



C & MD
HSE
AWARD
2006

13, June 2006



KUWAIT OIL COMPANY (K.S.C)



**Speech of the Sponsor
Chairman & Managing Director
Mr. Farouk Hussain Al-Zanki
13th June, 2006**

*In the Name of God, the Most Gracious,
the Most Merciful*

Dear guests,

It gives me a great pleasure to meet with you again today to celebrate together the awarding of this prize that, after nine years, has been firmly established along with the company's main traditions. This reflects our persistent concern in the health and safety of those living in Kuwait as well as its environment. Such tradition arises out from our deep-rooted commitment that our respect for health, safety and environment constitutes the starting point for development and growth. This respect is part of our responsibility in setting up a strong and sound Kuwaiti society. Such responsibility requires a continuous application of the highest values and commitment in what we consider a useful investment in the future of our children.

Our honorable guests,

The issues of health, safety and environment occupy the maximum priority in our concerns. Accordingly, we introduced the Health, Safety and Environment Management System to be an integral part of all our operational and administrative processes. The HSEMS was also introduced in our blue prints and tenders to ensure that all our current and future contracts are executed in accordance with the environment-related laws and regulations applicable in Kuwait, especially those issued by the Environment Public Authority. This system, as well as each of its components, are periodically reviewed to see how far it is applied in each department. Additionally, comprehensive analysis and evaluation of each gap is conducted to close those gaps. Our target in this effort is to become a pioneering company, not only in Kuwait, but also throughout the region, in applying the highest international standards of health, safety and environment, then to be in parallel with world major companies. At the same time, we are vigorously working on embedding the principles of safety as a core part of the company culture and establishing permanent mechanisms to achieve continuous improvements in the safety level and controlling accidents. This in turn will surely reduce expenditure and improve the company image.

Rewarding the winners today complements the company's efforts in urging all staff and their children, whether with the company or contractors, to participate in transforming our work place to an accident-free, healthy and sound environment. We will not have peace of mind until the safe and proper conduct becomes part of our resolution and our daily personal behaviour, whether at workplace or home, and thereupon we receive the true prize.



C&MD HSE AWARDS 2006

Brother guests,

In line with our deep concern in health, safety and environment, I would like to enumerate some of the company's efforts for increasing awareness in HSE issues during the past 12 months:

- 1- Holding a comprehensive campaign for defensive driving coincided with installation of speed cameras to limit the speed on the company roads.
- 2- Carrying out evacuation drills and training courses on firefighting and first aid to limit the damages in case of accidents.
- 3- Contracting international companies specialized in accident analysis. The main objective is to implant the safety principle as a core part of the company's culture, and establish permanent mechanisms to guarantee continuous improvements in the safety level and to control accidents. In turn, these would lead to optimization of expenditure and enhancement of the company's image.
- 4- Boosting the dissemination of accident-related information, and exploiting the intranet to exchange experience between the company departments.
- 5- Continuous presentations on health and dangers of smoking.
- 6- Organizing numerous induction courses for contractors about the company's safety regulations.
- 7- Organizing advanced courses for health, safety and environment professionals in cooperation with Kuwait University.

The most important achievements attained during the elapsed year:

- Application of the behavioural change program. Total of 34 workshops and training courses covering more than 700 employees were conducted.
- The application of eight procedures of the HSEMS pertaining to accidents reporting, methods of incident investigation, performance review and management of change.
- Reviewing progress of the gas-flaring reduction plan to 1% in cooperation with production assets.
- Offering a tender for the development of the emissions monitoring systems and studying effects on the employees and neighboring areas.
- The number of training hours for HSE Group employees exceeded 4000 training hours by the end of the third quarter of the fiscal year.
- Commencement of training and qualifying system for the HSE personnel in cooperation with Petroleum Training Center (KPC).
- After assuming the responsibility of rehabilitation of the contaminated soil that were damaged by the invasion, the company prepared the necessary plans and budgets. As well, various working committees have been formed.

Upon conclusion, I would like to refer in particular to what I consider one of the most important achievements during the last few years, namely the gas discoveries at Um Niga, Sabriya, Rawdatain, Bahra, and others. By supplying gas to the power stations, these discoveries will immensely contribute to the improvement of Kuwait environment.

I congratulate the winners for their efforts. Appreciations also to everyone involved in organizing this celebration.

Best wishes of success for those who have not received the prize today.



**Speech of the Committee Chairman
 Manager Health, Safety & Environment Group
 Mohd. Al-Fodari
 13th June, 2006**

*In the Name of God, the Most Gracious,
 the Most Merciful*

Mr. Chairman, DMDs', Distinguished Guests & Colleagues - it is my pleasure as Chairman of KOC C&MD HSE Award Committee to address you and welcome you in this joyous occasion.

During the past year we concentrated our effort to implement KOC HSE Management System, the safety of our employees, integrity of our facilities and protecting the environment while conducting our operations.

Therefore, this year award focused on the areas:

- 1. Safe Driving 2. Technical Integrity 3. HSE Awareness 4. Health & Environment**

We asked our employees to apply for the ideas and effort they accomplished in those areas:

In order for the C&MD Award to be done in a close to perfect manner we organize the following:

1. C&MD Main Committee and it consist of the following:

Mohd. Al-Fodari	Manager (HSE)	Chairman
Capt. Khalifa Al-Duaij	Advisor (SEK Directorates)	Deputy Chairman
Sulaiman Al-Somali	Manager (SF)	Member
Abdul Khaleq Al-Ali	Manager (PR&I)	Member
Mustafa Megdad	Manager (Ahmadi Services)	Member
Abdulla Al-Sumaiti	Manager Operations (WK)	Member
Shaker Faras	Manager Operations (SK)	Member
Dhari Al-Gharabally	Senior Environment Engineer	Secretary 1
Jawad Akbar	HSE Group Planning Coordinator	Secretary 2

2. We established 4 Technical Committees to create the criteria of evaluation and conduct the evaluation.

The Committees are :

- Safe Driving Committee
- Technical Integrity Committee
- HSE Awareness Committee
- Health & Environment Committee

They received 103 applications and selected 11 applicants for the award.

Also, we established the administrative support committee whose function is to provide administrative & logistics support.

In this junction, I would like to appreciate the effort of members of the Main Committee and members of the Administrative Committee for their efforts to make this function possible.

We also appreciated the participation of our children & youth in the work they presented for the awards.

We appreciate the School Teachers who also assisted in evaluation of the children & youth works.

Also appreciated everybody who supported and made this occasion a very successful one.



C&MD HSE AWARDS 2006

Members of C&MD HSE Award Committee 2006



Mr. Mohd. Al-Fodari
Manager
(Health, Safety & Environment)



Capt. Khalifa Al-Duaij
Advisor to DMD
(South & East Kuwait)



Mr. Abdul Khaleq Al-Ali
Manager
(Public Relations & Information)



Mr. Shaker Faras
Manager Operations
(South Kuwait)



Mr. Mustafa Megdad
Manager
(Ahmadi Services)



Mr. Sulaiman Al-Somali
Manager
(Security & Fire)



Mr. Abdulla Al-Sumaiti
Manager Operations
(West Kuwait)



Mr. Dhari H. Al-Gharabally
Senior Environment
Engineer



Mr. Jawad Akbar
HSE Group Planning
Coordinator



Supreme

WINNERS Technical Integrity



Mr. Mahdi Al-Qazweeni - Mr. Rajiv Kukreja - Mr. Musleh Al-Otaibi - Mr. Waseem Ahmad Qureshi

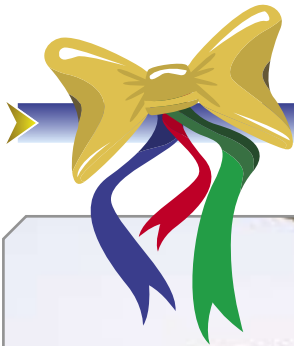
Implementation of Management of Change Process (MOC)

The draft MOC procedure was adopted for the 1st time in the company as a test to study its effectiveness and practicability in controlling process changes and ensuring their safe implementation for enhancing production capacity of GC-03 from 80 MBOPD to 100 MBOPD. All hazards were systematically identified and corrected; It also led to the elimination of emission of vapours from VARECs and reduced flexing of tank roof due to process changes.

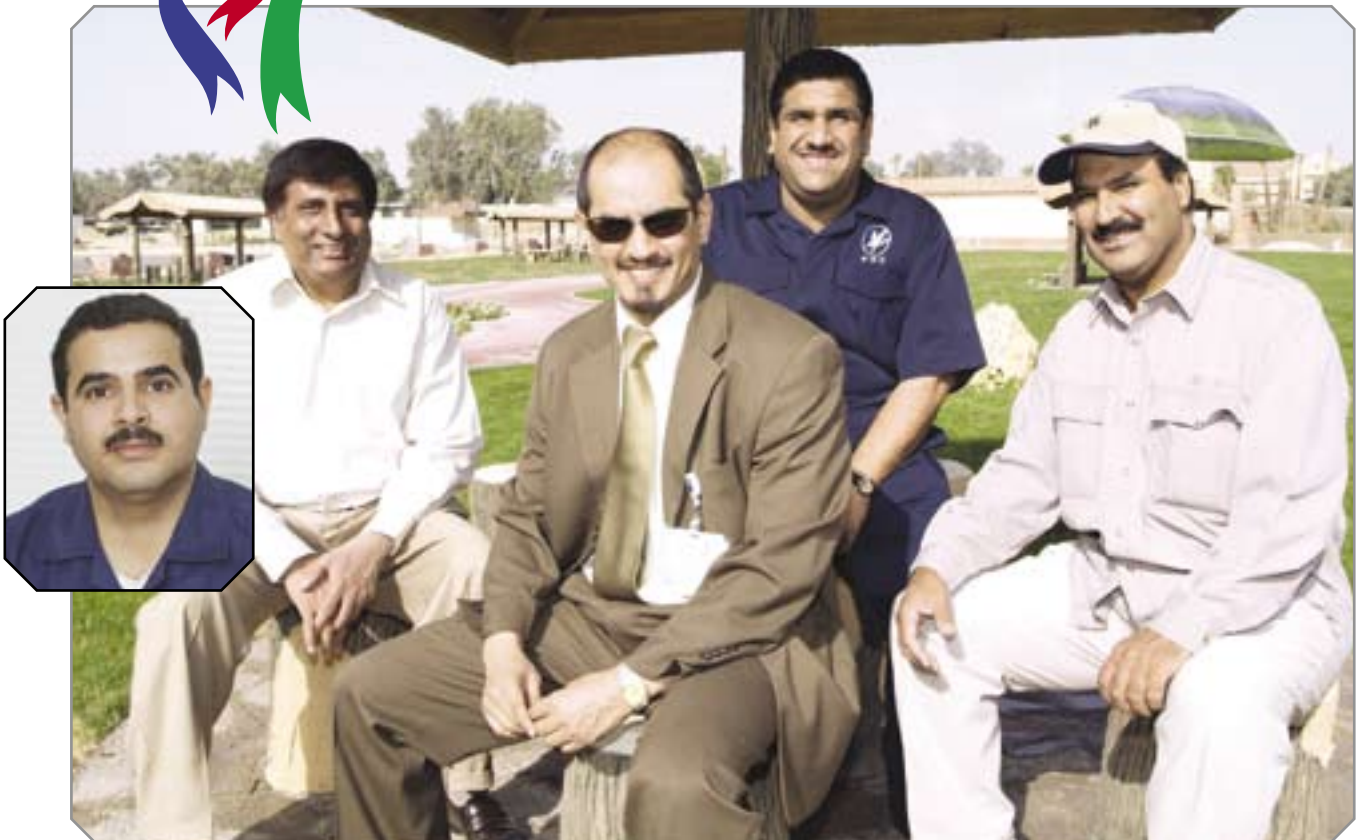
The exercise set an example and served as a transition for practical field application of MOC guidelines for all future changes across the Company, ensuring integrity of facilities.



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WINNERS Health & Environment



Mr. Adnan Al-Adwani - Mr. Obaid ur Rahman - Mr. Mohamed F. Al-Otaibi - Mr. Hussain Al-Khalaf - Mr. Fahed Al-Rasheedi

Modification of BS-140 Slug Catcher

Prior to the Modification of the existing BS-140 sludge catcher, around (2000-3000 STB/Day) of condensate from NK 30" line used to be flared. Post modification improved the situation and resulted in zero condensate flaring.



WINNERS Health & Environment



Mr. Mussaed F. Al-Musaeed - Mr. Adnan Buhamad - Mr. Saeed Hamadah - Mr. Abdul Aziz H. Akbar - Mr. Emad Al-Sultan

New Close Drain System & Effluent Disposal System At GC-15

Part 1

New Water Closed Drain System

This project consists of scattered five sump-vessels, which are connected to GC-15 Flowline main headers, separators, desalters, export pumps and CRU vessels via drain lines.

The sump-vessel content is pumped to GC-15 main wet tanks.

The project also supplied with civil, electrical and instrument works.

Part 2

New Effluent Water Disposal System

GC-15 Effluent Water from the main wet tanks is injected to disposal pits via new Disposal Pumps instead of sending to the evaporation pit which may cause damage to the environment



C&MD HSE AWARDS 2006



WINNERS Health & Environment



Mr. Waleed Al-Khamees - Mr. Riad Quttainah - Mr. Falah Al-Azmi - Mr. Hayef Al-Huwailah - Mr. Salman Al-Qabandi

Eliminating Disposal of Effluent Water to Pits

Before commissioning the Minagish water injection plant, all effluent water was disposed into evaporation pits. The effluent water does not evaporate completely and, therefore, it is not environmentally the best practice. Water management in West Kuwait was designed to integrate all effluent water from the gathering centers in West Kuwait through the Effluent Water Transfer System (EWTS) and the Minagish Water Injection Plant (MNWIP), All effluent (produced) water is transferred from the gathering centers through the EWTS to the MNWIP for re-injection into the Minagish reservoir in the Minagish field for pressure maintenance. The re-injection of all effluent water produced in West Kuwait into the Minagish (MO) reservoir has significantly increased reservoir pressure, which increases the well potential (oil production). It helps insure that oil production is available to fill the gathering centers and meet oil export demands. Water disposal wells were drilled to inject off spec or surplus water into the Shuaiba water disposal zone as a back-up plan in case of any planned or unplanned shutdown of the Minagish water injection plant. Since mid-2003, all effluent produced water in West Kuwait has been routinely disposed of in an environmentally friendly manner with no discharges to pits.



WINNERS Technical Integrity



Mr. Eid Al-Eid - Mr. Habib Hussain - Mr. Abdullah Hadi Al-Ajmi - Mr. Godfrey Saldanha - Mr. Ali Al-Muhanna

Preventive Maintenance Program for Improved Safety and Quality - North Kuwait

A comprehensive maintenance program was developed in house for NK GCs to provide a specific indicator of PMs done on safety critical plant instrumentation and thereby improve safety, reliability and productivity of the facilities. The program was built around identifying safety critical instrumentation based on their failure impact on:

- a) Personal injury or environmental damage.
- b) Production losses or maintenance to correct break down.
- c) Preserve value.

The schedule is specific and designed to avoid unplanned maintenance activity through optimum use of resources. The activities are well documented for future reference.



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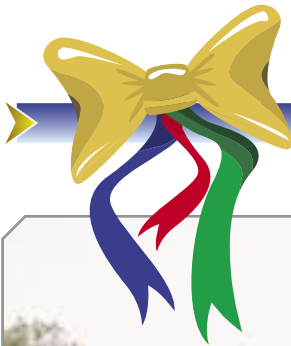
WINNERS Technical Integrity



Mr. Ayeth Al-Hajri - Mr. G.Santhosh Kumar - Mr. Abdul Wahab Al-Mithin - Mr. Abdul Latif Al-Rabah - Mr. Vinayak Sardesai

Proactive Action Taken to Avert Major Pressure Vessel Failures

Proactive inspection and baseline data gathering enabled to detect Hydrogen Induced Cracking at an early stage. Formulated an effective/ comprehensive inspection program for all pressure vessels, identified and replaced the defected ones, and put in place a protective coating system for the remaining vessels. Insight of damage mechanisms and foresight of process related effect on pressure vessels, resulted in improving the overall asset integrity of SEK GC's and BS's.



WINNERS Technical Integrity



Mr. Adnan Yacoub Al-Haider - Mr. Ashok D. Thakare - Mr. S. Chockalingam - Mr. Ali Al-Bairami

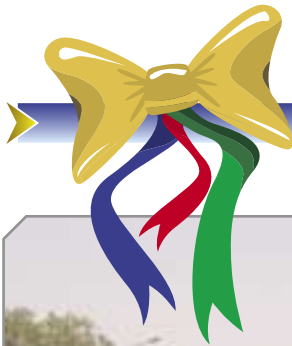
Comprehensive Maintenance of Fire & Gas Detection Systems

Introduction: Fire & Gas (F&G) Detection and Fire Fighting are Safety Systems of production facilities, which are mandatory for handling emergency situations and shall be compliant to International/KOC standards. Such F&G Detection and Fire Fighting Systems should be maintained with special expertise, state-of-the-art calibration equipment, inspected and accredited on regular basis.

Work Done: The Team took initiative and completed the task of site survey, equipment verifications, data preparation, liaising with other Teams, tendering & completion of pre-qualification exercise through CTC, formulating contract package and tendering. On completion of the task, two Contracts for Comprehensive Maintenance of F&G Detection Systems and Fire Fighting Systems commenced for all Asset Areas. Third Party Accreditation on Maintenance Services of F&G Detection and Fire Fighting Systems is being introduced for the **first time in KOC**. This exercise will enhance Company's image from HSE point of view and improve Insurance Risk Ranking.



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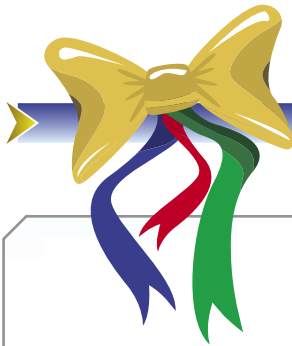
WINNERS AWARENESS



Mr. A/Rahman Al-Shammari - Mr. Bader Al-Houli - Mr. Yassin A. Al-Kandari - Mr. Saleh Al-Harbi - Mohammad Aftab Alam

Produce a Bilingual (Eng. & Arabic) Audio-Visual Film on “KOC Permit to Work Procedure”

In conformance to Element HSE-01 (Expectation - 2) of KOC HSE Management System, which states that ‘HSEMS process shall be developed, documented, implemented and supported throughout the organization’. Accordingly to support the implementation of high priority HSEMS Procedure like “Permit to Work” a bilingual (English & Arabic) audio-visual film was produced utilizing internal resources in the Company. The film was displayed to higher Management prior to its posting on main page of KOC Intranet. The film explains audio- visually 5 types of permits alongwith the steps involved in its application, authorization, work execution, shift endorsement, completion, close out as well as emergency response.



WINNERS AWARENESS



Mr. Muhanna Al-Mutairi - Mr. Jaber M. Al-Dabbous

Booklet for General Emergency Procedure

Compiled and formulated concise General Emergency Procedure Level I, II & III - Response Plan in Arabic language and in badge format for guideline & quick reference for frontline operations staff at the Oilfield facilities. The pocket size leaflet format is produced and issued to all operation sites to promote awareness and understanding of the Procedure. The project benefits KOC in key strategic area of Health, Safety & Environment. It is applied to all Assets Directorates NK, SEK & WK. Furthermore, the project enhances employee capability to respond to Emergency situation quickly & safely.



C&MD HSE AWARDS 2006



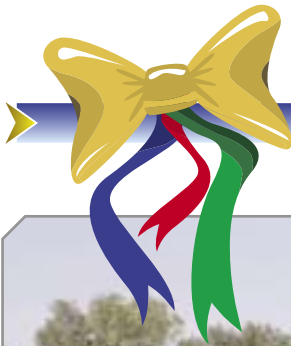
WINNERS AWARENESS



Mr. Sadiq Abdul Ghani - Mr. Uppara Saibaba - Mr. Mike Parkin - Ms. Babita Shetty - Mr. Ali Al-Failakawi

Developing & Implementing a Comprehensive Advanced Safety Audits Program

Advanced Safety Auditing (ASA) is a safety management Audit Tool designed to identify through careful observation certain types of behavior (unsafe acts and or good safety practices) in the Work Place. It then provides a means of having a structured conversation to stop or promote the observed behavior. This will help to reduce the number of unsafe acts and the probability of injury to personnel will decrease in proportion. This management tool therefore improves an organizations safety performance. This process promotes KOC HSE MS Elements 1,2 &12.



WINNERS AWARENESS



Mr. Ahmad Al-Kandari - Mr. Ameer Al-Ghetem - Mr. Abdul Aziz Al-Otaibi - Mr. Hashem Al-Sayed - Mr. Khalifa Shuaib

KOC Oil Field Roads Network Survey

Utilities Team has formed a Committee to conduct a comprehensive study regarding the report of Kuwait Petroleum Corporation related to the high fatality accidents, in recent years, for the users of KOC road network. The main objective was to identify/review road deficiency and means to improve the situation. The Team has evaluated the condition on all KOC Oil Field's areas roads network (S&EK, WK and NK) total length 300kmtr. (Approximately). The Team has incorporated the survey outcome utilizing the available services contract and commenced modifying roads curves, clearing shoulders obstructions, widening narrow roads, junctions improvements, variables signs and reflective markers...etc. the roads safety enhancements has shown drastic improvement to Motor Vehicles Accident reports.



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WINNERS



CHILDREN



Name : May Al-Mithin

Age : 7 Years



Name : Yvette Chowdry

Age : 8 Years



Name : Caralyze Edwin

Age : 11 Years



Name : Amna Saghir Choudhry

Age : 11 Years



Name : S. Kabilan

Age : 11 Years

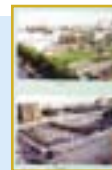


YOUTH



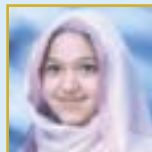
Name : Garlapati Yashwanth

Age : 13 Years



Name : Roshin Mathew

Age : 13 Years



Name : Zahra'a Al-Owaid

Age : 14 Years



Name : Sagar Dutta

Age : 16 Years





CONTRACTORS

- **Halliburton Overseas Ltd., Kuwait**
 - **Schlumberger Oil Field Services**
- **Weatherford Kuwait for Petroleum Services**
 - **WesternGeco International Limited**

BEST DRIVERS

- **Mr. Yacoub Al-Shatti**
 - **Mr. Sami Al-Medrasi**
- **Mr. Ambady Krishna**
 - **Mr. Abdulla Yousuf Eissa**



STATISTICS



	06	05	04	03	02	01	00	99	98
KOC EMPLOYEES									
● The total number of applications received	103	142	78	124	83	95	77	92	85
● The total number of winning applications	11	11	10	9	11	10	10	13	16
● The number of winning groups	14	13	15	10	9	11	8	7	6
CONTRACTORS									
● Number of nominations	19	15	6	17	8	7	10	7	3
● Number of groups which submitted nominations	10	9	5	7	5	4	5	3	2
YOUTH & CHILDREN									
● The total number of the youth entries	63	42	26	14	19	30	15	16	11
● The total number of children entries	104	87	26	25	24	30	24	21	39

WINNING GROUPS			
Group	No. of Employees	Group	No. of Employees
Operatiopns (SK)	7	Industrial Services	4
HSE	6	Field Development (WK)	3
Gas Management	5	Training & Career Development	2
Support Services (NK)	5	Engineering	1
Operations (NK)	5	Operations (EK)	1
Ahmadi Services	5	Support Services (SEK)	1
Operations (WK)	4	Public Relations & Informations	1