



إحدى شركات مؤسسة البترول الكويتية
A Subsidiary of Kuwait Petroleum Corporation

ANNUAL REPORT

2013 - 2014





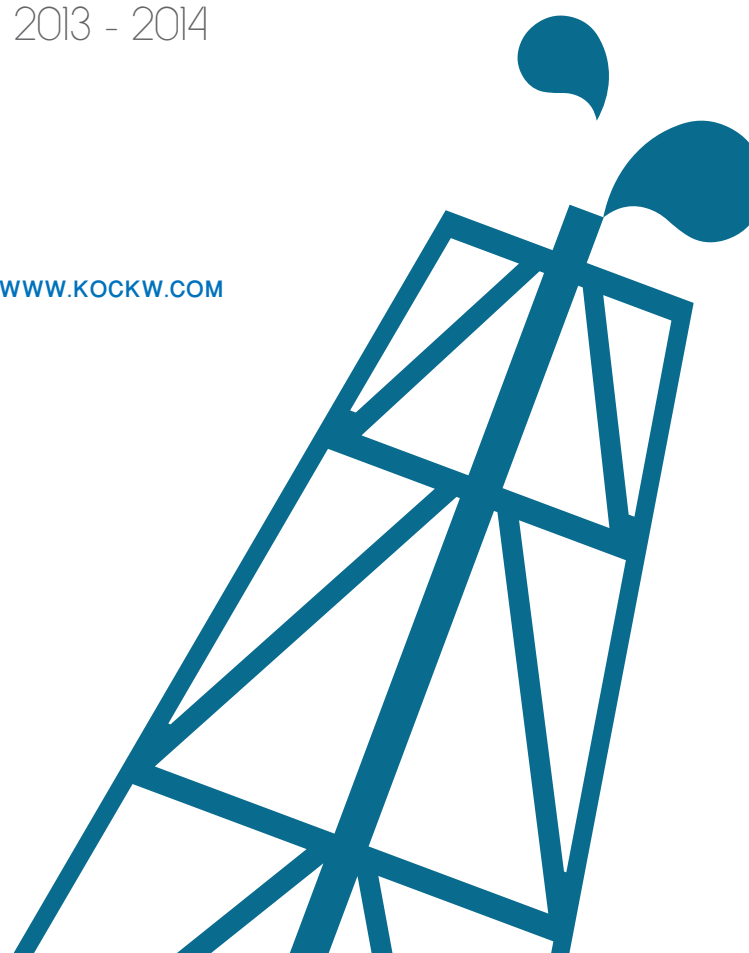




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His Highness
Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah
Amir of Kuwait



His Highness
Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah
The Crown prince



Koc awarded oil concession agreement







 1946

First shipment of
Kuwaiti crude oil

Journey Continues...







Members of the Board



Nabil Buresli
Chairman of the Board



Anwar Bin Salamh
Deputy Chairman of the
Board



Hashem Sayed Hashem
Chief Executive officer



Ali Bin Sabt
Board Member



Mutlaq Al-Azmi
Board Member



Wafa Al-Zaab
Board Member



Abdullah Baronn
Board Member



Saud Al-Shammari
Coordinator

OFFICE

HASHIM SAYED AHMAD HASHIM ALI

Chief Executive Officer

SAUD FARAJ FAISAL AL-SHAMMARI

Manager (Legal Affairs)

ESAM NASSER IBRAHIM AL-HOUTI

Dy Chief Executive Officer (Maj Proj & TS)

SAAD RASHED MARZOUK AL-AZMI

Dy Chief Executive Officer (A & F)

MENABI SAEED HINDI AL-ENEZI

Dy Chief Executive Officer (Expl & Gas)

HASAN ALI ABDULLA BUNAIN

Dy Chief Executive Officer (WK)

ABDULLAH ALI AHMAD AL-SUMAITI

Dy Chief Executive Officer (S&EK)

EMAD MAHMOUD MUSTAFA SULTAN

Dy Chief Executive Officer (NK)

AYAD MOHAMMED AL-KANDARI

Dy Chief Executive Officer (Drlg & Tec)

JAMAL A. M. JAAFAR

Dy Chief Executive Officer (Plng & Comm)

ISMAIL ABDULLA ALI ABDULLA

Dy Chief Executive Officer (Corp Svcs)



Khaled Sulaiman Fozan Al-Fozan Manager Industrial Services	Ali Zain Al Abdeen Al Sayed Zaed Al-Naqeeb Manager (Corporate Information Technology)	Abdulla Khalid Hamad Al-Zamami Manager Major Projects - I	Khaled Nayef M. B. Al-Otaibi Manager Major Projects - II	Yacoub Ahmed Ali Dashti Manager Major Projects III	Ameena Rajab Khadheer Saleh Manager (Project Support Services)	
Hassan Abdulla Ahmed Al-Kandari Manager (Human Resources)	Qusai Naser Saif Al-Amer Manager (Training & Career Dev)	Emad Dawood Jaman AL-Awadh Manager Medical	Suweileh Mohammed Musleh Al-Mutairi Manager (Financial Accounts and Services)	Abdulla Mansi Matar Al-Shammari Manager (Financial Systems and Control)	Sami Juhaim Awadh Al-Juhaim Manager (Pub Rel & Information)	
Mohammed Abdul Hadi Ali Al-Zuabi Manager (Gas Operations)	Ealian Hussain Dahash Al-Anzi Manager (Gas Fields Development)	Ali Hussain Mohammed Al-Kandari Manager Production & Projects (Gas)	Bader Nasser Hassan Al-Qaoud Manager Operations Support (Gas)	Ahmad Jaber Al-Eidan Manager Exploration		
Omer Ali Sadeq Manager Operations (West Kuwait)	Field Development (West Kuwait)	Mohammed Jamaan Sayyah Al-Otaibi Manager Support Services West Kuwait	Yousef Abdul Rahman Mohammed Al-Baker Manager Export Operations	Fadhil Majid Sultan Bu Resli Manager Marine Operations		
Hamed Awadh Sanad Al-Mutairi Manager Operations (East Kuwait)	Musleh Baddah Saleh Al-Otaibi Manager Operations (South Kuwait)	Jamal A. A. H. Al-Humoud Manager Fields Development (S&Ek)	Waleed Mohammed Abdul Aziz Al-Shuaib Manager Support Services South East Kuwait	Abdulla Mohammed Naser Al-Awadhi Manager Operations Support		
Abdulla Mohammed Abdulla Al-Harbi Manager Operations North Kuwait	Mejbel Salem Abdulla Al-Ajmi Manager Support Services North Kuwait	Badria Abdul Rahman Ali Abdul Raheem Manager (Fields Dev)	Badria Hussain Mohammed Farhad Manager Heavy Oil Development			
Nayef Abdulla Thaar Al-Anezi Manager (Technical Support)	Saud Abdul Samad Ismail Al-Foudari Manager Deep Drilling	Mohammed Jassem A/K Al-Saeedi Manager (Development Drilling)	Saeed Mohammad Abdulla Al-Shaheen Manager Well Surveillance	Yousef M. A. M. Abdul Rahman Manager (Research & Technology)	Bader Abdul Latif Abdulla Al-Khayyat Manager Research & Development	
Bader Ebrahim Hussain Al-Attar Manager (Planning)	Adli Ahmed Ezzat Abu Amara Manager Contracts	Abdul Wahab Mohammed Abdulla Al-Mithin Manager (Purchasing & Material Management)	Ibrahim Abdul Majeed Abdul Ghafour Faraj Manager Commercial Support	Mohammed Khalifa Ahmed Al-Abdul Jalil Manager (Capital Program Planning)		
Esmaciel Ali Ahmad Manager (Ahmadi Projects)	Nouri Yousef Abdul Latif Al-Khatrash Manager (Ahmadi Services)	Ahmed Abbas Abdel Hussain Abbas Manager Health, Safety & Environment	Fakher Khaleel Ebrahim Shaban Manager (Soil Remediation)	Sami A. A. A. Alyaqout Manager Security	Shehab A. M. Abdullah Manager Mgmt. Support Group	Ali Jaafar Hussain Al-Bairami Manager Fire



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Chief Executive officer's Message



Kuwait Oil Company turns 80 years old this year. Since its establishment in 1934, KOC has risen to become Kuwait's leading national company, and today KOC continues to live up to its goal of achieving sustainable development for our beloved country of Kuwait.

KOC's long and illustrious history positions us in the lead among the other K-Companies. This undoubtedly compounds the magnitude of responsibilities on the Management's shoulders and, by extension, all KOC employees.

Maintaining this enduring legacy is not easy. As a matter of fact, building on our accumulated expertise and experiences over the years and harnessing those experiences to create a better future for the Company positions a host of challenges and difficulties before us that we seek to confront and overcome. By the grace of Almighty Allah and reliance on our qualified human resources, as well as by using the latest technologies at hand, we aim to maintain and build on our legacy.

We present to you KOC's Annual Report for the 2013/2014 fiscal year, which contains comprehensive details about the year's main achievements which are in line with the stated goals and strategic plans under the umbrella of the Kuwait Petroleum Corporation (KPC). The

report also contains a detailed account of the Company's operations and various projects as well as the achievements of our employees. It also touches on the future aspirations that we will strive to achieve during the current fiscal year. In fact, we intend to add new achievements that might be added to our record of accomplishments.

I will also refer to KOC's interest in developing the knowledge and skills of its employees. This is evident in the fact that the Company organized more than 5,000 training courses during the previous fiscal year. This included various technical and management disciplines which saw more than 25,000 employees receive training.

The interest in KOC's human potential reflects the importance that the Company attaches to its employees, who we are proud of and consider as our most precious asset. In fact, we believe that they are the cornerstone which moves us from one success to another by the grace of Almighty Allah and under the able leadership of His Highness the Amir Sheikh Sabah Al-Ahmad Al-Sabah and his Crown Prince Sheikh Nawaf Al-Ahmad Al-Sabah.



KOC Annual Report for 2013/2014

This report demonstrates KOC's major achievements for the 2013/2014 fiscal year which are in line with the Company's Strategic Objectives.







(1) Maximize the Strategic Value from Oil



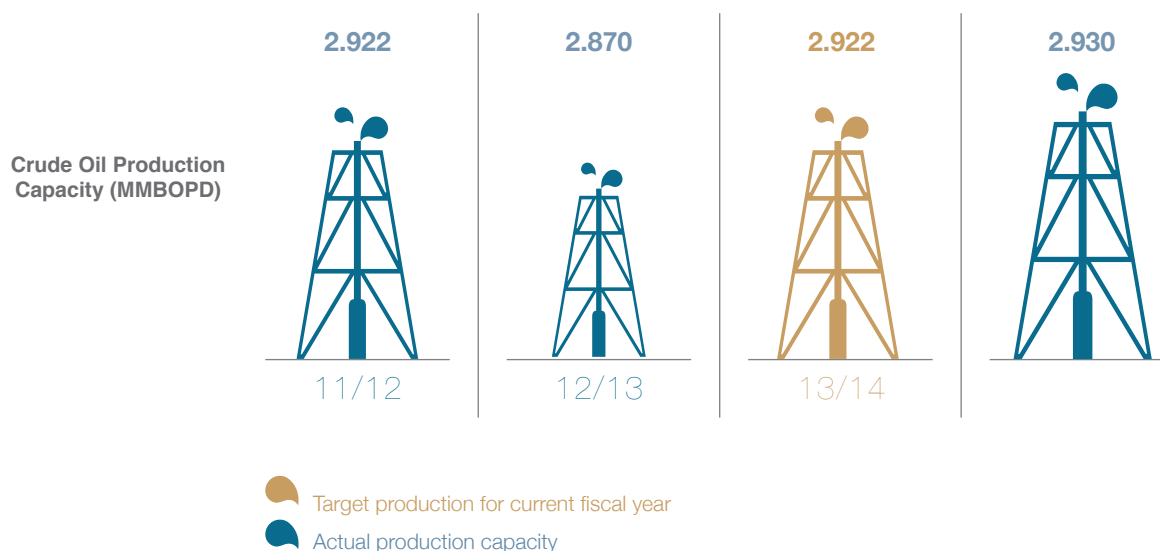
317 new wells for crude oil and gas were drilled in fields throughout Kuwait against a targeted number of 259 wells.

Production Capacity

Crude oil production capacity levels reached a threshold level of 2.922 MMBOPD for the 2013/2014 fiscal year, which is less than the target production capacity of 2.930 MMBOPD. This is mainly attributed to the decrease of North Kuwait's production capacity based on the following reasons:

1. A delay in the Water Injection Project. The project aims to maintain the pressure in the reservoir and the production of wells in the North Kuwait fields.
 2. Shortage of drilling and work-over rigs to meet the required number of wells and work-over jobs to increase production capacity.
 3. Inconsistency of power supply from the Ministry of Electricity & Water's points of distribution, which has led to the tripping of some Electrical Submersible Pumps at some wells.
 4. The occasional shutdown of Electrical Submersible Pumps due to the impact of bad weather conditions on diesel-run power generators.
 5. Intermittency and Instability of Gas Lift at certain wells, during emergency shutdown of Gas Booster Stations in North Kuwait.
 6. Need for immediate unplanned maintenance of certain production facilities due to reasons such as false alarms, oil leak or inconsistency of production operations.
- **Nevertheless, KOC endeavors to make up for the production capacity, and it is taking the following measures accordingly:**
 1. Intensified efforts to accomplish the Water Injection Project to maintain reservoir's pressure.
 2. Expedite efforts to increase drilling and work-over rigs and shorten the cycle time to bring in the required rigs in accordance with the number of wells and work-over wells needed.
 3. Formulation of a Power Outage Task Force Team to study and address causes of the inconsistency of power in coordination with the Ministry of Electricity and Water.
 4. Convert source of the power needed to operate some Electrical Submersible Pumps, from diesel-powered generators to power supplied by the Ministry of Electricity and Water.
 5. Provide necessary protection for the power generators connected with the Electrical Submersible Pumps against any changes in case of any bad weather conditions.
 6. Convert Gas Lift wells to Electrical Submersible Pumps.

7. Optimize between the scheduling of facilities shutdowns with the partial shutdowns for projects' connection, in order to reduce the impact on targeted production capacity.

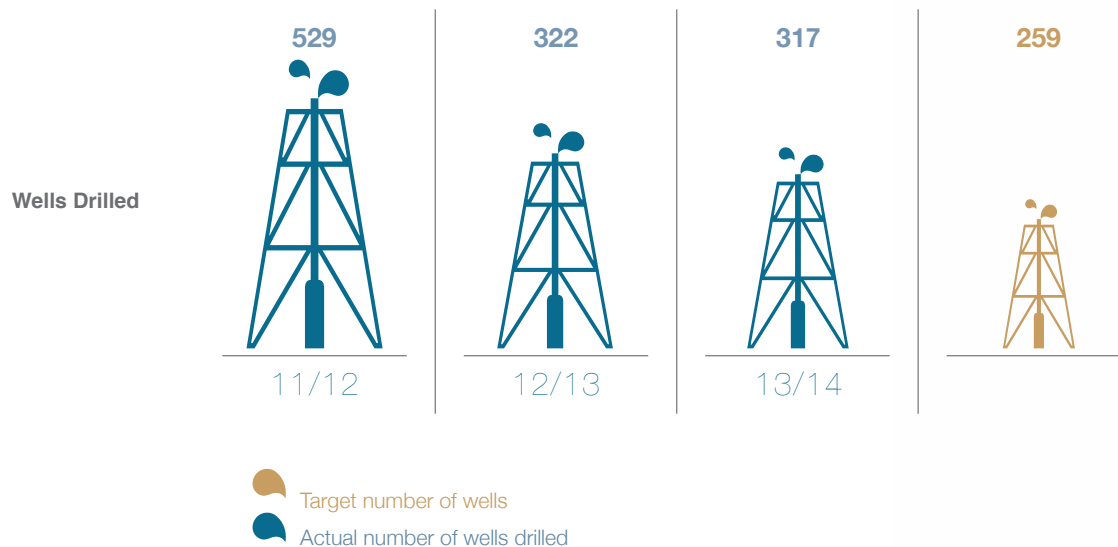


In addition to the above Company's efforts during the 2013/2014 fiscal year, KOC endeavors to keep track of its long-term production capacity through the following:

- Hold periodic meetings to discuss any issues relating to the increase of the oil production, the best means and solutions to increase production capacity, and eventually meet the expectations of the Kuwait Petroleum Corporation.
- Issue tenders for the "Construction of three Gathering Centers in North Kuwait" Project at a total cost of about KD 818 million.
- Issue a tender for Effluent Water Injection Project to increase the amount of injected effluent water per the requirements of the development plan.
- Finalizing the Front End Engineering Design (FEED) for one of the biggest of the Company's major projects (Heavy Oil), issued a tender at a total cost of KD 1.37 billion, and a completed the qualification of the contractors specialized in operation and maintenance activities for the heavy oil facilities as announced in the local and international press.
- Drilling and testing horizontal well MN-204H with results showing a production capacity of about 13,200 BOPD. In addition, the first multilateral well MN-205 was successfully completed in West Kuwait with a production capacity around 7,000 BOPD. Also, another multilateral well was successfully completed at RA-0520 in North Kuwait with a production capacity of about 5,300 BOPD, which is exceeding the expected level of a vertical well at 700 BOPD. As such, the Company continues to take advantage of technologies to enhance its performance.

B. Drilling and Workover

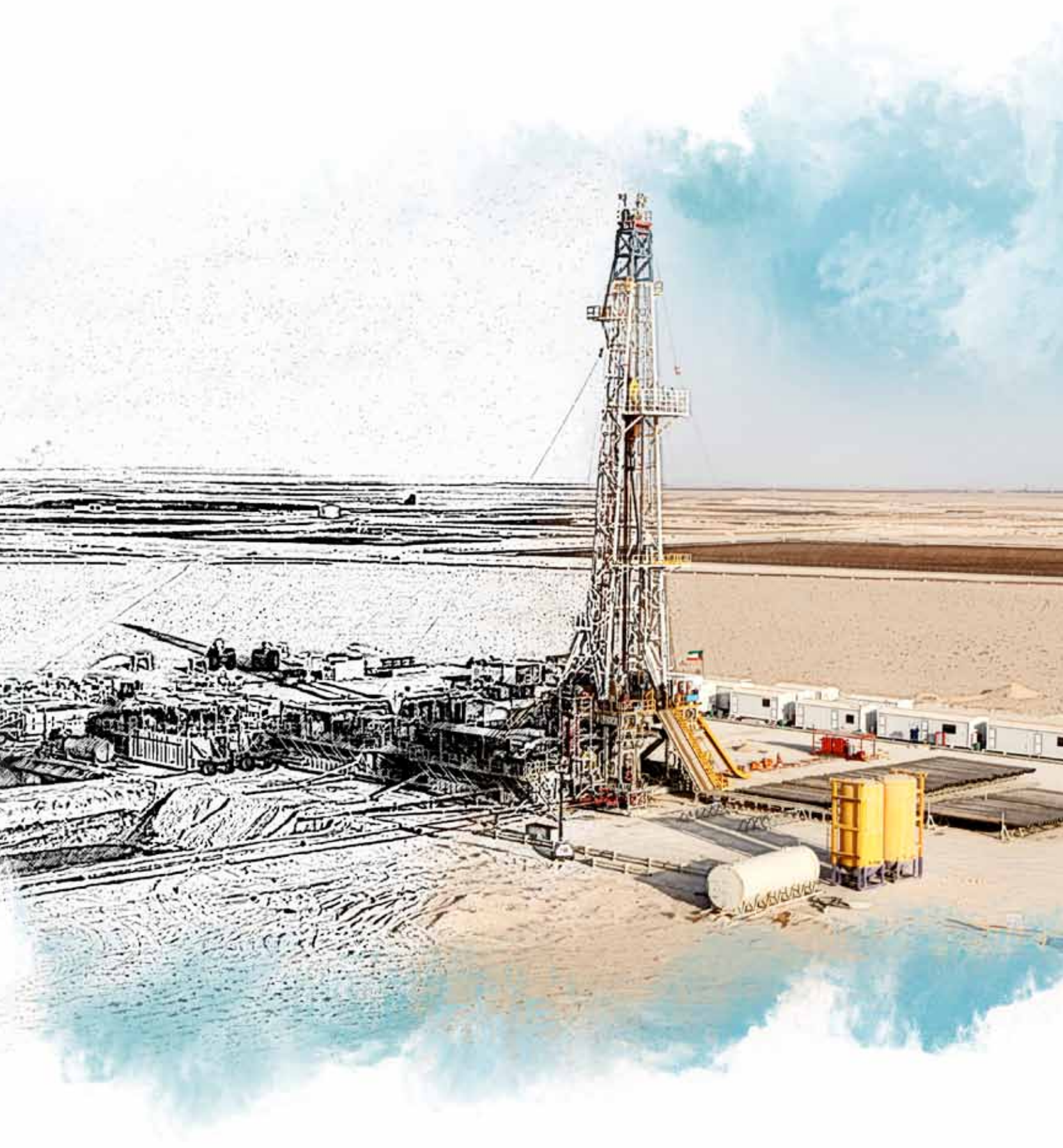
317 new wells of crude oil and gas were drilled in fields throughout Kuwait against a targeted number of 259 wells.



- The number of wells drilled for crude oil production amounted to 309 wells. The table below shows the wells drilled by category during fiscal year 2013/2014.

Well category	Target	Actual
Drilling Cretaceous Development Wells	136	169
Drilling Jurassic Development Wells	1	1
Heavy Oil Development Wells	110	134
Exploratory Cretaceous wells	4	5
Total	251	309

- At the end of the fiscal year, the number of development drilling and work-over rigs totaled at 48 rigs, including 4 for heavy oil. While the number of deep drilling and work-over rigs totaled at 16 rigs.
- An estimated 484,000 BOPD of oil gain was marked through drilling and work-over activities, including the installation of Electrical Submersible Pumps. All in order to maintain the crude production capacity.







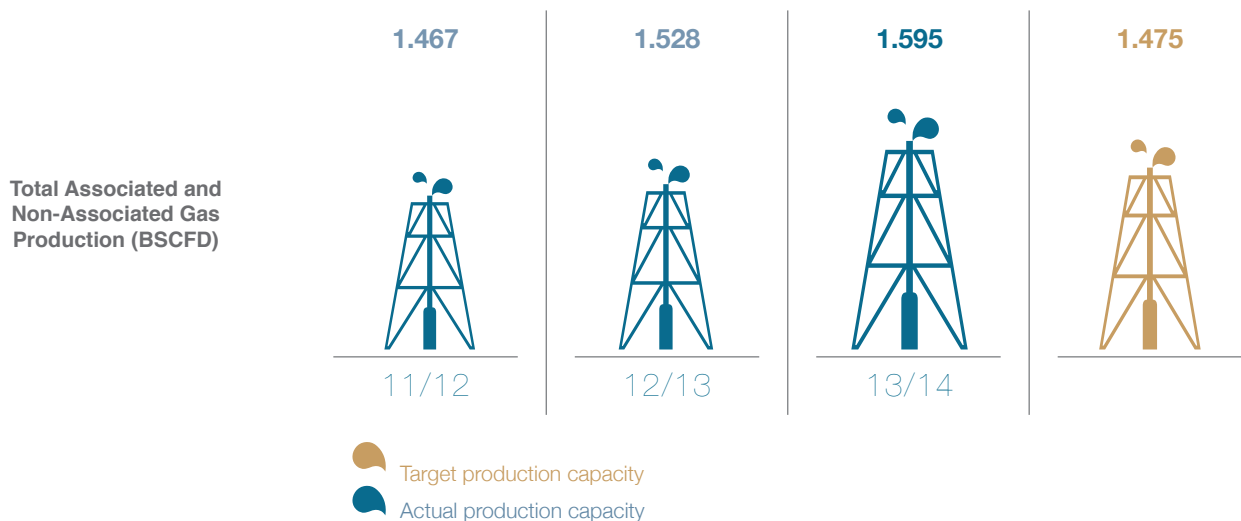
(2) Realize the Potential of Gas



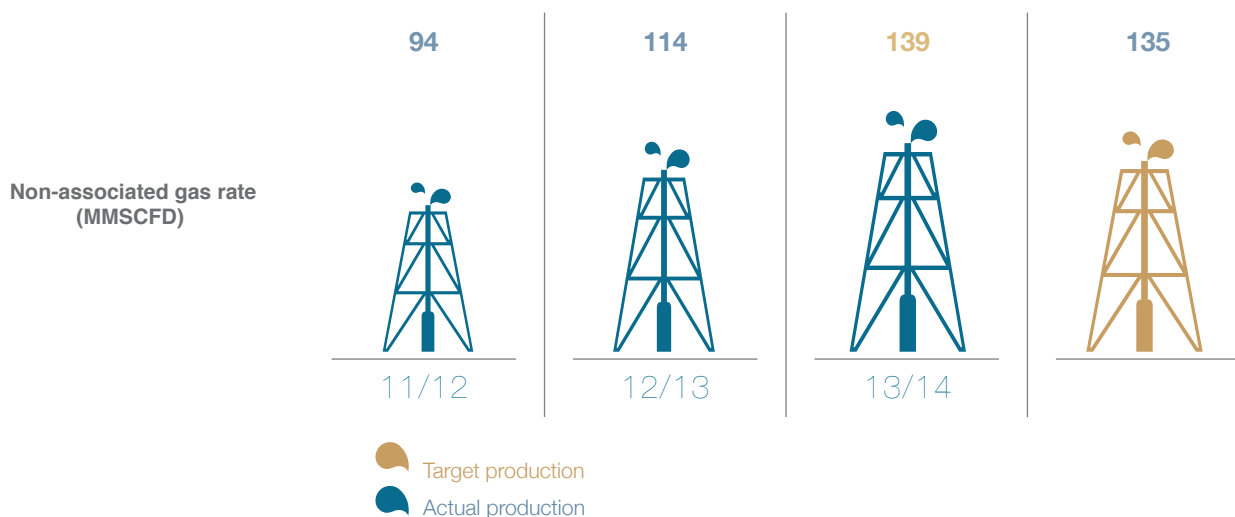
Company's efforts geared toward reducing the rate of gas flaring across the Company's fields have paid off with Gas flaring reduced to 1.24%

Production Capacity of associated and non-associated gas

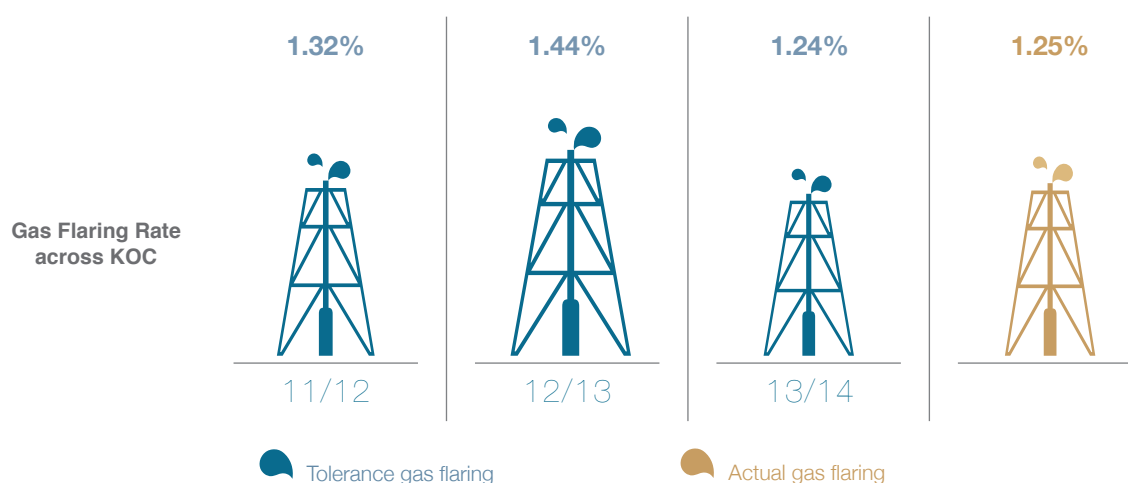
- The total average daily Associated and Non-Associated Gas production over the year stood at 1.595 BSCFD against a target of 1.475 BSCFD. This exceeded the target production level by 120 MMSCFD, or equivalent to 8%.



- The total average daily production of non-associated gas stood at 139 MMSCFD, against a target of 135 MMSCFD. It is worth mentioning that the annual target for the production of non-associated gas is better than the previous year, where it stood at 114 MMSCFD as a result of the efforts made at enhancing the Early Production Facility-50 aimed at increasing production. It should also be noted that the EPF-50 had to reduce production and flare at times of shutdown of the LPG facility at Kuwait National Petroleum Company. Accordingly, the production capacity exceeded the actual production to reach more than 145 MMSCFD.



- Booster Station 132 was commissioned in North Kuwait, with the aim of maintaining production capacity and reducing gas flaring. Helping to comply with environmental regulations and boosting gas pressure in North Kuwait.
- The efforts geared towards reducing the gas flaring across the Company's fields have paid off. Gas flaring was reduced to 1.24% by the end of the fiscal year 2013-2014, against a tolerance of 1.25%, despite the emergency and precautionary measures taken by the Company to deal with the strike threat; in which KOC increased its oil stock to ensure meeting the demand. This by itself necessitated an increase in the gas flaring rate, particularly in West Kuwait. With the exclusion of the gas flare from this instance, gas flaring would drop to 1.18% only. Efforts at the time included connecting a 16" line in Gathering Center-28 in West Kuwait after the incident of the export gas line rupture leading to the re-instatement of Gathering Center-28 to maximise production capacity and reduce gas flaring.



- Average Gas Exported to the LPG Unit in Kuwait National Petroleum Company (KNPC) amounted to 1.431 BSCFD until March 2013, which exceeded the targeted rate of 1.240 BSCFD. This was possible by means of a number of effective measures in the gas operations and processing.

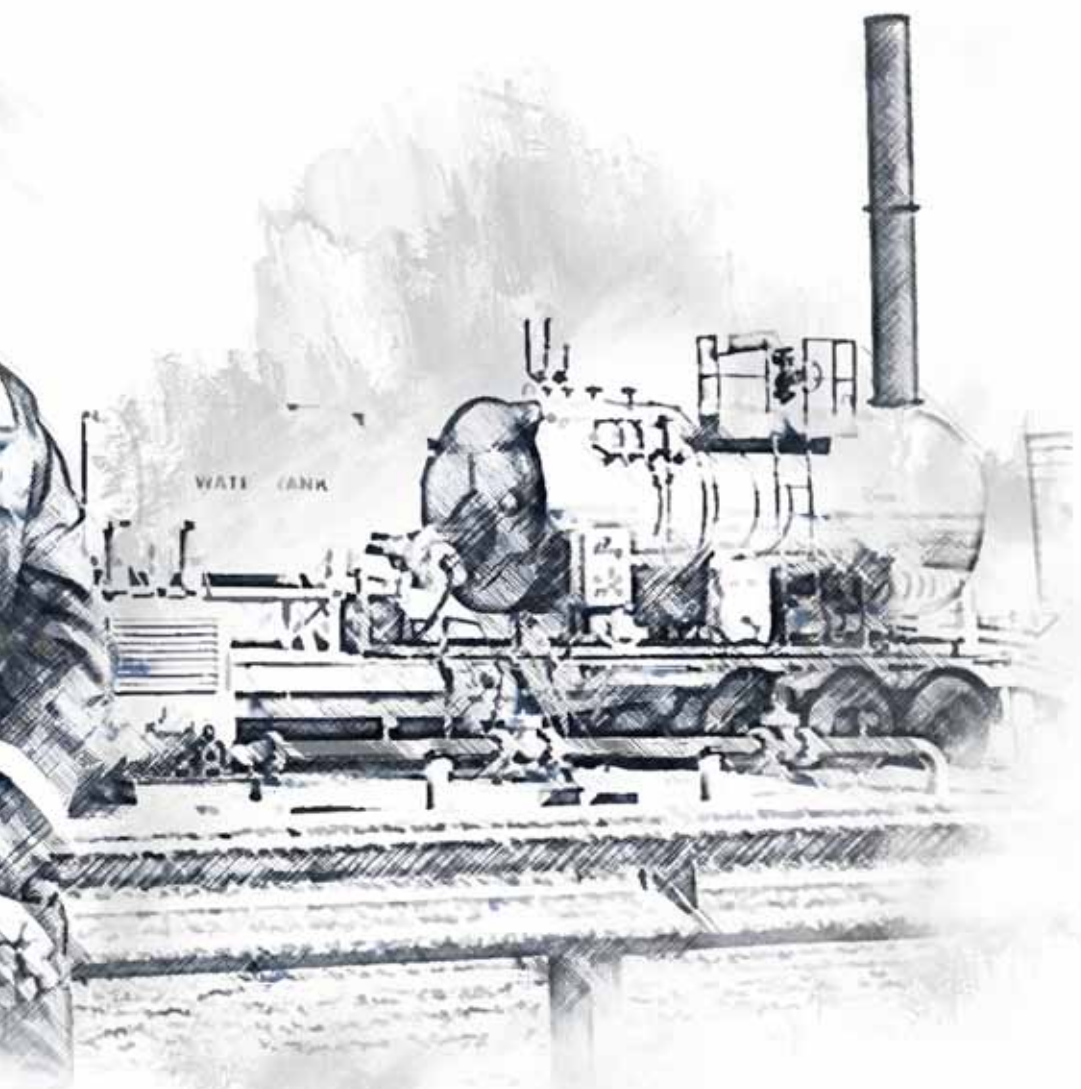
Drilling & Workover for Jurassic Reservoirs (Non-Associated Gas)



- **8 wells were drilled to reach the targeted quantity of non-associated gas, which are as follows:**

Well category	Target	Actual
Deep Jurassic Wells	8	9
Exploratory Wells	-	-
Total	8	9

- The first deviated well at an 80 degree angle (RA-0514) was drilled in Lower Burgan reservoir with a good oil flow of about 3,400 barrels per day. The well was supposed to be dry with an average production of 2,500 barrels per day only, which positively enhanced the production capacity.







(3) Grow Reserves for a Sustainable Production



The Reserve Replacement Ratio of proven reserves stood at 237% (Barrels of oil equivalent) through the explorations and development activities

Prospective Reservoir Studies

- KOC recently conducted an assessment study for the hydrocarbon In-Place and Reserves under the Long-term Production Review-II (LTPR-II) for a selected number of reservoirs in the North Kuwait area. The study has led to a substantial increase in hydrocarbon resources and reserves.
- Also, KOC has successfully completed the Enhanced Oil Recovery study on the Sabriyah Mauddud reservoir in North Kuwait. This study has showed the applicability of Chemical Injection in the reservoir to recover more oil, otherwise not producible in the conventional way. The same is applicable to be implemented in 12 other reservoirs in Kuwait.
- In 2013/14, KOC managed to replace 237% (three years rolling average of Reserves Replacement Ratio – BOE) of its produced hydrocarbon with proven reserves additions through exploration and development activities against the set target of 100%.

Seismic Survey Operations:

- A 2D-survey of Kuwait's territorial waters, except for Kuwait Bay and the Divided Zone, has been launched. Approximately 25% of the project has been completed. The offshore seismic survey is expected to be completed during the 2015/2016 fiscal year.
- Approximately 70% of the 3D-Single-Sensor Seismic Survey project was completed in North Kuwait for the year, using state-of-the-art technology.
- A 3D-seismic survey tender for Kuwait Bay was floated in January of 2014. The tender will be signed during the 2014/2015 fiscal year.
- Around 90% of the country-wide Airborne Gravity and Magnetic Survey for Kuwait's entire onshore and offshore areas during the fiscal year 2013/2014 was completed. The project completion is expected during the second quarter of the upcoming fiscal year. This survey will provide better and more comprehensive understanding of Kuwait's geology.



Exploratory Drilling Operations:

- In July 2013, KOC has announced the discovery of a new oil field with commercial quantities of oil and gas at Kabd area, west of the country. The new field is located far from the residential areas and the farms.
- Proven hydrocarbon reserves were discovered in the middle Marrat and Najma Serjello reservoirs with wells SUD-02 and SUD-03 in the Sudaira area in the North Kuwait area. This contributed in achieving the company's reserves growth objective.
- KOC's exploration activities have contributed to the discovery of huge amounts of heavy oil in the Lower Fares reservoir in East Ratqa field in North Kuwait.
- The Exploration Success Ratio reached 86% for the fiscal year 2013/2014.





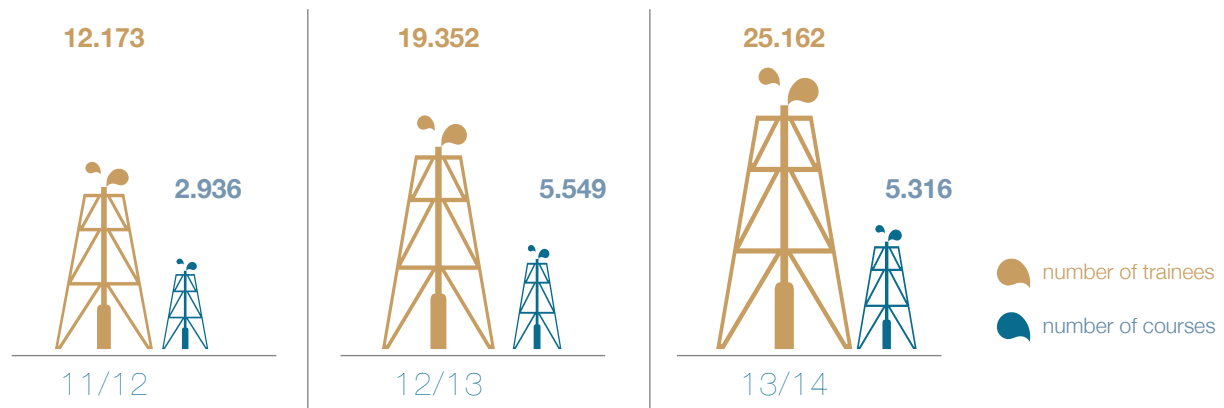


(4) Employee by Choice



KOC organized 5,316 job-related training courses inside and outside Kuwait and covering various specializations. The number of employees attended reached 25,162.

- KOC organized 5,316 job-related training courses inside and outside Kuwait covering various specializations. The number of employees attended reached 25,162 in accordance with the training plan set by the Company for the employees' career development.



- KOC exerted enormous efforts to facilitate recruitment procedures for 1,229 employees (completing procedures for 360 employees is underway). In addition, the company facilitated the redeployment of 1,073 former employees of the Oil Sector Services Company. Altogether, the number of KOC employees reached 9,043 by the end of the 2013/2014 fiscal year.
- Employee Kuwaitization percentage reached 84.78% against the annual target of 81.7% (excluding Medical staff).
- The number of Kuwaitis in contracts reached 1,906. Accordingly, the percentage of Kuwaiti contractors reached 18.8% by the end of the fiscal year 2013/2014 against 15.32% in the previous year.
- As part of its continuous efforts to provide the best learning opportunities for its employees, and in association with top educational institutions, KOC is implementing the following programs:
 1. Leadership Development Program at Harvard's Business School. Nineteen employees have joined the program so far, including seven during the current fiscal year.
 2. KOC is also implementing the Kuwait Petroleum Corporation (KPC) K-Lead Program, which engages the Deputies of the Chief Executive Officer and the Managers. This first-of-its-kind program, is being implemented in cooperation with the best universities and training institutions worldwide.
 3. KOC is facilitating Masters and PhD programs for its employees, for those employees particularly aspiring to achieve higher academic education levels. This seeks to enhance scientific, technical and research programs needed to improve the Company's production capacities and outlines solutions required in order to increase production and Recovery factors including developing reservoir simulation models to achieve the best means of oil recovery.

- KOC has continued to offer health insurance for the employees in KPC and its subsidiaries and their families as an option to receive medical care. This trend contributes to offering various medical options to the employees within the oil sector and this also supports the private medical sector in the State of Kuwait.
- KOC achieved the highest score compared to other K-Companies in regard to the Employee Engagement Survey also in comparison with the 2009 Survey. The Employee Engagement Score was estimated at 66% compared to 60% in 2009. The results reflect the Company's efforts in various domains, including Human Resources, Training, Career Development and Code of Conduct, etc. in order to be the employer of choice.
- Rebuilding Ahmadi Township (Phase-I) and Construction of 160 New Houses Project has kicked off and plans are afoot to redevelop the Ahmadi Township while maintaining its rich identity and history.





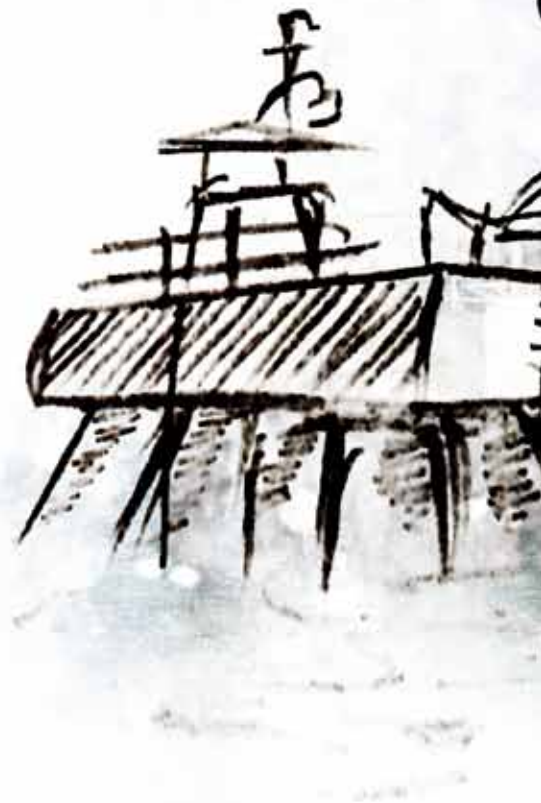


(5) Realize Value From Technology



In March of 2014, KOC applied the oil industry's best practices in Minagish Field

- **The testing and pilots conducted on modern technologies mentioned here or previously provide new means to increase reserves and production. It is worth mentioning that the full-field deployment of this same technology is what will enhance and increase production capacity. Among these technologies we mention:**
- In July of 2013, a new dual-casing well was opened for MG-286 and was linked with GC-19 in South & East Kuwait's area, which increased the oil production by 1,800 barrels per day in the South & East Kuwait.
- KOC is continuing the implementation of its KwIDF project, which is being implemented in phases. The project will help enhance the performance of wells connected to GCs, and improves production by 5-7% upon the completion of the project. During this year, the Company won a first-position award in the category of best technological innovation in the oil and gas domain in the Middle East and North Africa region during its participation in ADIPEC, which was hosted in United Arab Emirates, Abu Dhabi. The contest involved 292 projects submitted by International and National companies from around the world.
- KOC continuously strives to enhance Oil and Gas production. In March of 2014, it applied the oil industry's best practices in Minagish Field. A new technology for controlling the oil flow was used through the installation of the Inflow Control Device (ICD) at MN-163 in Wara heterogeneous reservoir, (Well production is estimated at 5,700 BOPD, which is one of the complex and heterogeneous reservoirs, which makes production enhancement very challenging. The same pilot was applied to the horizontal well (RA-253) at Al-Zubair reservoir (The well's production is estimated at about 1,900 BOPD with zero water cut). The same was applied to SA-524 and RA-480. The application of ICD technology is regarded as a quantum leap in production enhancement for KOC given that it achieved an increase in production rate and reduced produced water.
- The first phase of Production Operations Simulation Program at GC 28 was completed. The program is comprised of a state-of-the-art technology, which was developed to help enhance production operations at this GC and achieve the goals of training the employees as well as increasing their practical expertise in production operations management. It should be noted that the program is the first of its kind in the Gulf and Middle East area.









(6) Strengthen Our Commitment to HSSE

In July 2013, KOC was privileged to receive recognition from His Highness the Amir of Kuwait for attaining the Kuwait Foundation Scientific Advancement's Award for its HSE Systems and environmental contribution in Kubbar and Qaroh islands.

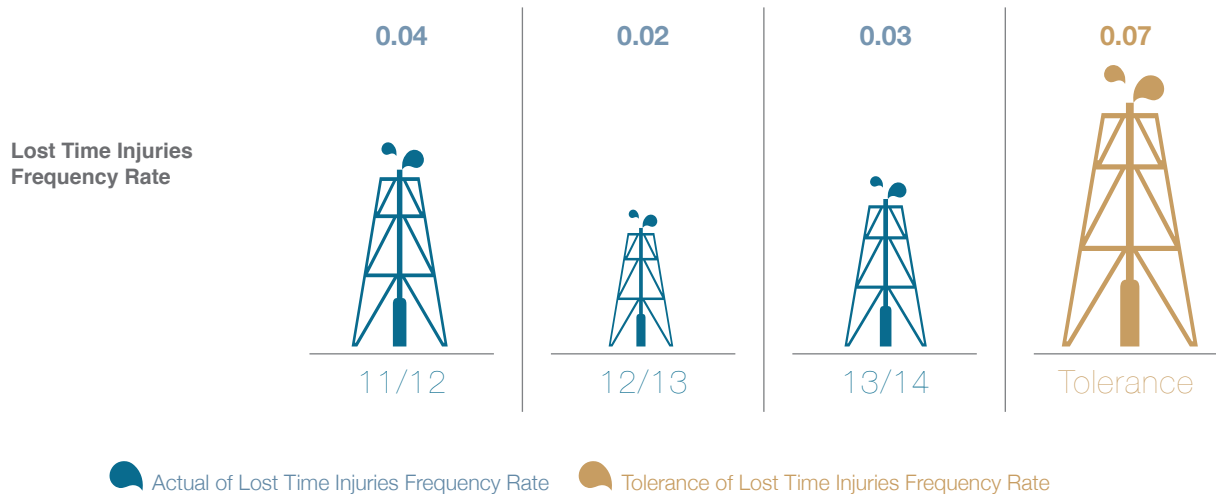


Health

- Ahmadi Hospital has organized a number of social activities, including blood donation campaigns and Awareness Days which revolved around various issues of medical nature. KOC was recognized as one of the best donors during a special ceremony held under the auspices of the Minister of Health.
- KOC won the RoSPA Gold Award, which is awarded by the British Royal Society of Occupational Health & Safety, in recognition of its outstanding performance in the health and occupational safety.

Safety

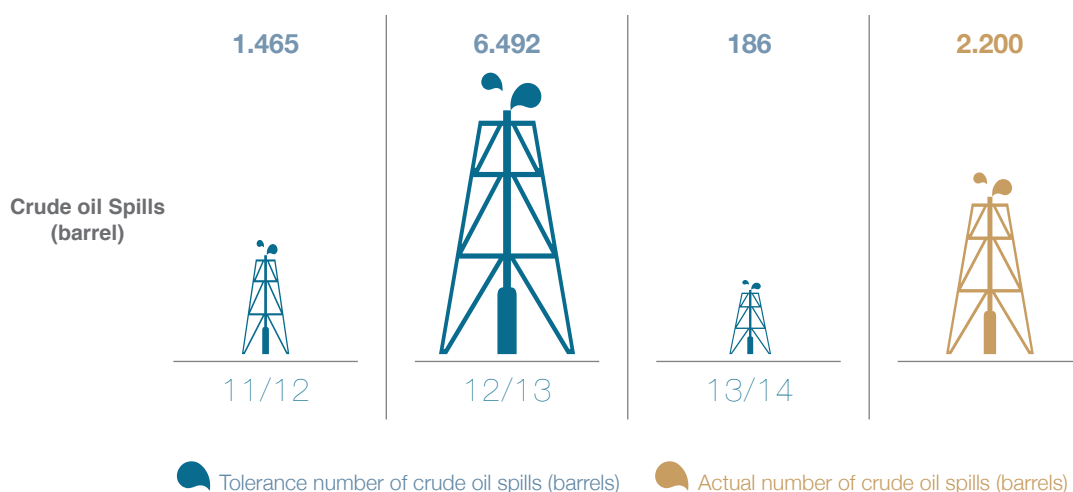
- KOC's Lost Time Injuries Frequency Rate stood at 0.03 incidents for every 200,000 man-hours against the annual tolerance rate of 0.07 incidents for every 200,000 man-hours for the fiscal year 2013/2014.



- **Two fatal cases were reported in North Kuwait this year, as follows:**
 1. The first fatality was reported in August of 2013, when one contractor died after being run over by a truck.
 2. The second fatality was reported in October of 2013, when a tube disconnected from a crane and fell down on the contractor's head, which led to his immediate death.
 3. KOC carried out the necessary investigations of the circumstances surrounding the cases and is taking required action to prevent the recurrence of such incidents in the future.

Environment

- KOC has maintained its success in reducing gas flaring across its fields to 1.24% by the end of the fiscal year 2013/2014, compared to the annual tolerance of 1.25% despite the precautions taken for the strike threat that led to an increase in the reserves stock in order to secure oil production in demand (Accordingly, it had to increase gas flaring, particularly in the West Kuwait).
- The Company has maintained the reduction of oil spills to reach 186 barrels against the tolerance of 2,200 barrels for the fiscal year 2013/2014.



- KOC has signed a Memorandum of Understanding with the US Environmental Protection Agency (US EPA) within the framework of the Global Methane Initiative aimed at reducing the hazardous impacts of this gas on the environment. The initiative increases the efficiency of methane recovery and uses it as clean energy to meet the country's needs.
- KOC has signed two contracts for the Construction of Landfill Facilities for contaminated soil. One of the landfills, signed in October, is located in South East Kuwait, while the other, signed in December of 2013, is situated in North Kuwait. They are part of projects aimed at remediating contaminated soil under The United Nations Compensation Commission (UNCC) which was set up as a consequence of the Iraq's invasion of Kuwait, in coordination with the Kuwait National Focal Point.
- In July 2013, KOC was privileged to receive recognition from His Highness the Amir for attaining the Kuwait Foundation Scientific Advancement's Award for HSE Systems. The Company was recognized particularly for its environmental contribution in Kubbar and Qaroh islands.
- KOC won the 2013 Environment Award, as part of Lloyd's Middle East Awards in recognition of its Artificial Coral Reef Colony Project.



(7) Strive For Excellence In Performance



Outstanding results have been achieved through Burgan Reservoir Static and Dynamic Modeling Project. This achievement was presented at major international conferences.



- Outstanding results have been achieved through the Burgan Reservoir Static and Dynamic Modeling Project. This achievement was presented at major international conferences such as the American Society of Petroleum Engineers, European Society of Geologists and Engineers and the 2013 Middle East Oil and Gas Conference.
- During the 12th Annual World Oil Awards ceremony, KOC, presented by its Exploration & Production Information Management Team, won an award for “Best Visualization and collaboration” for the Well Bore Design – Interactive Well Modeling Software Application. The team received the award during a special ceremony held in Houston, Texas in October of 2013. Meanwhile, the Team launched the “Mr. Info” campaign, which is the first of its kind. The event, which lasted for a week, is aimed at broadening the horizons of employees and drawing their attention to the role of the Team as well as promoting the Company’s 2030 Strategy. It also seeks to eliminate multiplicity of sources of storing technical information.
- Through NK HSE, KOC has submitted a technical paper on Behavior-Based Safety (BBS) under the theme: “BBS in NK Fields,” during the 7th Annual HSE Excellence Europe Forum 2013 which was held in Prague in May. The paper was named as one of the best ten papers presented at this international conference.



(8) Contribute to Enterprise and State



KOC has carried on with its corporate social responsibility by organizing a series of activities in this domain, including “Nabdih” which seeks to deepen knowledge about oil amongst students.



- KOC has run numerous campaigns as part of its Corporate Social Responsibility efforts, and they are as follows:
 1. Awareness sessions in schools across the country known as “Basma - Fingerprinting”. It includes highlights pertaining to road safety, household safety, fires and precautionary measures, waste recycling, housekeeping, and lab safety.
 2. “Safety During Drilling Operations” campaign which was organized by the Exploration & Gas Directorate, involving the contractors within the Directorate. This was a joint effort in which a number of protective drilling measures was presented, in addition to removal, tipping, as well as other factors that help raise awareness and understand safety measures during drilling.
 3. The 8th “Clean-up Arabia” Campaign was conducted with the aim of protecting the marine environment.
 4. KOC conducted a training program “Nabdh” which is an educational initiative related to oil. It comes under the umbrella of the strategic partnership with the “Proteges” Training Program which was created for Secondary School students. It focuses on cultural, economic and oil aspects with the goal of reinforcing this culture amongst the students. The program also helps build a generation characterized by leadership qualities and knowledge about the country’s national wealth, in addition to the new humanitarian and social dimensions of oil and its relation with the State of Kuwait.



KOC's 2014/15 Aspirations towards meeting its Strategic Objectives



"KOC continues to implement projects designed to increase KOC's crude oil production capacity, in line with its stated Strategy of reaching an output of 3.65 million barrels per day by 2020"

- Continue the implementation of projects designed to increase KOC's crude oil production capacity, in line with its stated Strategy of reaching a capacity of 3.65 million barrels per day by 2020 and maintaining this rate until 2030.
- Continue the roadmap towards "Developing and Sustaining Non-Associated Gas Reservoirs in NK Jurassic" Projects in order to achieve a production capacity of 1 billion cubic feet of non-associated gas per day by 2020/2021.
- The development of Heavy Oil reserves in North Kuwait by acquiring necessary technology and training Company's manpower. This includes following on the necessary approvals on awarding the Heavy Oil project to reach 60,000 barrels per day production.
- Increase onshore and offshore exploration operations to enhance the Company's crude oil production capacity. It is planned that the production capacity be increased to 750,000 barrels per day and an increase in non-associated gas production capacity by 1 billion cubic feet per day by 2030 as a result of developing the discovered reserves. This includes the KOC's efforts in continuing with the seismic programs and the country-wide Airborne Gravity and Magnetic Survey, as well as drilling of 5 exploratory wells during 2014/2015.
- **Enhance Oil Recovery (EOR) by:**
 - Continuing the implementation of pilot and full-field Water Flood projects in order to enhance the Company's experiences in this domain towards building capacity.
 - Continuing to develop the Company's competencies in using EOR technology through the implementation of pilot projects in order to increase production capacity beyond 2020.
 - Implementation of the segregation/blending projects to export three types of crude oil by 2018/2019; including Kuwait Export Crude, Heavy Oil, and Light Oil compared to the current capacity which only exports Kuwait Export Crude.
 - The reduction of gas flaring to 1% across KOC.
 - The completion of the New Ahmadi Hospital to serve the oil sector.
 - The completion of the Ahmadi Redevelopment project while maintaining the Township's historic features.
 - Recruit competent and talented individuals and work on retaining them through the creation of a healthy work environment that encourages outstanding performance based on motivation and enhancing the development of leadership and technical capabilities.
 - KOC aspires to embody national partnership and contribute towards enhancing the local economy through continuous involvement of the private sector in the implementation of the KOC Strategy.
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