage practices are being applied.
- 3. Produce an HSE Alert to effectively communicate the lessons learned of this incident, raising awareness of hazards due to change in job scope or conditions and the need to stop work to reassess hazards.

Source: "Oilfield Families of America" & www.energyconsultingtexas.com

## #days since no loss time accident



Rig #1 - 629 Days (12/6/2013)

Rig #3 – 16 Days (8/11/2015)

Rig #8 - 477 Days (5/7/2014)

Truck/Shop - 470 Days (5/14/2014)

## Southwind Rig Efficiencies

(2015)	to	Date)
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= GREAT JOB!!!	Footage Rate	Rig Efficiency	Trip Time	Rig Repair (Hours)	Non-Billable Hours
Rig #1	51.75 ft	86%	2684.24 ft/hr 🙂	39.25 😀	861
Rig #2			Under Refurbishment		
Rig #3	57.31 ft	87% 🙂	2602.45 ft/hr	76	644.25 😀
Rig #6			Stacked		
Rig #8	43.10 ft	85%	2366.43 ft/hr	83.25	792.75
Rig #9			Stacked		
Rig #70			Under Refurbishment		



"There are no secrets to success. It is the result of preparation, hard work, and learning from failure". - Colin Powell



## Drilling tips from...

As most of you know, mud displacement is one of the most critical times of the well. Most displacements are completed without any problems, but there are steps you as drillers can take to lessen the risk of getting stuck or losing circulation. When on fresh water the longer you are not pumping downhole, the greater the risk of getting stuck.

Keep jetting time to a minimum, <u>10 minutes</u> should be maximum time not circulating hole. Break up jetting or noncirculating time by circulating downhole.

You can use water tank if necessary; pumping two minutes downhole only requires 16 barrels of water.

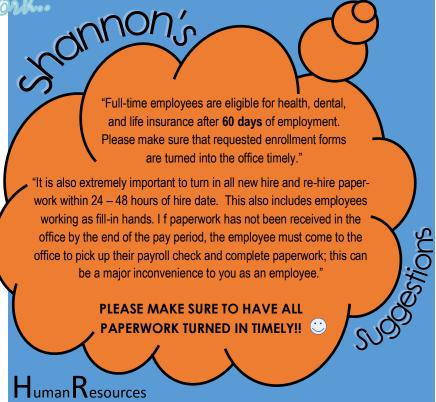
You can pump mud from premix downhole at a reduced rate. You will have a wet connection, but that's better than getting stuck. The key is to keep noncirculating time as short as possible. If any doubts, pull some pipe.

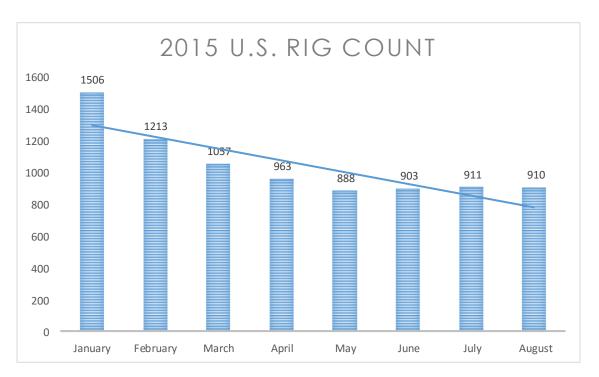
No one will remember if you take defensive measures, but everyone will remember if you get stuck!

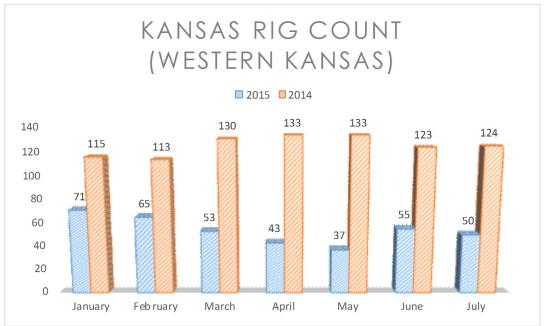


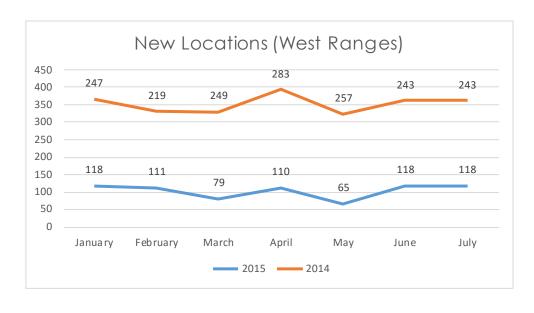
## The Importance of Hard Work.

"Being able to say you are employed in the oilfield is something you should take pride in, because it truly is a rewarding career. It takes tremendous amounts of hard work and dedication, and you also need to be open minded to change. If there is a better, more efficient, and safer way to get things done on the rig then that is what you need to do. If you work hard and are dedicated to your job then you will be rewarded. Listen to both your toolpusher and driller, and give 100%, that is all we are asking for."









# start safety with the hiring

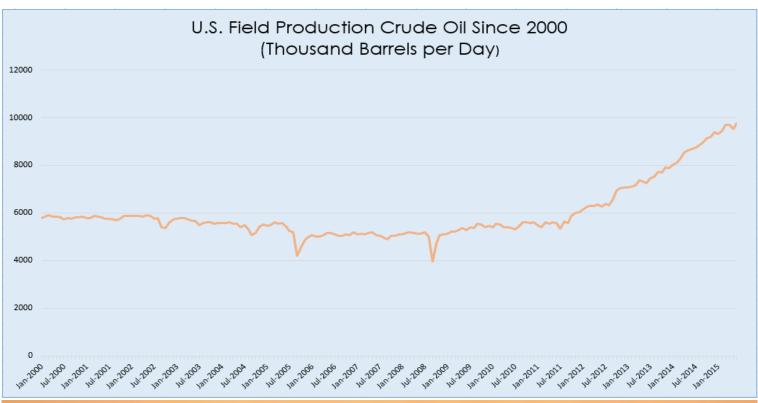
We are currently bringing into the industry many inexperienced employees and many people returning to the industry with prior experience. Most companies have updated their training programs in order to acquaint these people with present day methods.

The following **five step method** has proved to be advantageous in reducing the number of accidents and injuries, and has also improved the **efficiency** of the operation. They should be followed by the **driller**.

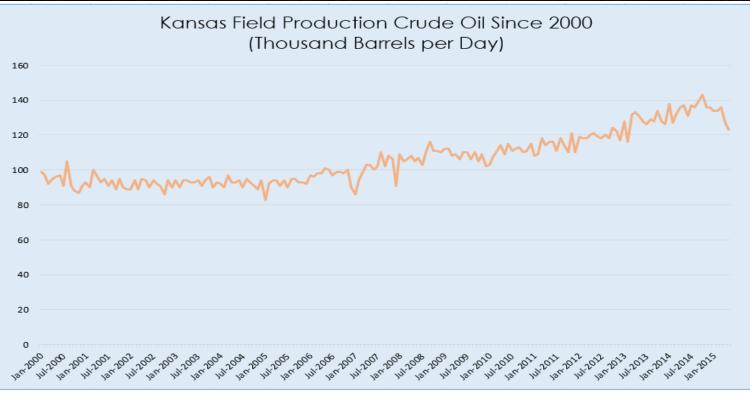
- 1. **Be more selective in choosing the applicant you want in your crew.** Remember if you get one "rotten apple", he can spoil the whole barrel! A good employee is the one you and the company are looking for.
- 2. **Prepare the worker.** Get the employee **interested** in the work and want to do it. This can
  - be done by talking to the employee on the way to work. The crew members can help you also. Create a real interest in the Company by the new employee. The floor hand schools sponsored by IADC are invaluable in preparing the new worker.
  - 3. **Present the Operation.** When a new employee reports for work—regardless of experience, he is apprehensive, nervous, and wants to do a good job—in fact, he tries so hard he gets in everyone else's way. He wants to make an impression. The Driller is just as anxious to get along with his work, and attempts to carry on as if the employee had been in the crew all along, instead of taking time, a few minutes perhaps, to help make the newcomer feel "at home". An ounce of prevention is worth a pound of cure! **Older**

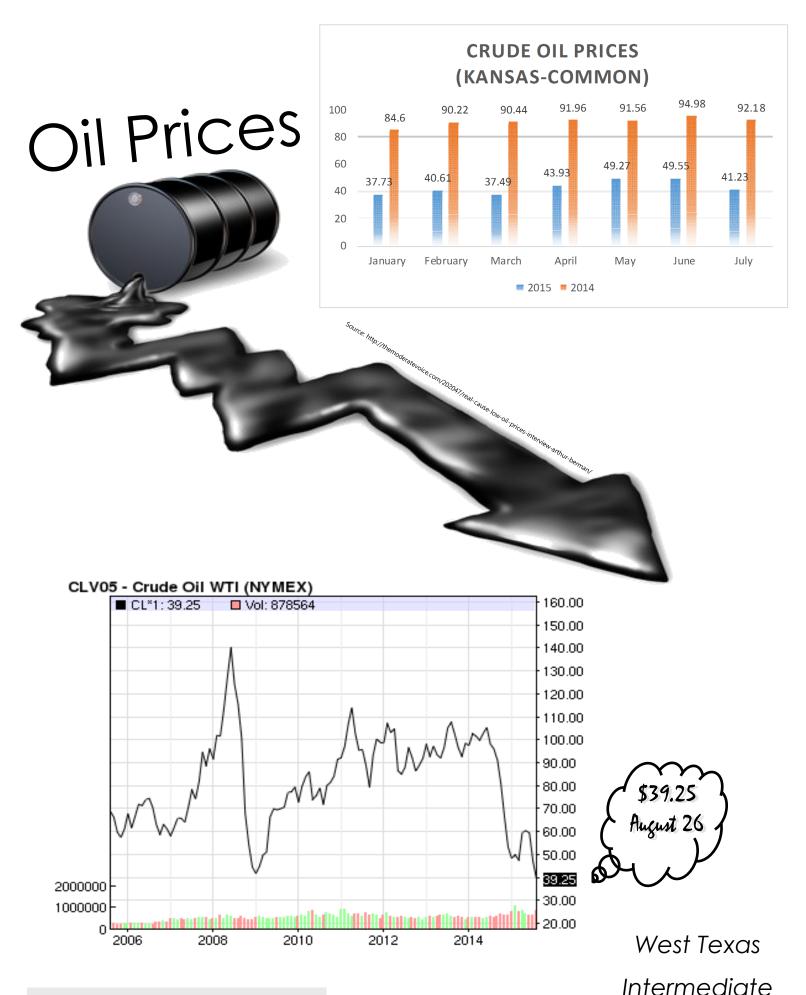
**crew members, by their example and attitude**, should help the new crew member in doing his work efficiently and safely.

- 4. **Performance.** As you know each company does certain jobs differently from other contractors—therefore it will be necessary to correct mistakes this employee has picked up from the last job or learned incorrectly. They should not be condemned –after all, they were taught this on the last job or learned incorrectly from their teacher. **Give encouragement—this means a lot to a new employee.** ••
- 5. Follow up. Of course, the Driller is continuously checking on jobs performed by the Floorman, Derrickman, etc. The Driller should do a great deal of checking. More thorough follow-up supervision could prevent a lot of down time and a lot of accidents. Be constantly checking to be certain the employees are working safely.
  Source: https://upload.wikimedia.org/wikipedia/commons/f/f3/Occupational\_Safety\_Equipment.jpg & IADC Worksheet











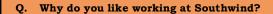
This month's employee spotlight recognizes Mr. Kenny Thompson who has been with Southwind Drilling for the past seven years. Without a doubt, he is one of the smartest and most talented drillers we have, and are fortunate enough to have him as an employee. He is extremely experienced and most definitely qualified to push tools. Ken has always been content to head up the morning tour. I believe one of Ken's greatest attributes is that he is **THE LEADER** of his crew, and I don't think "the tail ever wags the dog" on his watch! I can only hope the hands learn from a seasoned veteran like Mr. Kenny Thompson.

Ken, Southwind Drilling applauds your hardwork and can-do attitude. When morning tour runs smooth it seems the whole rig excels. Thanks for your commitment to Southwind Drilling, and keep up the good work!



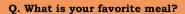


A. "One night we were tripping in the hole and the cat head was dragging making the spinning chain hard to pull back, so Frank Rome came out stood on the floor and pulled it back. I can't think of another toolpusher that would do that!"



A. "I like working at Southwind because they stress safety, and to always do what needs to be done. It is a good and safe work environment. It is also close to Sterling, which is a bonus!"

Q. What is your favorite memory while working at Southwind?



A. "Pizza—bacon cheeseburger!"

### Q. What do you like to do in your free time?

"I like to golf, and watch and "stay up-to-date" on the Kansas City Chiefs and Nebraska Cornhuskers!"



## Q. Who has been the most influential person in your life and why?

A. "My dad has definitely been the most influential person in my life. He taught me everything I know, how to work, how to do it and when; most of everything I do was taught to me by my dad."