

SHELL OIL COMPANY
One Shell Plaza
P. O. Box 4320
Houston, TX 77210

PLAINTIFF'S EXHIBIT

SH-1439

January 13, 1988

Mr. J. E. Krebs, Manager-Production
Offshore - East Division
Shell Offshore, Inc.
P. O. Box 61555
New Orleans, LA 70161

Dear Mr. Krebs:

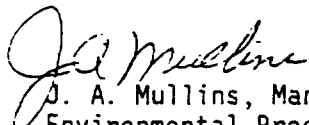
REFERENCE: SHELL OIL COMPANY/SHELL OFFSHORE, INC.
SERVICE AGREEMENT EFFECTIVE 1/1/82

Attached are the final reports of the Medical and Health and Safety Compliance Assessment Reviews (CAR) conducted by Shell Oil Company's Health, Safety and Environmental organization during July, 1987 for three platforms of your division.

In accordance with established CAR procedures, follow-up response from the division is required for those findings classified as "Serious Deficiencies" or "Concerns". No "Serious Deficiencies" were determined to exist in these reviews. The follow-up reporting is to be directed to Shell Oil Company, Head Office, E&P, Production, Safety and Environmental Affairs as described in Mr. J. E. Little's letter of October 5, 1987, copy of which is attached.

We appreciate the cooperation and assistance of your staff during these reviews.

Sincerely yours,


J. A. Mullins, Manager
Environmental Programs

Attachments (3)

LAM 024008

CD8801304 - 0001.0.0

ABS-007190

cc - Shell Offshore, Inc.

President

General Manager, Production

Shell Oil Company

General Manager, Drilling and Producing Operations

General Manager, Auditing

General Manager, Production, Safety and Environmental Affairs

Assistant General Counsel - E&P/Corporate

General Attorney - Chemical/Environmental

Senior Staff Safety Engineers, Production SEA

HS&E-AS(2)

Shell Oil (w/o Attachments)

Manager, Regulations and Safety Services, HS&E

Assistant Corporate Medical Director, HS&E

LAM 024009

HEALTH & SAFETY COMPLIANCE ASSESSMENT REVIEW
EXPLORATION & PRODUCTION
SHELL OFFSHORE, INC.
JULY, 1987

A health and safety compliance assessment review was conducted during the period July 20 to 23, 1987. The review provides an independent assessment that systems for implementing laws, regulations, and Shell policies pertaining to health and safety exist and are working effectively in the function. The review was conducted by representatives of the Health, Safety and Environmental organization: J. D. Harris, Safety and Industrial Hygiene Department, and D. E. Miller, Corporate Medical. The Corporate Medical findings are reported separately.

The review process included interviewing supervisory, safety support, and selected operating personnel; touring three platforms (Cognac, 65-B and 311-A); and sampling certain records to determine the compliance status. The federal regulatory agency rules examined included those of the Occupational Safety and Health Administration (OSHA), the Minerals Management Services (MMS) Outer Continental Shelf orders, the United States Coast Guard (USCG), and the Department of Transportation (DOT). Certain Company requirements were examined also.

In a compliance review, results are classified as serious deficiencies, concerns, or observations. A serious deficiency is a finding by the reviewer, which in the judgment of the manager of the responsible HS&E department, indicates (1) a lack of sufficient awareness to assure compliance, or (2) specific deficiencies which are likely to result in substantial non-compliance; substantial harm to employees, public or the environment; citations that could result in substantial fines or criminal prosecution; or major adverse publicity. A concern is a compliance problem that does not qualify as a serious deficiency.

Serious deficiencies and concerns will be accompanied by recommended corrective actions, intended to help clarify both the problem and the nature of remedial action. Locations are expected to prepare a corrective action plan for serious deficiencies and concerns, with an accompanying implementation schedule, periodic status reporting, and a completion notice.

Observations are intended to supplement the overall assessment, and do not require corrective action or follow-up.

LAM 024010

Summary

In general, the Offshore East Production Division has systems in place for implementing laws, regulations and Shell policies pertaining to safety and health. These systems are working effectively. No serious deficiencies were noted during the review. Some concerns were identified. They are discussed below.

Concerns and Recommendations

Concerns requiring action are highlighted below. A more detailed listing is presented in the attached summary worksheets showing both strengths and areas for improvement in each category and for each location.

LAM 024011

LAM 024012

- (3) Substance Exposures - Although an abrasive blasting procedure exists, the potential for silica and lead dust exposures may possibly occur during the abrasive blasting of equipment in preparation for repainting. In the past, contractors have used silica sand for abrasive blasting to remove lead based paints. The abrasive blasting agent used recently may yet be crystalline silica sand, but operations personnel are uncertain. Also, the primer paints now used still may contain lead. Platform personnel indicated that the Shell Engineering Guidelines allow for the continued use of lead-based paints for selected end uses. The personnel did not reference the HS&E

guideline that lead free paints be used where possible for new applications to prevent incidental exposure from either drifting freshly applied paint or debris from sand blasting old painted surfaces. Although the blasting area is barricaded, the drift may contaminate some of the work stations elsewhere on the platform. No monitoring data exist to aid in assessing the potential for personnel exposures. OSHA 1910.1000 and 1910.1025

Recommendation - Obtain a sampling of the dust exposure potential during abrasive blasting operation under conditions which allow a dust cloud to drift to other parts of the platform. Sample and analyze for silica and lead. Review results with Industrial Hygiene Services. (All locations)

LAM 024013

HEALTH AND SAFETY REVIEW SUMMARY WORKSHEET -- July 1987
ORGANIZATION E&P Shell Offshore Inc.

REVIEWER J. D. Harris
SEGMENT Offshore East Platforms

TOPICS & REFERENCES	STRENGTHS	AREAS FOR IMPROVEMENT
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LAM 024014

ABS-007196

CAB0720901

OFFSHORE EAST PLATFORMS

AREAS FOR IMPROVEMENT

STRENGTHS

TOPICS & REFERENCES

SUBSTANCE EXPOSURES

. Asbestos

- 1910.1001

Awareness and procedures exist.
Most asbestos has been removed.

LAM 024015

ABS-007197

CAB870901

OFFSHORE EAST PLATFORMS

TOPICS & REFERENCES	STRENGTHS	AREAS FOR IMPROVEMENT
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CONSTRUCTION
Asbestos

- 1926
- 1926.58

Awareness of asbestos
requirements.

None

LAM 024016

CAB8720901

ABS-007198