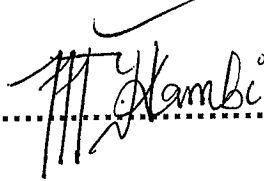


ENERGY CONTROL PROCEDURE

All Star I & E Inc.

Prepared by: Ayuketambi Y. Akohachere
Date: 08/12/2013

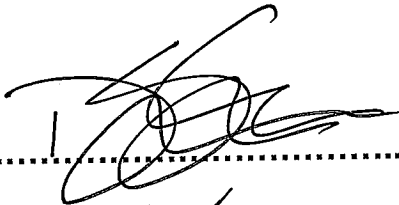
Signature:



Reviewed by

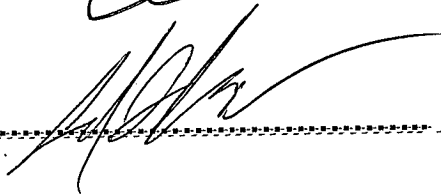
David Carr

Signature: Date: 9/9/2013



Carl Flores

Signature: Date: 9-9-2013



Approved by

Kenneth Stolte, Vice President

Signature:

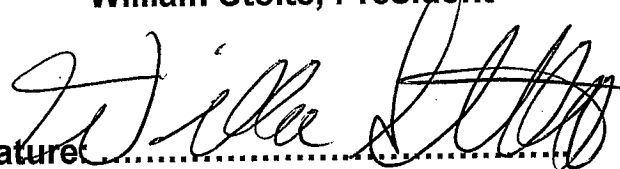
Date:



William Stolte, President

Signature:

Date:



Energy Control (Lockout/Tagout) Procedure

Intended Use Statement

This procedure is intended for all projects under electrical construction or service by All Star I & E Inc. employees.

Location: All Sites and Projects

Authorized employees: Construction Manager, All supervisors, all members of QC team and any employee duly authorized by his/her supervisor

Affected employee: Any employee whose activity shall involve, in anyway, the equipment being locked/tagged out.

This procedure establishes the minimum requirements for the lockout/tagout of energy isolating devices whenever electrical construction, maintenance or servicing is performed on any All Star I & E project. It shall be used to ensure that the machine or equipment is stopped, isolated from all potentially hazardous energy sources and locked/tagged out before employees perform any electrical construction, servicing or maintenance where the unexpected energizing or start-up of the specific machine or equipment on the rig or release of stored energy could cause injury. Lockout is the preferred method of isolating the specific machines or equipment on the rig from energy sources.

All employees are required to comply with the restrictions and limitations imposed upon them during the use of lockout/tagout. The authorized employees are required to perform lockout/tagout in accordance with this procedure. All employees, upon observing a machine or piece of equipment which is locked/tagged out to perform servicing or maintenance, shall not attempt to start, energize, or use that machine or equipment. If this rule is violated, disciplinary actions up to and including termination shall be implemented in accordance to the Company's Disciplinary Policy.

Authorized employees shall be instructed in accordance with this document — Energy Control (Lockout/Tagout) Procedure, prior to performing electrical construction, servicing or maintenance on any All Star I & E Inc. project.

Sequence of Lockout/Tagout

1. Consult Company Procedures

Once assigned an electrical construction, maintenance or repair task on any All Star I & E Inc. project or site, the authorized employee consults our company lockout/tagout procedure.

2. Notify Affected Employees

The affected employees are notified that electrical construction, servicing or maintenance is required on that particular machine or equipment on the rig and that the machine or equipment must be shut down and locked/tagged out to perform the servicing or maintenance task, according to the following notification method:

Affected employees:	Notification method:	Person responsible for making notification:
Construction Manager	Lock Out/ Tag Out Request Form	Worker/Foreman requesting LO/TO
QC Manager	Lock Out/ Tag Out Request Form	Worker/Foreman requesting LO/TO
Employees working on equipment	Verbal Information/Radio	Worker/Foreman requesting LO/TO
Owner/Rig Manager	Lock Out/ Tag Out Request Form	Worker/Foreman requesting LO/TO

3. Identify Energy Sources and Control Methods

Prior to shutting down the machine or equipment, the authorized employee identifies, knows, and understands the following information about the specific machine or equipment:

- The type of energy
- The location of the energy source(s)
- The magnitude and hazards related to this energy type
- The methods and means to verify and control the energy source(s)
- The training, tools and equipment to verify and control the energy source(s)

In order to ensure conformity with this procedure, authorized employees shall be trained on the different energy types found on the rig and the *All Star I & E Inc. Guide* for the corresponding rig on aspects of electrical servicing and maintenance of the specific machine or equipment. Energy types generally found are;

- Electrical
- Hydraulic (water, oil etc.)
- Steam
- Pneumatic (air)

The source and location of each energy type related to the specific machine or equipment shall follow the *All Star I & E Inc. Guide* for the corresponding rig explained in the appendices.

4. Shutdown

If the machine or equipment is operating, the authorized employee shuts it down by normal stopping procedure, as explained in the specific *All Star I & E Inc. Guide*.

5. Isolate

- a. The authorized employee identifies the energy isolating devices. Energy isolating device types and their locations are listed in the specific *All Star I & E Inc. Guide* and should be strictly respected.
- b. The proper lockout/tagout devices for de-activating the energy isolating devices are identified in the *All Star I & E Inc. Guide* attached in the appendices. Individual locks and tags have been issued to the authorized employees.

- c. The authorized employee de-activates the energy isolating devices so that the machine or equipment is isolated from the energy sources. De-activation methods are also listed in the specific *All Star I & E Inc. Guide* appended to this document

6. Application of the Lock/Tag

- a. The authorized employee locks/tags out the energy isolating device(s) with his/her assigned individual lock/tag in conformity with the *All Star Guide* appended to this document.
- b. If a tagout system is used without a lockout system, the authorized employee shall supplement the application of the tag with additional protections, such as signage with the inscription: "**DO NOT OPERATE**".

Note: The following persons have responsibilities for our lockout/tagout devices:

Name or title:	Responsibilities:
Construction Manager	Authorize and Remove
QC Leader	Authorize and Remove
Superintendents	Authorize

7. Release Stored Energy to Render Safe

Following the application of lockout/tagout devices, the authorized employee relieves, disconnects, restrains, or otherwise renders safe all potentially hazardous stored or residual energy according to *All Star I & E Inc. Guide* appended to this document.

8. Verify Isolation

- a. The authorized employee ensures that the equipment is disconnected from the energy sources by first checking that no personnel are exposed, then verifying the isolation and de-energization of the machine or equipment. After the energy has been released, the equipment shall be tested to ensure that it cannot be operated.

CAUTION: The authorized employee must return operating controls to neutral or the "off" position after verifying the isolation of the equipment.

- b. ~~If the hazardous energy is not controlled, then the authorized employee conducts a hazard analysis of the machine or equipment; documents changes on the written lockout/tagout procedure; provides training to affected, authorized, and other employees; and begins this lockout/tagout procedure again at the "Notify Affected Employees" starting point.~~
- c. If the hazardous energy is controlled, the machine or equipment is now locked and/or tagged out.

9. Perform Maintenance or Repair Task

If the hazardous energy is controlled, the authorized employee may perform the maintenance or repair task.

10. To Temporarily Remove Lockout/Tagout Devices

To temporarily remove the lockout/tagout devices from the energy isolating device and energize the machine or equipment to test or position the machine or equipment, the following steps are taken:

- a. The authorized employee clears the machine or equipment of tools and materials in accordance with step 12a under the "Restore Equipment to Service" step below.
- b. ~~The authorized employee removes employees from the machine or equipment area in accordance with step 12b under the "Restore Equipment to Service" step below.~~
- c. The authorized employee removes the lockout/tagout devices as specified in step 12d under the "Restore Equipment to Service" step below.
- d. The authorized employee energizes and proceeds with testing or positioning.
- e. The authorized employee de-energizes all systems and reapplies energy control measures in accordance with the procedures for:
 - i. Step 3, Identify Energy Sources and Control Methods;
 - ii. Step 4, Shutdown;
 - iii. Step 5, Isolate;
 - iv. Step 6, Apply the Lock/Tag;
 - v. Step 7, Release Stored Energy to Render Safe; and then
 - vi. Step 8, Verify Isolation.
- f. The authorized employee may continue with servicing and/or maintenance work.

11. To Change Shifts

During shift or personnel changes, the authorized employee uses the following procedures to ensure the continuity of lockout/tagout protection to minimize exposure to hazards from the unexpected energization or start-up of the machine or equipment, or the release of stored energy:

- a) Notify his supervisor
- b) Supervisor or the competent person shall then replace the employee lock/tag with a general lock/tag
- c) Update this information on the LOTO request form
- d) Supervisor or competent person shall then brief the incoming team of the LOTO changes
- e) The new team shall go on to visibly control and verify in conformity with section 10(e) of this document then update the changes on the LOTO request form
- f) Begin work on the equipment or machine

12. Restore Equipment to Service

When the servicing or maintenance is completed and the machine or equipment is ready to return to normal operating condition, the following steps must be taken:

- a. The authorized employee inspects the machine or equipment and the immediate work area to ensure that nonessential items (such as tools) have been removed and that the machine or equipment components are operationally intact. Procedures for doing this are as follows:
 1. Notify affected personnel to ensure all is clear
 2. Verify that there is no potential for release of stored energy
 3. Visually inspect the equipment and the area
 4. Check all controls and make sure they are in the off position
 5. Remove all locks
 6. Have all affected personnel present to re-energize and test equipment
 7. Equipment should now be ready for use
- b. The authorized employee visually inspects and checks the equipment and work area to ensure that all employees have been safely positioned and materials removed from the area.
- c. The authorized employee verifies all controls and make sure they are in the off position.
- d. The authorized employee who applied lockout/tagout devices must remove his/her own lockout/tagout devices beginning from the last to the first (backwards)
- e. However, when the authorized employee who applied the lockout/tagout devices is not available to remove them, the devices may be removed according to the following procedures:
 1. Notify your immediate supervisor
 2. Endeavor to contact or locate authorized employee
 3. Document all attempts to contact or locate authorized employee
 4. The **competent person** as defined in 6(b) above shall notify all personnel working on the equipment and then follow the procedure above to take out the lock and/or tag
 5. Lock and/or tag maybe removed by bolt cutter or other destructive methods necessary
 6. Upon arrival, the authorized employee shall be immediately sent to the **competent person** who shall inform him of the lock and/or tag removal.
- f. The affected employees are notified that the servicing or maintenance is completed and the machine or equipment is ready to use, according to the following:
 1. The supervisor shall inform them verbally/Radio communication
 2. Recirculate the LOTO Request Form in reverse manner

When Group Lockout/Tagout Is Used

- When group lockout/tagout is used, the primary authorized employee, Foreman/ Leadman, coordinates with equipment operators before and after completion of servicing and maintenance operations which require lockout/tagout.
- The group lockout/tagout devices to be used are as follows: Same as above.
- The primary authorized employee maintains accountability of each member of the group by verifying and communicating with them verbally or through Radio communication
- The group shall follow the manufacturer's guide during verification of the system to ensure the continued isolation and de-energizing of hazardous energy sources during maintenance and service operations:

- The primary authorized employee assures each authorized employee of his/her right to verify individually that the hazardous energy has been isolated and/or de-energized.
- The primary authorized employee ensures that all employees in the group have completed their assignments; removed their lockout/tagout devices from the energy isolating device, the group lock box, or other device used; and are in the clear before turning the machine or equipment over to the operating personnel or simply turning the machine or equipment on. Exception: See 29 CFR 1910.147(e)(3).

Procedure Evaluation

The Quality Control manager is responsible for ensuring procedure effectiveness and keeping this procedure up-to-date with machine or equipment changes and amendments to the regulations. This person is qualified by appropriate training or experience that is commensurate with the complexity of the procedure to administer or oversee it and conduct the required evaluations, performed annually, in accordance with the following:

- The Quality Manual
- The EHS Handbook

~~The Quality Control manager will ensure that the procedure is revised, as necessary. Not all reviews will call for revision. It should be noted that this procedure was last revised in August 2013.~~

Appendices

We have attached the following documentation to this written procedure:

- All Star I & E Inc. Guide for Ideal Rigs
- All Star I & E Inc. Guide for Maverick Rigs