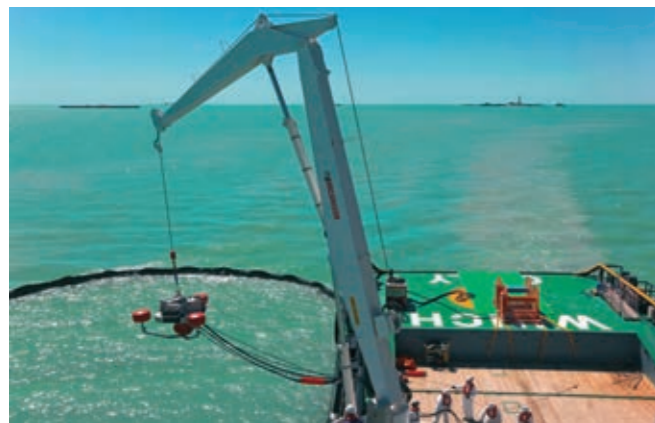




## THE FUTURE

As the Kashagan field is developed, and the profile of activities change, so will preparedness, response plans and capabilities. In this respect, the consortium is currently developing additional oil spill response capacity for the operational phase of the Kashagan field.

TenizService propose to build and manage an oil spill response facility in the Atyrau region. The consortium, through agent company NCPOC, plans to lease part of this facility for the storage, maintenance, training and deployment of oil spill response equipment and marine vessels suitable for use in the shallow waters and reed beds along the northern coast of the Caspian Sea.

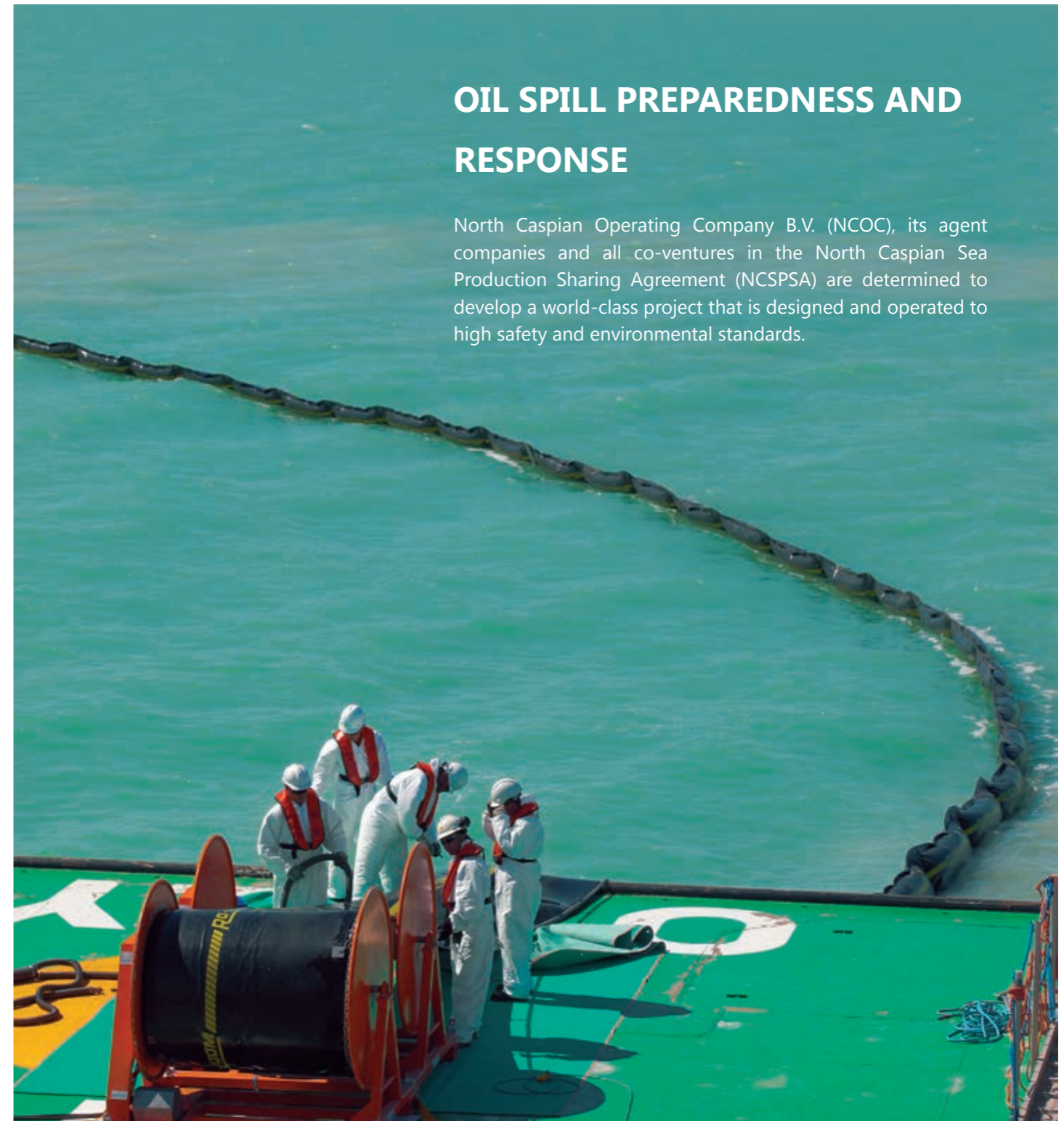


THE TIERED RESPONSE DEFINITION FROM IPIECA, THE GLOBAL OIL AND GAS INDUSTRY ASSOCIATION FOR ENVIRONMENTAL AND SOCIAL ISSUES, CAN BE SUMMARISED AS FOLLOWS:

- **TIER 1:** operational-type spills that may occur at or near a company's own facilities as a consequence of its own activities. An individual company would typically provide resources to respond at this Tier.
- **TIER 2:** a larger spill in the vicinity of a company's facilities where resources from other companies, industries and possibly government agencies can be called in on a mutual aid basis.
- **TIER 3:** larger spills where substantial further resources will be required and support from national or international cooperative stockpile may be necessary.

## OIL SPILL PREPAREDNESS AND RESPONSE

North Caspian Operating Company B.V. (NCOC), its agent companies and all co-ventures in the North Caspian Sea Production Sharing Agreement (NCSPSA) are determined to develop a world-class project that is designed and operated to high safety and environmental standards.





- AGIP KCO HAS BEEN RECOGNIZED FOR ITS PERFORMANCE IN ANNUAL OIL SPILL RESPONSE EXERCISES CONDUCTED JOINTLY WITH THE MINISTRY OF EMERGENCIES OF KAZAKHSTAN.
- THE CONSORTIUM HAS ALREADY SAFELY COMPLETED MANY WELLS ON KASHAGAN, KALAMKAS, KASHAGAN SOUTH WEST, AKTOTE AND KAIRAN.

## PREVENTION

Prevention is the single most important deliverable in the design, construction, drilling, commissioning and operation for the project in oil spill response planning.

Our first priority is the safety of our people and the protection of the environment through the robust design and construction of our facilities. Procedures are compliant with RoK law and good international oilfield practice and take account of North Caspian Sea drilling and production conditions. They have been reviewed and approved by the relevant authorities in Kazakhstan.

However, recognising the risks inherent in the development and production of oil and gas, the consortium is also prepared to and capable of responding quickly and effectively to operational incidents. In this respect, the consortium retains a dedicated Oil Spill Response (OSR) organisation with facilities, equipment and trained personnel located on offshore facilities and in both Atyrau and Bautino.

## SAFETY MANAGEMENT FOR CURRENT CONSTRUCTION ACTIVITIES

NCOC and its agent companies have comprehensive management programmes that assess safety and environmental risks. They have established procedures, work practices, training programmes, and equipment requirements, including monitoring and maintenance rules, for continuous improvement. The design of onshore and offshore operating facilities incorporates operations safety planning, including the assessment of spill risks, and spill prevention and containment.

The consortium continually reassesses the risks at all locations. Under this process, potential risks are identified, and mitigation measures put in place to lower the risk, in advance of the start of operations. Trained oil spill response personnel make regular site assessments.



## OIL SPILL RESPONSE

Requirements for oil spill response capability are included in the RoK National Oil Spill Prevention and Response Plan, the Environmental Code of the Republic of Kazakhstan and in the North Caspian Sea Production Sharing Agreement (NCSPSA).

To support spill response capability, the consortium has an extensive inventory of owned oil spill response equipment at strategic locations. Its oil spill response contingency plans are endorsed by international expert organizations.

All operational facilities and vessels have a minimum of Tier 1 oil spill response equipment and personnel trained in the use of such equipment and spill response techniques.

The consortium also maintains a dedicated oil spill response organisation of 20 fully-trained, full-time personnel. The dedicated oil spill response organisation has facilities, equipment and personnel located in Atyrau and Bautino (Tier 2).

Bautino marine support base houses oil spill warehouses, a workshop and all necessary equipment, including booms, skimmers, boats and containers, ready to promptly respond to an incident.

The consortium conducted more than 100 drills and exercises in 2010, including a Tier 3 exercise with the Atyrau region Department of Emergency Situations (DES). The robust response

capabilities of the consortium were acknowledged by the Deputy Head of Atyrau DES, who participated in the exercise.

In the event of a major incident (Tier 3), international personnel and additional equipment are available to ensure response capabilities are maintained at a high level.

Our response capabilities include the application of technologies such as computer-generated models and satellite imagery to monitor any incident.

