



# STEPS Improves Safety In South Texas

By Maggie Lee

CORPUS CHRISTI, TX.—Oil and gas producers and service companies in South Texas are proving that high activity levels and improved operational safety are not mutually exclusive. Through a voluntary program—the South Texas Exploration and Production Safety (STEPS) Network—organized and administered cooperatively by producers, service companies, and federal agencies, the South Texas industry is doing both at the same time, pushing exploration and production activity to full throttle while reducing reportable safety and environmental incidents.

Many industries face worker safety and environmental protection challenges as activity levels increase and large numbers of new employees are added to the payrolls. The South Texas E&P industry was no different, so as local drilling activity picked up in 2003, a small group of safety professionals from operating and services companies active in the area informally began looking for ways to proactively manage those challenges.

At about the same time, the regional office of the Occupational Safety & Health Administration started assessing how it could help reduce workplace fatalities, injuries and illnesses in a handful of industries that had been identified for having high numbers of incidents. “Among those industries, oil and gas was number two in the high-incident and high-severity categories,” recalls Marianne McGee, OSHA compliance assistance specialist in Corpus Christi. “Nationwide, the oil and gas industry accounted for only 1 percent of fatalities, but in South Texas, it represented 30 percent every year. We knew we had to focus on oil and gas in South Texas, but we were not sure how to make a meaningful and lasting impact on safety.”

The answer, as it turned out, was to leverage both parties’ vested interests in improving occupational safety to more closely align OSHA’s compliance objectives with South Texas oil and gas companies’ internal safety goals in a cooperative “win-win” program designed to reduce worker injuries and fatalities in the field.

During a chance meeting with Marc

LaRocca, safety manager at El Paso Oil & Gas, McGee says she explained OSHA’s concerns and emphasized to LaRocca that OSHA wanted to help prevent safety problems, not levy fines. “My mission is not enforcement,” McGee says. “I do outreach to help find creative ways to improve safety.”

LaRocca was eager to help, McGee comments, and supplied names and addresses for a OSHA letter to local oil and gas companies inviting safety professionals to attend a voluntary meeting. “I thought that if we were lucky 20 people might show up,” McGee says. “But 75 people from 45 companies attended. The crux of our message was to ask what we were doing wrong as an agency. We had been inspecting for decades, but were still not changing anything.”

## STEPS Network

At that meeting, oil and gas representatives broke into small groups and discussed a number of issues, including “close calls” they had experienced in the field. This, McGee notes, is a way to help other companies avoid similar problems. During one of the small group forums, Rick Ingram, health & safety coordinator at BP America Production Co., used the term “network” to describe the concept of a voluntary organization focused on safety improvement.

From there, McGee explains, the STEPS Network quickly evolved as a cooperative program designed to promote safety, health and environmental improvement in South Texas exploration and production operations, fostering a work environment that relies on open communication and trust. Within a month, the STEPS Network held the first of its monthly meetings, and the formal alliance between participating STEPS companies, OSHA and the U.S. Department of Labor was officially adopted on June 16, 2004.

According to McGee, Ingram serves as STEPS president, Charlie Moore, Smith Production, is vice president, and Javier Balderas, Halliburton Energy Services, is secretary. Executive Committee members are El Paso’s LaRocca; John Buehrig, ExxonMobil; Mando Cantu, Shell; Amador Garza, ConocoPhillips; Tony Jones, Santos USA; and Ted Reed,

BJ Services Co.

The designated vision statement of the STEPS Network is “incident-free operations,” with a scope that includes both operators and contractors in oil and gas exploration, production and transmission as “equally valued” members. It encompasses the geographic region within the Texas border along Interstate 10 from east of Houston, west to Del Rio, and south to the Rio Grande Valley.

According to McGee, members meet monthly to discuss safety, health and environmental incidents, as well as share best practices. Part of the organization’s charter is to work with federal and state agencies, including OSHA and the Environmental Protection Agency, as well as organizations such as the American Petroleum Institute and the International Association of Drilling Contractors. Focus groups can also be established as needed under the STEPS Network umbrella to address specific issues. As an industry resource, the STEPS Network Web site ([www.stepsnetwork.com](http://www.stepsnetwork.com)) is continually updated with new information and the minutes of monthly meetings.

“Although the majors helped get the ball rolling on STEPS, the goal is to involve as many small independents as possible,” she explains. “After all, the larger companies have the resources for full-time safety managers, but smaller independents are the ones who likely could benefit most from outside resources.”

“The focus of the STEPS Network is the working men and women who are at greatest risk of injury,” Ingram states. “We hope to improve communications by sharing learnings from incidents and best practices, and to send one unified simple message to the folks in the field: Our vision statement is ‘incident-free operations.’”

Ingram points out that two keys to improving workplace safety are uniform goals and standards, and a free exchange of information. “Majors have very sound safety programs and resources, while many smaller companies do not,” he says. “A contractor employee may work for a company on one job that has a rigorous safety program, but then work for an operator on the next job that has no safety expectations at all. That is a very



confusing scenario, but it is reality.”

He adds that inconsistency in safety training, attitude and awareness of field leadership complicates matters further. “By better explaining the logic of a strong stance on safety among our peers, we have seen an improvement. One of our short-term goals is to develop or accept a common orientation, and later, a training program for workers in South Texas,” Ingram remarks. “Much has been accomplished by other groups in our industry, such as IADC, PEC, STAMP, ETC and SafeGulf, and we are anxious to work with them further. Along with those and other industry organizations and associations, the STEPS Network strives to bring people, companies and government resources together to help bridge existing gaps.”

As part of its information sharing effort, the STEPS Network also provides a resource for updating the industry on critical safety issues and practices. As an example, Ingram notes, attendees at one monthly meeting voiced concerns about locating, marking and excavating near pipelines. At the next meeting, Lee Marrs

of Texas Excavation Safety Systems presented information and procedures for working near pipelines to those in attendance. That information was then made available to the industry at large through the STEPS Network Website. “We have excellent information and speakers at each of our meetings,” Ingram relates.

### Changing Climate

“STEPS has a huge membership list,” Ingram comments. “Everyone has been pleasantly surprised at both the high level of response and the level of cooperation between the companies and the governmental agencies. Our industry, in the past, had viewed regulators as being on the other side of the fence. In many respects, they were viewed as agencies to avoid.”

But the climate is changing in South Texas. “If we want to evolve beyond the perception of being a dangerous and uncaring industry, we all have to do our part. These agencies want the same thing, and our safety record is their safety record,” Ingram elaborates. “We all want to see people get home safely at the end of the day. OSHA and other agencies are in the business of helping us. It is only logical to do things right and comply with regulations. After all, most regulations are written with someone’s blood, and instead of spending money on litigation, it is much better for everyone to invest in safety programs to prevent injuries from occurring in the first place.”

Although the program is less than two years old, the benefits are already evident. In fact, it just so happened that the signing of the formal alliance between STEPS participants and the governmental agencies in June coincided with a milestone safety achievement at BP America, reveals Gerard Brumfield, Ingram’s colleague at BP America.

“The same week as the signing of the alliance, BP completed one year of operations without an OSHA-recordable injury in South Texas,” says Brumfield, operations center manager. “BP South Texas had never accomplished that before, and the STEPS Network was a big part of achieving that success. This milestone not only included BP America, but all our valued contractors, whom we consider part of the family. If one of their employees is injured, we consider that a serious setback.”

For BP America, the ability to work

under a framework of mutual cooperation with regulators has proven crucial to proactively improving safety, Brumfield continues. In fact, he reports the company’s upper management is now asking other BP regional offices in the lower-48 to look at establishing similar networks.

“In South Texas, we have gotten away from thinking of OSHA in strict regulatory or enforcement terms, and now have a true partnership mentality,” he relates. “OSHA has even visited BP’s South Texas office at our invitation to learn about the obstacles facing the industry from the operator’s perspective. It really has been a teamwork approach. When Marianne McGee uses terms such as ‘partnership,’ ‘alliance’ and ‘teamwork,’ she really means what she is saying. We opened our minds to the possibility of an alliance with OSHA, and are now seeing the positive results of our partnership for safety.”

### Improved Safety

It is not just BP that is seeing benefits from the STEPS Network. McGee reports that the number of OSHA-reportable incidents in oil and gas exploration and production in South Texas is down across the board, including a 50 percent reduction in fatalities since the program was inaugurated.

Ted Reed, regional operations manager at BJ Services Co., has seen the improvement first hand. Reed transferred into South Texas in 1999, a time during which he says the area had one of the worst safety records in the nation. “We have completely turned that around, to the point where South Texas had the best safety record in the United States in 2003,” he remarks. “STEPS played an integral role in that.

“Credit must also go to all the employees,” he adds. “We have developed a culture of safety in a part of the country where there has always been a kind of a macho-man culture, and people did not appreciate the notion of being your brother’s keeper. That has changed.”

As a real-world example of the difference the STEPS Network can make, Reed recalls a situation where BJ field employees were faced with a drilling site condition they considered unsafe. The rig contractor did not believe it was required to address the situation at issue, and given the fact that time is money on

