

January 8, 2018

Dear Fieldwood Team,

We recently completed a thorough audit of our Safety and Environmental Management Systems (SEMS) and how all of our operations are complying with SEMS. This audit enabled us to learn more about the effectiveness of our SEMS policies, procedures and programs.

We've taken an in-depth look at the findings of the audit and determined that it is time to implement an overall Safety Improvement Initiative. This initiative not only identifies corrective measures from the audit findings, but more importantly, focuses on strengthening our company's safety culture which will help us create an identity with an even stronger commitment to our safety culture.

We are pleased to announce that our new safety culture identity will be Safe and Sound. Our goal is that every employee and contractor working for Fieldwood embraces this new identity and makes it part of everything they do.



To be "Safe and Sound" is the end result of constantly considering safety in everything we do. In order to be "Safe and Sound", we have to treat safety as a way of working and living. Safety should never compete with other priorities. It should be the way we work, think and act day to day. When we do things in a safe manner and make sound decisions, each of us will always be safe and sound.

Fieldwood is working diligently to implement the following safety improvements:

- Implement Training Programs to ensure that our PICs and Project Supervisors understand the Company's expectations and are competent to be the front-line leaders of our organization.
- Rollout the redesigned training programs for SEMS policies and procedures, which will strengthen the SEMS competency of our personnel.
- Additional resources have been committed to field operations and will be dedicated to verifying SEMS competency of all field personnel and provide coaching and guidance while ensuring compliance to our SEMS program.
- Managers, Engineers, Superintendents, Foremen, Supervisors and other office support staff will have increased interaction with field personnel and give more guidance on expectations and goals.
- Processes have been implemented to strengthen our focus on repairs and maintenance. Action items will be prioritized, and resources will be allocated accordingly.

Fieldwood Energy is committed to the safety of all our employees and contractors. To meet these commitments, Fieldwood expects all personnel to embrace, promote and represent the “Safe and Sound” Safety Culture. Each and every individual is empowered with the following expectations:

- To be leaders within our safety culture and lead by example. Every person will take ownership of their safety and will be held accountable for their actions.
- Strong communication and active participation is critical to the safety of our operations, at every level of the organization. All personnel will be committed to clear communication throughout the Company.
- All personnel are expected to understand and comply with Fieldwood’s policies and procedures and will be held accountable. There will be no exceptions or excuses.
  - Do not engage in any activity involving a policy or procedure that you do not fully understand.
  - Everyone responsible for a task(s) involving a policy or procedure will personally commit to ensuring it is done correctly and completely.
- Adhere to all Safe Work Practices:
  - *Safe Work* – all personnel will continue to be engaged in the JSA process. Once the actual work starts, all personnel are expected to perform every task as safely as possible.
  - *Work Permits* (Hot Work, LO/TO, Confined Space, etc.) – all personnel will hold the PIC or Project Supervisor accountable for their role in the permit process. PICs and/or Project Supervisors will not delegate their responsibilities for permit completion or verification to anyone else.
  - *Training* – all personnel are expected to commit to their training. Anyone who feels they do not understand a topic after they have completed training must notify their supervisor immediately.
- All personnel are expected to hold each other to these standards. Everything we do will be done safely, and every person is expected to promote a safe working culture.

We need all members of the Fieldwood Team to join us in this effort. Together, we can build a stronger culture that shows our commitment to **Safe** and **Sound** Operations.



Matt McCarroll  
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