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**Re: Marine Safety, Reliability and Efficiency Process
Short Service Employee (SSE) Policy**

The Marine Safety, Reliability and Efficiency Process identify the requirements and activities necessary to deliver world class safety, reliability and efficiency in marine services in Chevron's Global Upstream business units throughout the world. Operation and future improvement of this process are designed to lead to incident free marine operations.

The current Short Service Employee process in Chevron's Gulf of Mexico Business Unit has been in existence for several years. In the past year, there have been several gaps observed through the Inspection process and the Shorebase Vessel Visit program where the SSE policy is not being followed. The purpose of this Policy Letter is to clarify the SSE Program so that these gaps can be eliminated.

The definition of a Short Service Employee (SSE) is any contractor with less than six (6) months of experience in the same job type or with her/his present Contractor Company. Contractor personnel whose service exceeded six (6) months and subsequently quit and return to the same company and the same job type within one year are exempt from this policy.

The following is excerpt from the Chevron Contractor Handbook. Vessel operators should be familiar with the appropriate SSE sections in the Contractor Handbook.

Specific Policy Requirements	
Notification	<p>The contractor must complete the SSE form for each SSE assigned to perform work at a Chevron location.</p> <ul style="list-style-type: none">• The contractor must submit the completed form to the Chevron representative responsible (Shorebase) for the work.• The contractor must fax this form or other method of delivery (as agreed with the Shorebase).• The Shorebase must approve the form 24 hours before the SSE arrives on Chevron property.• If an SSE form has not been submitted and the SSE arrives on Chevron property, the Shorebase may send the SSE back.
Identification	<p>All SSEs must be identified with a high visibility orange hard hat.</p>

Specific Policy Requirements	
Mentoring	<p>Mentoring Process:</p> <ul style="list-style-type: none"> • The contractor must assign an on-site mentor to each SSE prior to beginning of any work. • A mentor can be assigned to only one SSE. • Each mentor must closely supervise his/her SSE to ensure that the SSE does not perform tasks for which he/she is not properly trained. • The mentor shall closely monitor each SSE's work for a six (6) month period.
Identified Gaps and Clarifications	<p>SSE Captains:</p> <ul style="list-style-type: none"> • Captains who are SSEs will need to have an assigned mentor. This can not be the other Captain assigned to the vessel. The Captain can not stand his own watch and then be on-site mentor with the SSE Captain for his assigned watch. An extra Captain will be required to act as mentor. <p>DP Certification:</p> <ul style="list-style-type: none"> • Captains who are not DP-2 certified serving on a DP-2 vessel will require a mentor until the person is certified as fully DP qualified (reference to the Nautical Institute requirements). This can not be the other Captain assigned to the vessel. An extra Captain will be required to act as mentor. <p>SSE Variances:</p> <ul style="list-style-type: none"> • Variances from the Shorebase can be granted in certain cases where the SSE has met the qualifications on a similar vessel for the rank the person is serving but with another company and was in that capacity for more than six (6) months. • All variance requests need to be worked with the Shorebase well in advance.

As part of the MSRE Competency Management, the following apply. This Procedure was sent to vessel operators on 22 December 2008.

Position	Competency/Experience
Master	<ul style="list-style-type: none"> • Hold an appropriate USCG License. • Hold a current STCW (Standards of Training for Crew and Watch-keepers) certificate. • For Dynamic Positioning DP1, DP2 or DP3, hold a relevant valid certificate issued through an approved training facility. • When in command of a vessel engaged in anchor handling operations, have had experience as Master or Chief Officer in same activity within a period of 2 years. • Served as Master or Chief Officer on a vessel engaged in a similar type operation within the last 12 months.

Position	Competency/Experience
Chief Mate	<ul style="list-style-type: none"> • Hold an appropriate USCG License. • Hold a current STCW certificate. • For DP1, DP 2 or DP3, hold a relevant valid certificate issued through an approved training facility. • When on a vessel engaged in anchor handling operations, have had experience in same activity within a period of 2 years. • Served as Chief Officer or other officer position on a vessel engaged in a similar type operation within the last 12 months.
Watch Officer	<ul style="list-style-type: none"> • Hold an appropriate USCG License. • Hold a current STCW certificate. • For DP1, DP2 or DP3, hold a relevant valid certificate issued through an approved training facility. • Served as a Watch Officer on a vessel engaged in a similar type operation within the last 12 months.
Chief Engineer	<ul style="list-style-type: none"> • Hold an appropriate USCG License. • Hold a current STCW certificate. • For DP1, DP 2 or DP3, demonstrate adequate experience of DP vessels, vendor manuals, and operating manuals • Detailed Knowledge of Failure Modes & Effects Analysis (FMEA) • When carrying out duties on an anchor handling operation have had experience as Chief or Second Engineer in same activity within a period of 2 years. • Served as Chief Engineer or Second Engineer on a vessel engaged in a similar type operation within the last 12 months.

Note: STCW requirements as applicable in the Code of Federal Regulations, 46 CFR Part 12.

The below Mitigation Actions will need to involve Chevron's GoM Marine Expert/Advisor.

Mitigation Actions:

Master

- For Masters coming to join a vessel without the competency/experience requirements detailed above, Chevron requires a mentoring plan from the Marine Contractor's Crewing Department before the Master will be allowed to take command. When complete, the mentoring plan must be signed off by both Chevron and the Contractor.
- When a Chief Mate is put forward for promotion to Master, a written assurance is required from the Marine Contractors Crewing Department, made in conjunction with the Marine Superintendent, that the Chief Mate to be promoted is competent. The assurance should contain a written testimony from a Master under whom the Chief Mate has served to confirm an ability to maneuver the vessel. Note: when a promotion is proposed, it is important to ensure there no certificate limitations.
- Masters shall also participate in a Chevron orientation briefing before taking command.

Chief Mate

- For Chief Mates coming to join a vessel with no experience in the offshore industry and can not meet the experience criteria detailed above, Chevron requires a mentoring plan from the Marine Contractor's Crewing Department before the Chief Mate will be allowed to assume the position.

When complete the plan must be signed off and an assurance given by the Marine Contractor that all requirements have been met.

- If the Chief Mate is new to the type of operations then he shall also participate in a Chevron orientation briefing before engaging in that activity.

Watch Officer

- For the Watch Officer coming to join a vessel with no experience in the offshore industry and can not meet the experience criteria detailed above, Chevron requires a mentoring plan from the Marine Contractor's Crewing Department before the Watch Officer will be allowed to assume the responsibilities. When complete the plan must be signed off and an assurance given by the Marine Contractor that all requirements have been met.
- If the Watch Officer is new to the type of operations then he shall also participate in a Chevron orientation briefing before engaging in that activity.

Chief Engineer

- For the Chief Engineer coming to join a vessel with no experience in the offshore industry and can not meet the experience criteria detailed above Chevron requires a mentoring plan from the Marine Contractor's Crewing Department before the Chief Engineer will be allowed to assume the position.

Crew

- Crew coming to join a vessel with no experience in the offshore industry must be singled out by the Marine Contractor's Crewing Department and the Master advised accordingly. In keeping with STCW and Chevron requirements, a mentor must be appointed by the Master.
- Supernumeries and all passengers shall have Chevron approval to sail at least 24 hours prior to sailing. No persons of age 16 or under shall proceed to sea on any Chevron chartered vessel.

Note: STCW requirements as applicable in the Code of Federal Regulations, 46 CFR Part 12.

This does not supersede Chevron's Short Service Employee requirements. The SSE requirements are to be followed in accordance with the Contractor's Handbook.

Questions regarding the above processes should be directed to the Marine Advisor.

Sincerely,

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