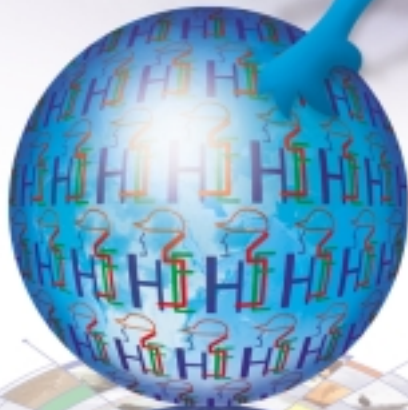


C&MD'S AWARD

2004



**HEALTH,
SAFETY &
ENVIRONMENT**



Kuwait Oil Company (K.S.C)
With Compliments of
C&MD's HSE Award Committee 2004





Speech of the Patronizer
Chairman of the Board & Managing Director
Mr. Ahmed Rashed Al-Arbeed
5th May, 2004

In the name of Allah, Most Beneficent, Most Merciful

Dear Guests,
Brothers and Sisters

It gives me great pleasure to be with you as another year passed by for this occasion. We celebrate today with the winners of the Health, Safety and Environment Award for this year.

Caring for Health, Safety and Environment is not just a slogan we raise, or only a method we follow, it is indeed a clear vision, and a strategy we implement, so we reach our sought after goals.

Today, we celebrate the seventh year of this award, that is growing year after year, with guidance from Almighty Allah, and to your continuous efforts, your evolving creativity and the company's encouragement, we all take steady steps towards our goal to clean Environment, Safety and better Health so that we all; workers, citizens and expatriates live in a beautiful environment where its goodness reflects on the region and the world around us.

Dear Guests

The world is going through many changes that affect the environment, most of which have adverse effects, resulting in accidents that can be catastrophic. This may reflect negatively on human beings, and the entire living organisms, so the care for the environment is essential for humanity, and continuity of life. Any harm to the environment caused by an individual, a group or a nation, will reflect negatively on all of us.

Therefore, out of our responsibility and belief in the importance of Health, Safety and Environment, and due to the company's nature of work, all teams showed great interests in the issues of Health, Safety and Environment, at all levels of the company's operations. Its positive effects shall reflect on all those living in Kuwait, be them workers, contractors or citizens.

Achievements of Kuwait Oil Company in the field of Health, Safety and Environment are many, and went beyond the company's operation scope, to reach wider spectrums nationally and internationally.

The achievements in protecting Health, Safety & Environment within the company are:

- Improvement of Safety Systems and Standards in various activities of producing and processing of oil. It includes:
 - Contracting a Consultant Company to prepare rules and standards related to Health, Safety and Environment.
 - Review of Health, Safety, Environment and Management System project, and condition assessment of underground pipes in all company facilities.
 - Participate in Kuwait Petroleum Corporation's project to prepare Health, Safety, Environment and Management System for the oil sector.
- Adhering to International Standards, and local legislations related to the environment safety, those include:
 - Completing the first phase of Air Quality Monitoring project within the company's facilities in South, East and West Kuwait in cooperation with Kuwait University.

- Conducting a study to assess the quality of Air within company offices.
- Continuity of Developing Capabilities and Skills of workers in the oil sector, to deal with modern technologies and those in use, including:
 - Signing a contract with Kuwait University to develop and qualify workers of Health, Safety and Environment, and to decide training needs based on Job Description. This comes through introducing Integrated Training Curriculum that lead to obtaining accredited world certificates in the field of Health, Safety and Environment.
 - Conducting Employees Behavior Change Program project, according to sound basis of the HSE principal through signing a contract with an international company.
 - Educating employees on the new HSE Management System through conducting awareness workshops in all company sectors.
- Continuation of replacement of buried and other pipes that are not fit for purpose
- Continuation of the execution of projects aiming at reducing gas burns, and installing smokeless flares in gathering centers
- Continuation of the 'Recycling' project
- Commissioning of 'Water Injection' project to inject the effluent water produced in West Kuwait fields, and avoid disposal of the same into the evaporation pits, Commissioning of 'Minaguish Water Injection Plant' project
- Continuation of upgrading and enhancement of extinguishing and safety systems
- Continuation of development and modernization of fire extinguishing and Safety systems in gathering centers and booster stations to be at par with modern technologies

As for our achievements in the field of Health, Safety & Environment at the local level, they include the following:

- Coordination with the Environment Public Authority and Kuwait Institute for Scientific Research, to conduct a comprehensive study on the environmental return of marine works of New Oil Exporting Facilities project
- Participating in initiating an environmental strategy for the State of Kuwait, in cooperation with National Oil Companies and the Environment Public Authority

Dear Guests,

In conclusion, I extend my thanks and gratitude to all colleagues in the company who had a distinguished role in supporting our objective in the field of Health, Safety and Environment. I also thank our partners, both contractors and our employees for their role.

I, particularly thank members of the organizing committee of this award, and all who participated with us this year as workers, volunteers, contractors and all participants, also congratulate the winners for their efforts and contributions, wish you all success.

Dear Guests,

Not to forget our thanks to the dignitaries who played a significant role in supporting our march in the fields of Health, Safety and Environment

- Sheikha Amthal Al-Ahmad Al-Jaber Al-Sabah
- Dr. Hassan Qabazard
- Dr. Waleed Bu Hamra

MAY ALMIGHTY ALLAH protect Kuwait, under the leadership of HIS HIGHNESS The Amir Sheikh Jaber Al-Ahmad Al-Jaber Al-Sabah, H.H. Crown Prince Sheikh Saad Al-Abdallah Al-Salem Al-Sabah and H.H. The Prime Minister Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah.

Peace and blessings of Allah be upon you.



Speech of the Committee Chairman
Director of Export & Marine Operations Group
Captain Khalifa Al-Duaij
5th May, 2004

In the Name of Allah, the Merciful, the Beneficent

Dear Colleagues,
Dear Guests ...

KOC Interest in Health, Safety and Environment Affairs have increased over the past years. Its importance have become among the Company's priorities in the Oil Industry, so that this important industry will not be at the expense of worker's Health and Safety and preserving the Environment.

The company is exerting all efforts to apply the highest international standards while safeguarding Health, Safety & Environment Systems. This interest is evident starting with formulating the company's strategy, the reflection of that on the Administrative and Professional Structure of the Company and ending with the annual plans for the directorates and work teams.

The Chairman and Managing Director's Health, Safety & Environment Award, is one of several activities and programs that reflects the interest, as the Award is in its seventh year, and the number of participants is on the increase as its subjects are varied, to affirm to workers, their children and contractors the importance of Health, Safety and Environment in all its aspects.

KOC has given significant care due to the efforts made by participants, therefore Chairman and Managing Director of Health, Safety & Environment Award Committee was keen on increasing this year's budget, to allow for honoring the largest number possible of participants whether employees or contractors.

The number of participants in this award, and their various jobs and varied topics through the previous years is a clear evidence that knowledge and awareness of Health, Safety and Environment are continually increasing, which reflects on Company employees and the society in general.

The variation coincides with the fast development witnessed by the world in all fields. There is no doubt that the Health, Safety & Environment policies is one of the key practices that major companies continue to develop into its systems and employees behavior to stay in the lead.

This prompts us to say: The number of participants, and its important topics confirm that the award is achieving its goals of increasing awareness and commitment towards Health, Safety & Environment. This could not be achieved without the support of the senior management of the company, hoping the award will continue its growth, interaction and support in years to come.

Dear Guests,

I cannot, but thank all participants in this award, congratulating the winners, and wishing all participants every success in the near future.

Also, I thank all those who cooperated with us to complete our mission in C&MD Award for Health, Safety & Environment among workers in the company.

Thank you all for your attendance and I congratulate all winners for their efforts and participation.

May Almighty Allah protect Kuwait and its people from all evil. I pray to Almighty Allah to bestow His mercy on our Martyrs. May He guide us towards serving this blessed Country, our beloved Kuwait.

Peace and blessings of Allah be upon you.

Members of C&MD's HSE Award Committee - 2004



Capt. Khalifa Al-Duaij
Manager
(Export & Marine Opns.)



Mr. Abdullah Al-A/Salam
Team Leader HSE
(S&EK)



Mr. A/Hameed Khajah
Team Leader Admin
(Kuwait Project)



Mr. Mohd. H. Sultan
Team Leader Operational
Technical Services (EK)



Mr. Bader Al-Qaoud
Team Leader Water Handling
(WK)



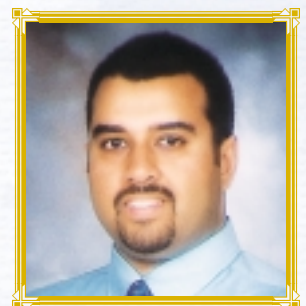
Mr. Nayef Al-Anzi
Team Leader Drilling
& Work Over (II)



Dr. Lina Abu Dheir
Head of Pharmacy & Medical Supplies



Mr. Adnan Al-Shammari
Team Leader Operational
Technical Services (NK)



Mr. Dhari H. Al-Gharabally
Environment Engineer



C & M D ' S H S E A W A R D 2 0 0 4

Appreciations

SUPPORT TEAM



C&MD HSE Award Committee would like to thank and appreciate the excellent effort and work made by all that provided their support, especially to the following employees, who contributed much of their time in making the Ceremony very successful:

Adel Al-Fahad, A/Aziz Al-Otaibi, Hussain Zaman, Hadeel Ghareeb, Jihan Al Rayes, Abdulrazzaq Behbehani, Fatima Mohammed, Amal Abdulhussain, Abeer Saif, Amani Al Enezi, Mona Al Qafas, Fathiya Moussa, Mohammad Al Bahar, Fatima Sayed Ali, Abdullatif Baqer, Muhanad Al-Sultan, Kholoud Al-Enazi, Emad Al-Jassam, Abdullah Rashed.

AHMADI HOSPITAL

MEDICAL GROUP



3RD DIABETES & ASTHMA AWARENESS DAY

Dr. Dia Eddin Al-Azzeh, Dr. Hossam Halim Sourour, Mr. Nabil Zaki, Mrs. Nafeesa Amer, Mr. Ghulam Abbass

The C&MD HSE Award Committee would like to appreciate the efforts made in preparing and completing the '3rd Diabetes & Asthma Health Awareness Event' 11th & 12th February 2004.

Supreme Winners

HSE MANAGEMENT SYSTEM AWARENESS CAMPAIGN



• Dhari H. Al-Gharabally • Hamed Y. Al-Anezi • Dr. Fatima H. Kh. Al- Abdali
• Essam A. Al- Mazeedy • Mutlaq H. Al-Qahtani

The HSE Management System (HSE MS) Awareness Campaign under the slogan “HSE—Bonding For A Better Future” had been at the heart of a massive awareness information effort, which had been implemented through Phase I Part 1 and Part 2 from 3/3/2003 to 31/3/2004 and covered 1218 Employees. A key component of any HSE Management System is an HSE Awareness Program with baseline program covering HSEMS elements: leadership commitments, major activities, regulatory compliance and positive initiatives for best practices. KOC’s first HSEMS Awareness Campaign had targeted the first move towards behavioral change of KOC & Contractor staff; and based on that it was designed to encourage individual actions and shared responsibilities toward the health, safety and environment culture.

Among a dozen of the Campaign’s Objectives three main objectives were highly emphasized and hence were achieved, which are considered to be the Campaign 3-Pillars, these are: Incorporate health and safety protection and pollution prevention into the decision-making process at every level throughout the organization; Encourage employees to participate in hazard and pollution prevention and recognize employee’s efforts to improve HSE conditions through hazard management proactive practices; and Promote integration and coordination of good HSE practices, and publicize good HSE practices success stories.

Winners

AWARENESS

TECHNICAL INTEGRITY & SAFETY OF COMPANY'S PRODUCTION FACILITIES



• Shamim A. Khan • Waseem A. Qureshi • Mohammad Taleb
• A/Wahab Al-Methen • Samir Bu Hamad

“Technical Integrity and Safety of the Company’s Production Facilities” was audited and the status of each facility was reported with respect to current conditions. The scope of study involved the review of ‘Available Data History, Preventive Maintenance Program, Inspection Program & their Recommendations, Projects and Revamping Activities etc. The study revealed that although most of the facilities are more than 30 years old but found “FIT FOR PURPOSE”, however they require extensive care in terms of inspection & maintenance.

The study recommendations to further improve upon the integrity were appreciated and approved by C&MD.

This audit report has substantially increased the awareness about the safety and integrity of the facilities. The Report was reckoned as a ready reference (available on KOC INTRANET) for the status of the facilities in the Company. It has facilitated the personnel from Operations, Maintenance, Engineering and other Groups in the Company to understand the state of the facilities in detail and facilitated their way to carryout the tasks in a safe and organized manner.

Winners

HEALTH

CREATION OF AHMADI WALKWAY



- Kamel Al-Zaidan • Khalifa Shuaib • Fayez Mazkooor
- Khurshid Alam Khan • Esmail Ali Ahmad

Inspired by Management that HSE is at the top of Company's agenda and sustained efforts / campaign made by HSE Management System, we have created Ahmadi Walkway (1.70 km walking track with beautiful surroundings) for KOC community. Proper considerations of HSE aspects were given in the design concept of walkways. Extensive utilization of facility by the community shows the success of achieving its objective.

Winners

HEALTH

IMPROVEMENT TO THE FLARE PILOT MONITORING THERMOCOUPLES OF TV & HP FLARE



• Mohd. AL- Zuabi • Raad AL - Ghareeb • G. Trimrtulu
• Louis Thiagaraj • Hassan Taleb

In the past, Gathering Centers 27 & 28 had been tripping spuriously on pilot flameout owing to the radiation burnout of thermocouples and the cables. This had resulted in production loss and compelled operations group to inhibit the safety action of the thermocouples in order to sustain production. Moreover, replacement of thermocouple cannot be done online and is possible only during major maintenance activities. Considering the drawback, the team had improved the compatibility of the thermocouple by providing refractory lining utilizing the in-house resources during the recently concluded Major Survey of Gathering Center-28.

Winners

SAFETY

WATER DRAINAGE SYSTEM (GATHERING CENTER 21)



• Khlid Ahmad Boudier • Abdull Hussain Al-Saraf • Ali Jawhar Ahmad Jawhar
• Kirshna Murthy • Muteq Al-Rashidi

Gathering Center-21 is situated in a low lying area adjacent to a small hill. Thus during rain, all the water from the hill is accumulated around the electric sub-stations, turbine room and control room, resulting in a complete shut down of the GC until the water is drained out. As this problem has been persisting since long without any tangible solution; the above Team studied the various options to eliminate the said recurring problem. They have constructed cement bund walls to stop the rain water from the hill flowing towards the Gathering Center instead the water is redirected elsewhere with proper drainage system and made major leveling and lay down curbstone. Thus they have succeeded in protecting the Gathering Center from the rain water.

Winners

SAFETY

KOC GENERAL HSE AND OPERATIONAL GUIDELINES FOR WELL SURVEILLANCE JOBS



- Saeed Al-Shaheen • Falah Al-Omair • Ismail Hussain Nazar
- Faris Al-Mansouri • Ahmad Haidar Ahmad

This is a comprehensive HSE & operational guideline that covers all well surveillance operational activities (Wireline, Rigless, & Artificial Lifting), it comprises detailed rules and safety requirements based on international standards and KOC safety regulations. Regarding well surveillance operation, the manual contained a detailed stepwise operational guideline and explained the standards of equipment used in each activity.

Winners

SAFETY

ROAD SAFETY IN NORTH KUWAIT



- Khalaf Khalil • Abdullah M. Al-Awadhi • Mohd. Nasser Bhatti
- Sultan Saleh Al-Ajmi • Mohd. Abdulla Al-Farsi

The roads in North Kuwait field are extensively used due to increased activities and manpower, hence it became essential to improve the road condition by widening, leveling of shoulders and installing proper road signs to make it safer for motorists. Some plants were relocated and proper drip irrigation system installed.

Winners

SAFETY

AS-BUILT P&IDS FOR SOUTH, EAST AND WEST KUWAIT GATHERING CENTERS AND BOOSTER STATIONS



• Vilas S. Koleshwar • Khalil Safar • Ahmad Ghulum
• S. Chockalingam • Dr. Peria Allah Mohd.

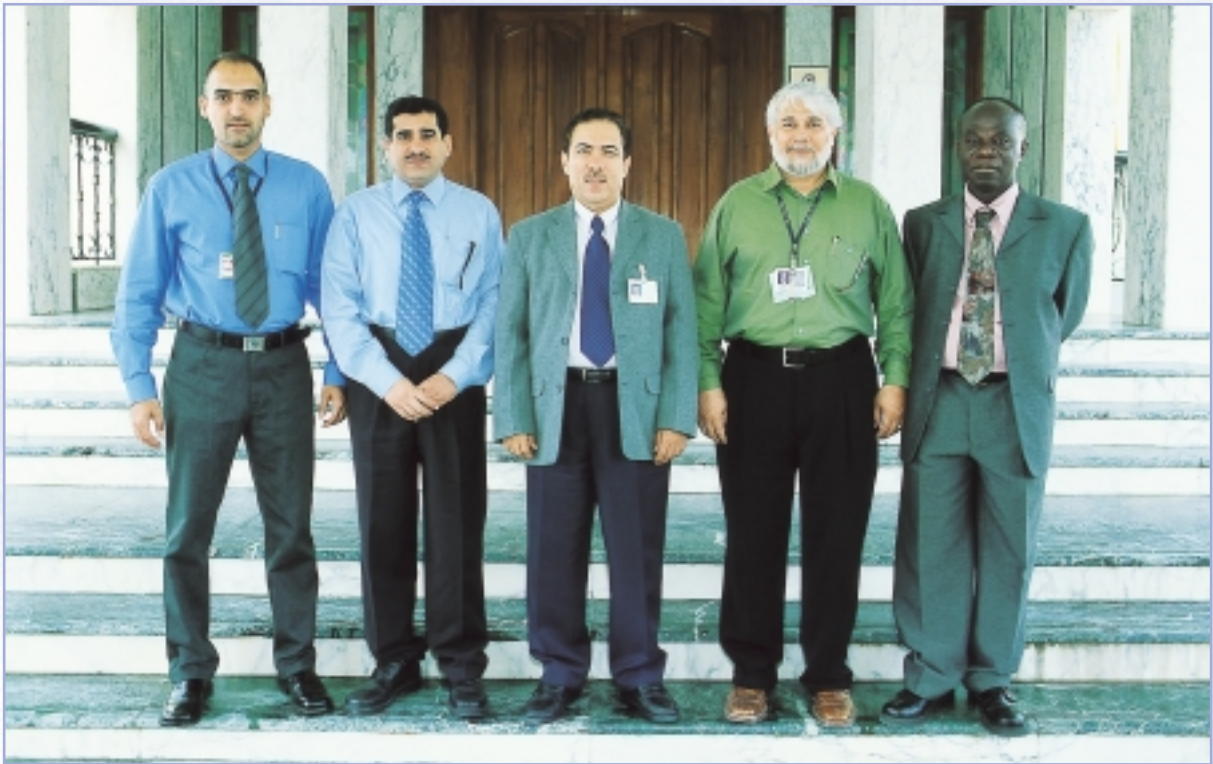
Piping & Instrumentation Diagrams (P&ID) are essential document showing process equipment, piping, instruments, controls, safety interlocks, etc. being used by Opns. & Maint. to operate/maintain existing facilities and Engineering/Major Projects to upgrade/revamp/expand it.

The Team took initiative and completed the mammoth task of generating, updating & handing over 678 nos. of P&IDs for 19 facilities to the Design Team's Drawing Section. The updating involved site verifications of equipment, piping, instrumentation, DCS configurations and generating the drawings. These drawings, being in electronic format can easily be updated. These are also posted on KOC Intranet for easy accessibility by KOC Teams for utilization and training purposes and now found to be a very useful tool for all personnel. This task has helped many critically important facilities upgrade projects as well as enabled to conduct Risk Assessment/Asset Integrity Review to assess & improve HSE performance of KOC facilities. The IN-HOUSE approach adopted in completing this huge task has become a stepping-stone to conduct such activities all over KOC. This methodology has also proved to be most cost effective.

Winners

ENVIRONMENT

REMOVAL OF KOC'S ABANDONED PIPELINES BETWEEN WAFRA AND MINA ABDULLAH



• Waleed Al-Sarraf • Jamal Al-Fadalah • Ali D. Al-Shammari
• Salam Al-Mufti • Samuel Opoku

KOC's abandoned 24", 12" and 10" x 8" pipelines overlaying a 125 km between Wafra and Mina Abdullah Refinery desert terrain corridor. These pipe lines are close to 50 years old and have zero book value to KOC were successfully removed to conform to KOC's HSE policy. Contractor paid KD 152,000/= to KOC and including the cost for the Contractor KD 350,00/= the total benefit to KOC was KD 502,000/=.

Winners

ENVIRONMENT

UTILIZATION OF TREATED SEWAGE WATER FOR IRRIGATION OF COCC



- Fahad Naqi • Nawaf al-Anazi • Anwar Al-Sayer
- Ahmed Abbas • Muthanna Al-Momin

Utilization of treated sewage water for Irrigation purposes at COCC by installing a sewage water treatment plant to purify the COCC available waste water, then further mixing the treated waste water with brackish water and using the end product which is rich in organic substances that aid the growth of plantation.

Winners

CHILDREN



Name : Fahad Saleh Al-Azmi

Age : 4 Years



Name : Rhea Ashwini Chandy

Age : 8 Years



Name : Afnan Al-Daqaqq

Age : 9 Years



Name : Roshin Susan Mathew

Age : 10 Years



Winners

YOUTH



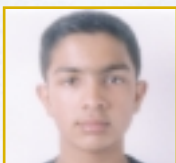
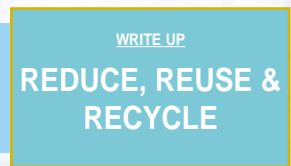
Name : Ajinkya Vilas Koleswar

Age : 11 Years



Name : Vaidyula Prashastha

Age : 13 Years



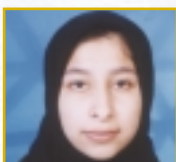
Name : Ayan Dutta

Age : 14 Years



Name : Archana Rajendran Nair

Age : 16 Years



Name : Sameya Qureshi

Age : 16 Years



CONTRACTORS



Joint cooperation between the company and the contractors working with it is essential for achieving the goals of HSE. As a part of KOC program for awareness and promotion of HSE, the company groups have nominated candidates from the contractors who had special performance in HSE issues during their work term. Four prizes were presented this year:

1. National Petroleum Services Co.:

For their seriousness in caring for the Health, Safety of their employees and the Environment they live in. National petroleum Services co, conducts the following for their employees:

- Employee health surveillance program.
- Installing Driving monitors.
- Co-sponsorship of world environment day
- Voluntary near miss reporting by employees
- Awards for best safety performance

2. Hamad Al-Hamad Co.:

Hamad Al-Hamad conducts the following for their Health, Safety of their staff and the environment in which they live:

- monthly safety suggestion scheme
- fire fighting training
- CPR & First air training
- Employee recognition award
- Fall arrestors installed for derrick climbers

3. Schlumberger:

Schlumberger oilfields services have been consolidating its position as a leader in Health, safety and environmental matters. Schlumberger Injury prevention program (SIIP) is a comprehensive program designed to increase employee's awareness of injury risks encountered daily in the work environment and provides the tools and techniques necessary to avoid these injuries.

4. Halliburton - Northern Gulf

An exceptional and outstanding contributions to the Kuwait Operations during the business year 2003 (Taking HSE beyond the Red Zone Initiative, Successful community Outreach Programs, Successful Near Miss and Hazard Observation and Communication/Stop Campaign, Successful and cost effective HSE Training through iLearn, Successful health Campaign, Active participation in the KOC HSE Management System Campaign, KOC HSE Open day and KOC Drilling and Exploration HSE Open day.

STATISTICS

04 03 02 01 00 99 98

KOC EMPLOYEES

● The total number of applications received	78	124	83	95	77	92	85
● The total number of winning applications	10	9	11	10	10	13	16
Wining applications:							
Health	2	1	2	2	1	4	2
Safety	4	3	5	2	3	3	4
Environment	2	3	3	3	4	4	7
Awareness	2	2	1	3	2	2	3
● The number of winning groups	15	10	9	11	8	7	6

CONTRACTORS

● Number of nominations	6	17	8	7	10	7	3
● Number of groups which submitted nominations	5	7	5	4	5	3	2

YOUTH & CHILDREN

● The total number of the youth entries	26	14	19	30	15	16	11
● The total number of children entries	26	25	24	30	24	21	39

WINNING GROUPS

Group	No. of Employees	Group	No. of Employees
Operations (SK)	11	Operations (EK)	2
Ahmadi Services	10	Support Services (WK)	1
Health, Safety & Environment	4	Support Services (SEK)	1
Prod. Dev. Support	4	Engineering	1
Operations (WK)	4	Industrial Services	1
Operations (NK)	3	Public Relations & Information	1
Divided Zone	3	NK Directorate Admn.	2
Joint Operations	2		