U.S. DEPARTMENT OF LABOR

Occupational Safety and Health Administration

DIRECTIVE NUMBER: KCM-CPL-04-00-008

SUBJECT: Kansas Local Emphasis Program (LEP) on Oil and Gas Operations

REGION: Kansas City (KCM)

SIGNATURE DATE: September 20, 2024 EFFECTIVE DATE: October 1, 2024

ABSTRACT

Purpose: This Instruction continues a Local Emphasis Program (LEP) to identify

employers classified in the North American Industry Classification System (NAICS) codes 211111, Crude Petroleum and Natural Gas Extraction, and 213111, Drilling Oil and Gas Wells. This LEP does not initially identify employers in NAICS 213112, Support Operations for Oil and Gas

Operations, but they may be affected.

Scope: This Instruction applies to the State of Kansas.

References: OSHA Instruction CPL 02-00-170, Enforcement Exemptions and

Limitations under the Annual Appropriations Act, July 18, 2024, or

successor guidance.

OSHA Instruction CPL 02-00-164, Field Operations Manual, April 14, 2020, or the most current version at the time of the inspection opening

conference

OSHA Instruction CPL 04-00-001, Procedures for Approval of Local

Emphasis Programs, November 13, 2018.

OSHA Instruction CPL 02-00-025, Scheduling System for Programmed

Inspections, January 4, 1995

Kansas Corporation Commission Statewide Spud Report, generated

upon request.

Cancellation: This Instruction cancels CPL 2-07-13O, Kansas Local Emphasis

Program (LEP) on Oil and Gas Operations, October 1, 2019.

State Impact: None

Action Office: Wichita Area Office

Originating Office: Kansas City Regional Office

Contact: Assistant Regional Administrator for Enforcement Programs

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By and Under the Authority of:

Billie A. Kizer, MPH, CSP Regional Administrator

Executive Summary

The Wichita Area Office will identify employers classified in the North American Industry Classification System (NAICS) codes 211111, Crude Petroleum and Natural Gas Extraction, and 213111, Drilling Oil and Gas Wells. The Wichita Area Office does not initially identify employers in NAICS 213112, Support Operations for Oil and Gas Operations, but they may be affected.

The intent is to encourage employers to address hazards, evaluate facilities to determine compliance with all relevant OSHA requirements and help employers correct hazards, thereby reducing potential injuries, illnesses, and deaths for their workers.

Significant Changes

This Instruction cancels CPL 2-07-13O, Local Emphasis Program on Oil and Gas Operations, October 1, 2019.

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I. Purpose.

This Instruction continues a Local Emphasis Program (LEP) for conducting inspections in the Oil and Gas industry within the jurisdiction of the Wichita Area Office. The LEP goal is to secure safe and healthful working conditions for American workers in line with OSHA's Strategic Objective 2.1: "Secure safe and healthful workplaces, particularly in high-risk industries."

II. Scope.

This Instruction applies to establishments classified in the North American Industry Classification System (NAICS) codes below:

NAICS	Description
211111	Crude Petroleum and Natural Gas Extraction
213111	Drilling Oil and Gas Wells
213112	Support Operations for Oil and Gas Operations
This NAICS may be inspected when observed working (see paragraph X.B.2)	

III. References.

- A. OSHA Instruction CPL 02-00-170, <u>Enforcement Exemptions and Limitations under the Annual Appropriations Act</u>, July 18, 2024, or successor guidance; https://www.osha.gov/sites/default/files/enforcement/directives/cpl-02-00-170.pdf
- B. <u>U.S. Department of Labor FY 2022-2026</u> Strategic Plan (SMP), https://www.dol.gov/sites/dolgov/files/OASAM/pmc/FY2022-2026-Strategic-Plan.pdf
- C. OSHA Instruction CPL 04-00-002, <u>Procedures for the Approval of Local Emphasis Programs (LEPs)</u> dated November 13, 2018; https://www.osha.gov/sites/default/files/enforcement/directives/CPL_04-00-002_0.pdf
- D. <u>Bureau of Labor Statistics Fact Sheet, Mining, Quarrying, and Oil and Gas Extraction</u>, July 2017. https://www.bls.gov/iif/factsheets/mining-fact-sheet-2017.htm
- E. <u>Bureau of Labor Statistics Injuries, Illnesses, and Fatalities (IIF)</u> database, 2017. https://www.bls.gov/iif/oshcdnew2017.htm
- F. OSHA Memorandum from Francis Yebesi to Regional Administrators,

 Establishment-Targeting Lists for Emphasis Programs, November 12, 2014;

 https://www.osha.gov/memos/2014-11-12/establishment-targeting-lists-emphasis-programs

- G. OSHA Instruction CPL 02-00-164, <u>Field Operations Manual</u>, April 14, 2020, or successor guidance; https://www.osha.gov/enforcement/directives/cpl-02-00-164
- H. Kansas Corporation Commission Statewide Spud Report, generated upon request.
- OSHA Instruction CPL 02-00-025, <u>Scheduling System for Programmed Inspections</u> dated January 4, 1995; https://www.osha.gov/enforcement/directives/cpl-02-00-025

IV. Cancellation.

This Instruction cancels CPL 2-07-13O, Local Emphasis Program on Oil and Gas Operations, October 1, 2019.

V. Action Offices.

OSHA compliance personnel shall follow the procedures contained in this instruction when conducting outreach and enforcement activities.

- A. Responsible Office. The Wichita Area Office is responsible for the functions covered by this Instruction.
- B. Action Office. The Wichita Area Office is affected by this Instruction and is expected to act.
- C. Information Offices. The Kansas City Region Area Offices need to be notified of the issuance of this directive. The Wichita Area Office is directly affected.

VI. Federal Program Change.

This instruction has no impact on State Plans. However, they are encouraged to adopt this program or a similar program.

VII. Significant Changes.

This Instruction cancels CPL 2-07-13O, Local Emphasis Program on Oil and Gas Operations, October 1, 2019.

VIII. Expiration.

This Instruction will expire on September 30, 2029.

IX. Background.

OSHA continues working to secure safe and healthful working conditions for America's workers in line with OSHA's Strategic Objective 2.1, in the U. S. Department of Labor's FY 2022-2026 Strategic Plan. According to a Bureau of Labor Statistics (BLS) Fact Sheet, Mining, Quarrying, and Oil and Gas Extraction, May 2019, between 2003 and 2017 the number of fatal occupational injuries in private oil and gas industries ranged from 142 in 2012 to 68 in 2009. Between 2003 and 2017, 1,566 fatal incidents occurred in the oil and gas industry, more than 105 per year. Over this period, contact with objects and equipment resulted in 383 fatalities. Fires or explosions resulted in 216 deaths. Falls, slips, and trips resulted in 120 deaths, and exposure to harmful substances or environments resulted in 137 fatalities.

According to National OSHA inspection history, both federal and state plan compliance officers conducted 351 inspections during FY 2023 in North American Industry Classification System (NAICS) codes: 211111 Crude Petroleum and Natural Gas Extraction, 213111 Drilling Oil and Gas Wells and 213112 Support Operations for Oil and Gas Operations. Of those 480 inspections, compliance officers initiated 38 fatality inspections.

Between FY 2017 and FY 2023, the Wichita Area Office conducted 25 programmed inspections, and 37 un-programmed inspections based on complaints, employer-reported referrals, other referrals, and five fatality inspections in NAICS codes 211111 Crude Petroleum, 213112 Support Operations for Oil and Gas Operations, and 213111 Natural Gas Extraction and Drilling Oil and Gas Wells.

By directing inspection activity to employers in this industry, OSHA strives to reduce injury and fatality rates in the oil and gas drilling, exploration, and servicing industry. Continuing this program through FY 2029 will provide an initiative-taking identification scheme and allow broad coverage of the Kansas oil and gas industry.

X. Inspection Scheduling and Site Selection.

Selection of establishments for programmed inspections: The Area Office shall follow procedures outlined in paragraph B. below following the site randomization protocols outlined in the November 12, 2014, OSHA Memorandum: <u>Establishment – Targeting</u> Lists for Emphasis Programs.

A. Inspection List.

The Wichita Area Office will obtain a "Statewide Spud Report" from the Kansas Corporation Commission (KCC). The Statewide Spud Report identifies the well name and location for each active drilling site in Kansas. "Spudding" refers to beginning drilling by alternately raising and releasing a spudding bit with a drilling rig, or digging, removing, or otherwise treating with a spud. Employers must notify the KCC when they intend to begin spudding within hours or have begun spudding.

The Statewide Spud Report will include all sites that have spudded in the previous five calendar days, from the date of the request. (For example, if the Wichita Area Office requested the 20th, the Spud Report date range would be between the 15th and the 19th). The Wichita Area Office will consider each Statewide Spud Report received as an inspection list.

B. Inspection Cycles.

The Area Office shall follow procedures and the site randomization protocols outlined in CPL 02-00-025 Scheduling System for Programmed Inspections and apply a random numbers table to the "well name/location" for inspection cycle creation.

The Area Office will inspect the "well name/location" identified as "1" after random numbering. This will be inspection cycle one. When that inspection is completed or is determined to be a "no inspection", "operator/well name/location" cycle one is completed. If resources are available within the

same calendar week, the Area Office will randomly select a second site from the inspection list and conduct an inspection. This will be inspection cycle two. The maximum number of selected cycles from any inspection list will be two. This is due to the frequent changes to the Statewide Spud Report and the need for upto-date drilling information to ensure the most efficient use of compliance resources.

XI. Inspection Procedures.

The Area Office will conduct inspections per this Instruction and the Field Operations Manual.

A. **Programmed Inspections:**

- Inspections will follow the procedures outlined in the FOM. Except as stated in B.2. of this section, the Area Office will conduct a comprehensive safety and health inspection at each selected site. Safety and health inspections are performed simultaneously as resources allow. When this is not possible, a compliance officer will initiate either safety or health inspection with the opposite discipline to follow as resources become available or as the Area Director allows a cross-trained CSHO to address safety and health hazards.
- 2. The Wichita Area Office will adhere to OSHA Instruction CPL 02-00-170, Enforcement Exemptions and Limitations under the Annual Appropriations Act and its current Appendix A. Affected employers, with 10 or fewer employees at all times in the last 12 months (before the inspection date), will only receive a programmed health inspection.
- 3. During an inspection, where another employer in NAICS 213112 is working at the inspection site, a programmed-related inspection of that employer will commence following the same conditions identified in #1 and #2 above.
- 4. A "Driller" is an employer who performs work under the North American Industry Classification System 213111. Once a Driller receives a comprehensive safety and health inspection under this LEP, the Driller will not receive another programmed inspection for six months following completion of the inspection(s). The six-month period provides adequate opportunity for the Driller to ensure compliance at other drilling sites. The Wichita Area office should apply an exception to this policy if a Compliance Safety and Health Officer (CSHO), inspecting another drilling site where this Driller is present, finds an imminent danger situation at that drilling site. Under those circumstances, an inspection will commence as outlined in subparagraph C, below.

B. Unprogrammed Inspections:

The Wichita Area office shall schedule reports of imminent danger, fatality/catastrophe, complaints, and referrals concerning worksites within NAICS 211111, 213111, and 213112 as un-programmed inspections and conduct

them following the FOM. The Area Office will conduct an inspection where such a report (including an OSHA referral) provides reasonable cause to believe a serious hazard/violation exists at the worksite.

If a CSHO observes an active drilling rig (NAICS 211111 or 213111), the CSHO will make a referral and inspect using the procedures outlined in IX.B and IX.C.

XII. OSHA Information System (OIS) Coding.

The Area Office will identify inspections conducted under this LEP in OIS. The Area Office will follow current instructions for completing the appropriate inspection classification boxes on the OIS Inspection Form:

- A. Mark OIS form(s) for programmed inspections scheduled under the procedures in this LEP as "planned", and under "Local Emphasis Program" select "OILGAS" from the drop-down menu.
- B. Code OIS form(s) for un-programmed inspections scheduled under the provisions of the FOM as normally required under the FOM. In addition, select "OILGAS" from the drop-down menu under "Local Emphasis Program".
- C. Generate an OIS Compliance Assistance form when an inspection is inappropriate for any employer appearing on the Enforcement Exemptions and Limitations under the Appropriations Act. Select "OILGAS Outreach" in block 3b.
- D. The Area Office will generate an OIS Compliance Assistance form after providing technical assistance to employers, professional associations, local unions, etc. during this Instruction's effective period. Select "OILGAS Outreach" in block 3b.

XIII. Outreach.

The Wichita Area Office issued a news release summarizing the hazards related to this industry, potential enforcement activities, and Area Office contact information before initiating inspection activity under the original LEP; Area Office contact information was included. Information is available by request to employers, professional associations, and labor organizations. Employers are encouraged to utilize the OSHA Consultation Service delivered by the Kansas Department of Labor as an additional resource to achieve compliance.

XIV. Program Report.

The Area Office will provide a program report of this LEP to the Regional Office no later than midway through the program life and again at the program end. At a minimum, the report should respond to the requirements of <u>CPL 04-00-002</u>, Procedures for the Approval of Local Emphasis Programs (LEPs), Section VII, E.