



Exploration & Production

GENERAL SPECIFICATION

Drilling & Wells

GS EP FP 351

Ex-stock OCTG Inspection Activities
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1. Scope

The purpose of this General Specification is to provide the requirements for the surveillance / inspection on OCTG products at the supplier's locations for products coming from stockists. This General Specification establishes a set of guidelines to address the protocol used between purchasers, suppliers and the Third party inspection company for surveillance / inspection.

2. Reference documents

The reference documents listed below form an integral part of this General Specification. Unless otherwise stipulated, the applicable version of these documents, including relevant appendices and supplements, is the latest revision published at the EFFECTIVE DATE of the CONTRACT.

Standards

Reference	Title
API SPEC 5CT ISO 11960	Specification for Casing and Tubing Petroleum and Natural Gas Industries – Steel Pipes for Use as Casing or Tubing for Wells

Professional Documents

Reference	Title
Not applicable	

Regulations

Reference	Title
Not applicable	

Codes

Reference	Title
Not applicable	

Other documents

Reference	Title
Not applicable	



Total General Specifications

Reference	Title
Not applicable	

3. Definitions

Purchaser	Is TOTAL SA or a TOTAL affiliate responsible for both the definition of the product and the inspection level requirements for the product.
Third Party (TPI) Inspection Company	The company, either hired or appointed by the purchaser
Mill	The plants, mills, workshops, laboratories or other locations where the fabrication, inspection and testing of new OCTG for the purchaser's use are to be performed complete or in part.
NDE	Non Destructive Examination
NFI	Notification for Inspection issued by the supplier
Supplier	Producer, processor, manufacturer, of the new OCTG stock
OCTG	Oil Country Tubular Goods
PPE	Personnel Protective Equipment
PO	Purchase Order is the Contractual Agreement issued by the Purchaser and sent to the supplier detailing a product description and the level of inspection to be used
Adequate	In the context of this document adequate means an agreed period of time that is suitable for both parties to manage the activities without any detrimental effect to the purchaser's product or service provided

4. Responsibilities

All the parties involved with mill surveillance / inspection of the products supplied to TOTAL shall have clear and defined responsibilities in addition to the following:

Responsibility of the purchaser

The purchaser shall establish through purchase orders, specifications, pre-production meeting minutes, or other written communications the responsibility of each party based upon the following:

1. The purchaser shall define the Third party inspection company and the inspection level on each item (if required) to be performed in accordance with the relevant TOTAL FP Company Rule.
 - *The purchaser may adjust the inspection level at anytime during the duration of the order, provided the supplier has opportunity to perform additional contract review and pricing because of the potential impact to production. In this case the supplier and TPI*



shall be notified so that there is an understanding between all parties as to the inspection and surveillance that is required.

2. The purchaser shall ensure that clear documentation of the agreement between the purchaser and the supplier is provided to the Inspection service company. This should include an **un-priced copy** of the purchase order including any applicable exceptions to the relevant specifications quoted.
3. Final acceptance of the stock pipes / couplings shall come from the purchaser depending on the results coming from the TPI reports / findings.

Responsibility of the Third party inspection company

The TPI shall be responsible for the following:

1. To ensure that a clear inspection level has been defined from the purchaser in written form before the commencement of any work.
 - If it is not clear no work is started until clarified by the purchaser on the inspection level to be carried out.
2. To provide copies of the purchaser's documentation, PPE and other necessities to its employee's in order that the inspector is able to perform the assignment to a satisfactory standard.
 - The TPI representative shall not commence there assignment unless the correct documentation has been supplied
3. The activities of the TPI representative in the supplier's facility shall not interfere with the normal activities of the supplier, including production rates unless there is a clear justification to do so **(before hand it shall be agreed with the supplier)**.
4. To ascertain if the safety of the facility is of a satisfactory level before commencement of the surveillance / inspection. In the event of being not satisfactory the inspection company should alert the supplier of the concerns.
 - All safety concerns shall be reported in written form to the purchaser with copy at all times to FP / MTH - QAQC).

Responsibility of the supplier

The supplier shall be responsible for the following:

1. To ensure that a clear inspection level has been defined from the purchaser in written form before the commencement of any work on any product.
 - If it is not clear no work is started until clarified by the purchaser on the inspection level to be carried out.
2. To allow the TPI controlled access to all area's of his facility which concerns the purchaser's product, while work on the purchaser's product is being performed.
3. To allow and give adequate notification to the TPI to allow them to prepare for the surveillance / inspection to be done on their premises.
 - It is important this notification is agreed in advance to avoid conflict.
 - In the event of conflict the supplier contacts the purchaser who shall arbitrate between the two parties.



4. To send the Notification for Inspection (NFI) to the TPI as indicated on the purchase order or contract indicating the place.
5. To give adequate notification to the purchaser and the TPI of changes in plant scheduling that could affect the TPI activities related to the order.
6. To provide the TPI with reasonable resources to enable the TPI to report that the product as being produced in accordance with the applicable purchase agreement.
 - Reasonable resources typically include office space, telephone, internet access, mail / package delivery, and specialized PPE.
7. To present to the TPI for inspection only products that the supplier has found to meet its own QA QC standard and the purchaser's requirements.
 - The Third party inspection company is not a replacement for the supplier's internal QAQC.
8. The supplier shall present the pipes / couplings in an appropriate place for the inspection to be done. The area shall be safe and clean with appropriate lighting to enable the inspection service company to perform the agreed scope of work.
9. The supplier should identify any documents that are considered proprietary to the manufacture or processing of the product described in the purchase agreement. It should be established what parameters of such documents can be accessed, copied and returned during manufacture and processing
 - Gauging procedure, drawings, heat treatment parameters etc....
10. It is not required, nor advisable, for the supplier to provide equipment to the Third party inspection company. However, for the purpose of final decisions, the supplier's calibrated equipment shall be the ruling equipment.
 - For example – Wall thickness meters, calliper, micrometers etc.
11. It is the responsibility of the supplier to ensure that his facility is a safe working environment for the TPI to work in.

5. Inspection level

Inspection level appendixes are included in this document.

Inspection level 1

As defined in appendix 1

Inspection level 2

As defined in appendix 1

Inspection level 3

As defined in appendix 1

6. Safety

The supplier shall inform the inspection service company of any potential safety hazards in the supplier's facility and expect the inspection service company to comply with all relevant safety considerations required of the supplier's employees.



The supplier shall identify the items of personal protection equipment required.

Explanation of safety issues inherent to the supplier's facility is the responsibility of the supplier. Such explanation shall take place prior to initiation of surveillance / inspection activities.

7. Gauges and Instruments

Inspection service companies may use their own gauges, instruments or measuring devices. However in the event of disputed measurements, the supplier's gauges, instruments, or measuring devices shall be the final arbiter in resolving the dispute.

The supplier's mechanical gauges, fixed gauges and electronic instruments or other gauges that are used for the purpose of determining material acceptance or rejection shall be calibrated on an established schedule and traceable to a national or international standard.

8. Inspection Procedures

The Third party inspection company shall have applicable specifications, standards, and un-priced purchase agreements and shall have access to those standard operating procedures for the processes / products being supplied.

9. Reporting

In the event of a Non-conformance-report (NCR) being issued by the Third party inspection company representative or the supplier. There shall be an agreement between the supplier and the Third party inspection company on the NCR before the TPI leaves the supplier's facilities.



Appendix 1

The requirements for the surveillance / inspection activities to be conducted by the Third party inspection company for the work that is associated with purchasing requirements.

The Inspection Level applicable to the surveillance / inspection activity will normally be given with the purchase order, but in any case shall be issued by the Purchaser.

Legends used in the scope of inspection table

- R** Document review to be performed in parallel with other examination activities. If % sample of documentation to be done if quoted
- S** Surveillance checks to be performed during other examination activities. Routine non-specific observations carried out on a random basis. Operations may continue without the need for an inspector being present as long as notification for inspection has been sent to the Third party inspection company and in adequate time.
- x%** Sample of hands on inspection / surveillance checks to be performed

Activity	Description of Activity	level of inspection		
		1	2	3
1	Review the test certification to ensure the following; – That a reputable manufacturer has been used to supply the pipes – The manufacturer of the pipes holds a valid API 5CT license – Verify that the material certification conforms to ISO 11960 annex A.9 (API SPEC 5CT SR15) – The certificate indicates that NDE has been performed in accordance with ISO 11960 Annex A.3 (API SPEC 5CT SR2) on the pipe body and ISO 11960 clause 9.14 on couplings. <i>All of the above is reported back to the purchaser for the purchaser to approve the purchase of the pipes / couplings.</i>	Yes	Yes	Yes



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2	Verify the following: 1. Hydrostatic testing was performed with the test pressure to at least 80 % SMYS 2. Welding has not been performed on the pipe 3. The chemical analysis (where applicable) are within the standard as defined. 4. The hardness values (where applicable) are within the standard defined by the purchaser. 5. Confirm that the impact testing has been done on the pipes and couplings. Report the test temperature and the values back to the purchaser for review and approval	Yes	Yes	Yes
3	Review reports from the inspection activities performed during the manufacture (where available – contact the original manufacturer for the records – help from the owners of the pipes may be required) Where applicable review the mill make up charts from the original mill manufacturer 100%	Yes	Yes	Yes
4	Determine condition of the pipes by visual inspection of external surfaces and internal surfaces. Recording the degree of corrosion, damage etc. – The percentage inspection may be reduced depending on the total number of ex-stock pipes to be supplied. – but the overall inspection shall be a fair representation of the pipe / couplings that are to be purchased – 13 Cr materials shall be closely inspected for pitting and the internal surface shall have been blast cleaned and free from mill scale. - The ID coating shall be reported to the purchaser.	10%	25%	100%
5	Inspect threaded connections (including seal condition)	10%	25%	100%
6	Witness gauging of newly applied threaded connections	S	25%	100%
7	Witness the drifting operations where drifting of stock material has been requested. (Note: chromium plated or nylon drifts are to be used for 13cr pipes) – ensure that on the 13cr material that the ID coating is not removed to cause local corrosion spots on the ID of the pipes.	S	25%	50%
8	Verify pipes are traceable back to the certification ○ Ensure mill markings (esp. pipe and heat numbers) are legible ○ Ensure pipes correspond to certification ○ Correct color code is applied to pipes and couplings ○ API cert Number and stamp	10%	50%	100%



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9	Verify re-application of correct metal-free storage compound and correct fitting of end / thread protectors. On the pipes that have not been inspected a review of the protectors shall be done to establish if the protectors have moved during transport and based on these findings this will establish if more inspection would be needed on the rest of the stock.	S	10%	100%
10	Witness the handling and storage of material and equipment to verify that good and safe practices are being used.	S	S	S
11	Review data package documentation and endorse if correct.	Yes	Yes	yes
12	Issue report with tally list and inspection results with recommendation if any of any further workmanship before final purchase.	Yes	Yes	Yes
13	Issue Inspection release note	Yes	Yes	Yes

Notes: for pipes and couplings

- For all inspection / surveillance determination on whether the correct materials / calibration / reference / equipment are being used during the manufacture should be done where applicable.
 - Calibration of gauges / current revision of gauging procedure etc.
- If during the stock inspection / surveillance,
 - More than 10% of the pipes are rejected it shall be determined that the stock pipes are not suitable for TOTAL's use.
 - The purchaser has the right to inspect all the stock to inspection level 3 if the initial reject rate indicates the pipes / couplings are not suitable for TOTAL's use.
- The Inspection level applicable to the examination activity shall normally be given with the purchase order or service order for the work, but in any case shall be issued by the Purchaser.