

**TDS INC.  
DBA Technical Drilling Services**

**ALCOHOL, DRUG AND CONTRABAND POLICY**

**ADDENDUM 1.1**

EFFECTIVE DATE: 01/01/2000  
REVISED DATE: 02/01/2007

## ALCOHOL, DRUG AND CONTRABAND POLICY

1. **Purpose:**

To insure a safe, healthy, and productive work environment for the employees of TDS Inc. and Operator and others on Operator's property, to protect Operator's property and assets, and to ensure efficient operations, we have and enforce a written policy on drugs, alcohol, and other prohibited items that, at a minimum, meets Operator's requirements.

2. **Definitions:**

- A. Personnel**—any of TDS Inc.'s employees, agents, subcontractors' employees working on Operator's property.
- B. Operator's Property**—All real or tangible personal property, including facilities, buildings, vehicles, products and equipment either owned or controlled by Operator.
- C. Prohibited Substances**—(1) illicit or unprescribed drugs, Controlled substances and mood or mind altering substances, (2) prescribed drugs used in a manner inconsistent with the prescription, and (3) alcoholic beverages.
- D. Reasonable Suspicion**—A belief based on objective and articulable facts sufficient to lead a supervisor to suspect.
- E. Under the Influence**—(1) the presence of a prohibited substance, or metabolites of a prohibited substance in body fluids above the cut-off level established by TDS Inc.'s policy, or other commonly accepted cut-off level and/or (2) the presence of a prohibited substance that affects an individual in any detectable manner. The symptoms of influence may be, but are not limited to, slurred speech or difficulty in maintaining balance.

3. **Prohibitions:**

Unless specifically authorized in writing by Operator's, TDS Inc.'s policy and its implementation shall prohibit TDS Inc. and company personnel from the following:

- A.** Using, possessing, selling, manufacturing, distributing, concealing, or transporting on Operator's property any of the following items:
  - i. Any Prohibited Substance;
  - ii. Contraband, including firearms, ammunition, explosives, and weapons;
  - iii. Illicit drug equipment or paraphernalia.

- B.** While on Operator's property possessing or using prescription Drugs or over-the-counter medication that may cause impairment except when all of the following conditions have been met:
- i. Prescription drugs have been prescribed by a licensed physician for the person in possession of the drugs.
  - ii. The prescription was filled by a licensed pharmacist for the person possessing the drugs.
  - iii. The individual notifies his supervisor, if he will be in possession of, or using, impairment-causing prescription drugs or over-the-counter medication and appropriate steps are taken to accommodate the possibility of impairment, including but not limited to, removal from work for the period of possible impairment.
- C.** Being under the influence of prohibited substances while performing any work for Operator's.
- D.** Switching or adulterating any urine, blood, or other sample used for testing.
- E.** Performing work for Operator's if that person has tested positive, or refused testing, in any employment-related test except personnel seeking access to Operator's property may be considered if the positive employment-related test in question was an initial pre-employment test administered more than twelve months before and the employee will not perform in a designated-like position. The prohibition in part 3(E) will not apply to personnel seeking access to Operator's property for low-exposure positions whose employment-related positive test did not occur during employment on Operator's property, or work.
- F.** Upon request TDS Inc. will certify in writing that it has enforced All provision of Paragraph 3.

**4. Searches and Inspections**

On Operator's property Operator's may, at any time, have Operator's supervisors and/or authorized search and inspection specialists, including scent-trained animals, conduct unannounced searches and inspections of our company and/or personnel and their property; that property may include, but is not limited to, the following: wallets, purses, lockers, baggage, offices, desks, tool boxes, clothing, and vehicles.

5. **Testing**

A. **Categories**

All personnel shall be assigned to one of the following categories based on the individual’s job function;

**Comparable-to-Designated:** Has a high exposure to a catastrophic operational incident; has a direct role in operations where failure could result in serious harm to public or employee well-being, company assets, or the environment; and has no direct or very limited supervision available to provide operational checks.

**Safety-Sensitive:** Has a high exposure to catastrophic operational Incident and has access to operations where failure could result in Serious harm to public or employee well-being, company assets, or The environment.

**Low-Exposure:** Has an indirect role and no access to operations Where failure could result in serious harm to public or employee Well-being, company assets or the environment.

All positions are “safety-sensitive” unless a position, or positions, is/are identified as “low-exposure” or “comparable-to-designated” in Operator’s’ Contractor Drug, Alcohol and Contraband Policy Requirements. If during the course of this contract, Operator determines that additional positions require treatment as “low-exposure” or “comparable-to-designated,” Operator may at its sole discretion, after notifying TDS Inc. of a change, or changes, confirm the modifications in writing.

TDS Inc. shall ensure that alcohol and drug test are conducted according to the following requirements as defined in Paragraph B below:

<b><u>Job Category</u></b>	<b><u>Reasonable Suspicion</u></b>	<b><u>Post-Incident</u></b>	<b><u>Pre-access</u></b>	<b><u>Random</u></b>
Comparable-to-Designated	X	X	X	X
Safety-Sensitive	X	X	X	
Low-Exposure	X	X		

## **B. Requirements:**

- i. Pre-Access Testing:
  - a. Personnel requiring pre-access testing must have received a negative result on a comprehensive alcohol and drug test within the 12 months preceding that personnel's first access to Operator's property. In addition personnel requiring pre-access testing must have received a negative result on a comprehensive alcohol and drug test in any calendar year in which TDS Inc. personnel performs work on Operator's property. Upon Operator's's request TDS Inc. shall so certify in writing. TDS Inc. shall not send laboratory test results to Operator's.
  - b. A single letter certifying negative test results for all personnel requiring site access is preferred.
  - c. TDS Inc. will provide no information to Operator's identifying individuals who have positive pre-access tests.
- ii. Random Testing:
  - a. Personnel requiring random testing will be subject to unannounced and continuous random selection and testing for Prohibited Substances while performing work for Operator.
  - b. The number of tests randomly conducted during each calendar year must be at least the current DOT required percentage or, where testing is not required by DOT, at least fifty percent (50%) of the number of personnel in the random selection pool.
- iii. Post-Incident Testing:
  - a. If TDS Inc. or Operator determines from the best information available immediately after a work-related incident that performance of one or more of our personnel contributed to the incident, or cannot be completely discounted as a contribution factor to the incident, TDS Inc. shall remove that/those individual(s) from Operator's Property and surrender his/her/their site credentials to Operator. For purposes of this part "incident" means an incident that caused personal injury requiring medical treatment beyond first aid administered at the work site, or property damage of more than \$1000, or an incident that carried the potential for serious personal injury or significant property damage.

**b.** An individual so removed will be allowed to return to work on Operator's Property only after TDS Inc. conducts alcohol and drug testing on the individual as soon as possible following the individual's removal from the site, and TDS Inc. certifies in writing the test identification number, the individual's social security number, the test date and time, and a negative test result. On that written certification TDS Inc. will include a consent signed by the individual permitting disclosure to Operator of the test result.

iv. Reasonable Suspicion Testing:

**a.** Upon reasonable suspicion of TDS Inc. or Operator that personnel is under the influence of a prohibited substance while on Operator's Property, TDS Inc. shall remove the individual from Operator's property and surrender his/her site credentials to Operator's.

**b.** An individual removed from Operator's Property for reasonable suspicion will be allowed to return to work on Operator's Property only after TDS Inc. conducts alcohol and drug testing on the individual as soon as possible following the individual's removal from the site, and TDS Inc. certifies in writing the test identification number, the individual's social security number, the test date and time, and a negative test result. On that written certification TDS Inc. will include a consent signed by the individual permitting disclosure to Operator of the test result.

**C.** TDS Inc.'s policy specifies substances, and threshold levels that comply, at a minimum, with the Department of Transportation (DOT) alcohol and drug regulations. TDS Inc.'s collection, chain-of-custody and other related procedures are consistent with sound industry practice. TDS Inc. will include alcohol in any test panel regardless of any lesser DOT requirement.

**D.** TDS Inc. uses only testing laboratories that are properly certified under a Recognized state or national program.

**6. Non-Compliance:**

Any personnel found in violation of TDS Inc.'s policy or who refuse to cooperate with the searches and test included in TDS Inc.'s policy shall be permanently removed by TDS Inc. from Operator's Property and from performing work for Operator. TDS Inc. will immediately notify Operator that the individual has become "disqualified under Operator's' Contractor Drug, Alcohol and Contraband Policy Requirements". TDS Inc. will immediately review with Operator the nature of the work previously performed by the individual. At Operator's request TDS Inc. shall, at its sole cost and risk, inspect all work in which the individual may have participated, and submit a written report to Operator that documents the inspection, any findings, and the actions taken to assure all deficiencies have been corrected.

**7. Drug Awareness:**

TDS Inc. warrants that personnel performing work have each been fully informed of the requirements of Operator's Contractor Drug, Alcohol and Contraband Policy Requirements and TDS Inc.'s policy, and that before beginning work each has signed a written certification that he has been so informed and agrees to be bound by those requirements.

**8. Exemptions:**

Local Operator management may, at its sole discretion, grant certain exemptions to TDS Inc. from the requirements of Operator's Contractor Drug, Alcohol and Contraband Policy Requirements. Exemptions are valid only if in writing. No Exemption will be construed by TDS Inc. as a promise of any future exemptions. Any exemption granted to TDS Inc. may be revoked by local Operator's management at any time.

**9. Special Provisions – Operator's Approved Consortium:**

Enrollment in, and maintenance of, "active status" in an Operator's approved Consortium that requires pre-enrollment testing and continuously subjects active members to random drug and alcohol testing at an annual effective rate of at least 50% will be recognized as satisfying Operator's pre-access and random testing requirements. Upon request, Operator will provide TDS Inc. with a list of all approved consortiums. TDS Inc. may request approval by Operator of other consortiums.

**10. Applicable Laws:**

TDS Inc. shall comply with all applicable federal, state, and local drug and alcohol Related laws and regulations (e.g., DOT regulations, Department of Defense (DOD) Drug-Free Workforce Policy, Drug-Free Workplace Act of 1988).

## **11. Audit:**

- A.** TDS Inc. shall keep records required by Operator's Contractor Drug, Alcohol and Contraband Policy Requirements available for inspection by Operator's during the term of this agreement and for a period of three (3) years after its termination.
- B.** Operator shall have the right, at its discretion, to perform unannounced audits of TDS Inc.'s alcohol and drug program to verify that TDS Inc.'s policy and its enforcement comply with Operator's Contractor Drug, Alcohol and Contraband Policy Requirements.
- C.** At Operator's request TDS Inc. will provide separate lists of Personnel (including name and social security number) who were eligible for Operator's work on a date specified by Operator's in Safety-Sensitive Positions or jobs Comparable to Designated Positions. Upon further request, TDS Inc. will Provide Operator with the following information on each alcohol and drug test Conducted for each personnel identified by Operator from those lists:
  - 1) date of and type of test (e.g. random, pre-access)
  - 2) laboratory chain-of-custody identification number and/or test number.

TDS Inc. will obtain an agreement from any consortium, specimen collection service, laboratory and/or Medical Review Officer providing drug/alcohol testing services under this agreement that upon submission by Operator of a list, or lists, of social security numbers, chain-of-custody ID numbers and test dates: 1) the laboratory will verify that the tests were conducted as represented; and 2) the laboratory and/or TDS Inc.'s Medical Review Officer will provide a sworn statement that each of the test identified by Operator were confirmed as negative or that it/he cannot so swear.

# ACKNOWLEDGMENT & CONSENT

I hereby acknowledge that I have been provided a copy of the TDS Inc./Operator's Contractor Drug/Alcohol contraband policy requirements. I understand that disciplinary action, up to and including termination, will result if I violate this policy.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee Printed Name

\_\_\_\_\_  
Social Security Number

**Consent and authorization for disclosure to Operator's of alcohol and drug test results and related information.**

I hereby consent to disclosure by contractor and its agents, including, but not limited to, any collecting and testing agencies, of the test results identified above and any related information to the operator and it's authorized agents, assigns, or representatives.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee Printed Name

\_\_\_\_\_  
Social Security Number

