

FRANCESCO BENTIVEGNA MOVES TO A NEW ROLE WITHIN THE KARACHAGANAK VENTURE

Francesco Bentivegna has been with the Karachaganak Venture for some 17 years, including 12 as KPO General Counsel, and therefore is one of the longest and most distinguished members of the Venture. Francesco is now moving to a new role in the Venture as Legal Manager of Agip Karachaganak B.V. in Astana and will lead the Contractor Legal Group as Chairman of the Legal Sub-Committee of the ConCom.

During his time as General Counsel, Francesco played an important role and made many significant contributions to the Venture, including the setting up of the Final Production Sharing Agreement and its negotiation with the Kazakh Authorities.

Francesco has successfully and professionally led the KPO Legal Department and has made the team of Kazakh Lawyers as strong as it is now.

As General Counsel he has been responsible for the implementation of organizational issues connected with managing the KPO Legal Department. In addition, he has taken part in most meetings with high-level Kazakh officials to regulate the many important issues concerning KPO's activities in the Republic of Kazakhstan.

KPO General Director Giuseppe Pasi has extended his thanks to Francesco for his invaluable contribution to KPO and wished him success in his new role.

For his turn, Francesco said: "It was really a privilege to be part of this outstanding Company. KPO is a very special place for me and I have had the good fortune to meet



Francesco Bentivegna

and work with some great people from many different cultures and organisations".

"Thank you all for making my time in KPO so very special. I am looking forward to starting my new assignment and continuing to work with many of you in my new role in the Karachaganak Venture."

The newspaper "Karachaganak News" also takes this opportunity to pay a public tribute to Francesco.

Train 4 back on track!

The journey of Train 4 project delivery has been challenging suffering several significant detours. In June 2009, however, a recovery plan was initiated by the new Project Manager and his Deputy to put the project onto a new track. The plan was to reorganise the team, reschedule the project - recognising the difficulties that the construction site faced - and refocus on our Contractors. A tremendous amount of effort was applied by the whole PMT to achieve this and deliver an improved performance by working as a team, exploiting every opportunity to improve efficiency. The PMT engaged the contracting community in two senior management Contractor Forums. The first, held in July 2009, established teamwork by developing and signing onto a Charter, and setting goals for all concerned. The second, held in December 2009, assessed the results of the Charter to date and ensured full alignment for the completions phase.

Progress is measured and monitored against an aggressive target schedule. Progress is analysed in an intense weekly meeting, where the plan for the next four weeks is also discussed. The combination of these initiatives has achieved incremental progress in the second half of 2009 of 19%. This compares well to the first half of 2009 when only 11% was achieved.



Train 4 Project

However, Karl Roberts, Train 4 Project Manager, recognises that the journey is far from over when he reflects on the last 6 months. "The last 6 months has been hard work for the whole PMT, but we all feel pleased with what has been achieved by working together as a Team alongside our Contractors. As we are now 70% complete overall we need to focus on completing the plant on a 'system by system' basis. We are actively preparing to transition the Organisation into the completion and finishing phases, with the ultimate target of introducing hydrocarbons in Q1 2011", said Karl.

KPO-TCO Joint Gas Injection Workshop held in Astana

On 3 February, KPO and TCO Joint Gas Injection Workshop was held in Astana. KPO team from Reservoir and Petroleum Engineering (RPE) led by KPO Operations Director Graham Scotton and RPE Manager Aldo Rovere joined a team from Tengizchevroil as part of a joint workshop to present the results and learning's from the Gas Injection Pilot projects in the Karachaganak and Tengiz Fields.

This is the first such joint event which was organised at the request of KazMunayGas (KMG). Attending the workshop were many guests from MEMR, CDC, KMG and key Technical Institutes of RoK. The two teams gave a detailed technical description of the respective reservoirs and the performance of gas injection since inception.

The workshop was closed by Mr Oleg Gershtansky, NIPIneftgas and CDC Member, who congratulated both teams on the quality of the presentations and concluded that the evidence presented the planned expansion of gas injection in both fields, should be implemented as soon as possible to maximise the recovery from the fields.



KPO employees at the workshop in Astana

KPO is pleased to announce the establishment of the Legal Directorate in Aksai.

Philip Laing will take up the position of Legal Counsel Director, starting from 1st of March 2010. He will take over from Francesco Bentivegna who is moving to Agip Karachaganak B.V. and will be based in Astana.

Philip has twelve years of experience in legal and management roles within BG. His expertise extends across the entire gas chain and power projects such as BG's First

New face at Aksai

Gas power plants in the Philippines. He also played a leading role in major Group corporate and financial restructurings and in material M&A deals in Mauritania, Nigeria, India, Indonesia and the North Sea.

KPO General Director Giuseppe Pasi asked everyone to join him in wishing Philip success in his new assignment.



KPO's gift to Aksai hospital



KPO Health Manager John Wijnberg presents ECG to the Aksai hospital

KPO employees representing Karachaganak Children's Welfare Committee have presented a diagnostic tool, electrocardiograph (ECG), to the Aksai hospital. This wonderful gift of Korean production was purchased specially for the children of Aksai and Burlin district.

In the year 2009 members of the Karachaganak Children's Welfare Committee held a number of charity actions in Aksai. As a result of generous donations and contributions the raised money was spent to purchase ECG.

The electrocardiograph is a diagnostic tool that measures and records the electrical activity of the heart in exquisite detail. Interpretation of these details allows diagnosis of a wide range of heart conditions.

At present, there is no necessity for the Aksai children to go to the Uralsk hospital to have an electrocardiogram as the diagnostic tool is now available at the Aksai hospital.

Physicians of Aksai hospital extend their sincere thanks to the members of the Karachaganak Children's Welfare Committee Saniya Kovach, Aigul Kalioldina, John Wijnberg, Maxim Pachkalov, David McEwen, Anne Mac Intyre and many others.

KPO Success Story

Interview with Elena Stepanenko, Budget and Reporting Manager

Why do you work for KPO?

KPO is one of the most stable, prosperous company in the West-Kazakhstan region. Its multinational nature brings a unique corporate culture, high international standards of work and rich experience. The company employs qualified local labour and cares about the development of personnel skills and capabilities.

Where do you fit in the organisation?

I work in the Marketing Directorate as Budget & Reporting Manager reporting to Marketing Director. My team is involved in the sales of Karachaganak production - both liquids and gas. It is mostly focused on the financial aspect of sales, budgeting and forecasting of company revenue, pricing & invoicing, controlling costs, tracking receipts and verifying bank guarantees issued. The principle objective for us is to ensure that the company receive full and timely revenue for the products sold.

What skills and knowledge do you need to undertake such a role?

I believe that in any job you need to have a genuine interest in what you are doing. An appetite to learn will also help you gain the background and knowledge you need. Be accurate, always pay attention to detail and be reliable. Fluency in at least two languages and excellent communication skills will stimulate knowledge exchange within the organisation. Above all, don't stop learning; there will always be something new, which you have not run across before. Be ready, look out of your box and be open to people.

What has been your best experience in your time at KPO?

My ten years of experience in KPO Marketing is rich with memorable moments and challenges, I never feel bored and my day is always extremely busy. My most memorable achievements have included acting in the Commercial Operations Manager's role during a difficult commercial period; negotiating high-value commercial agreements and gaining two additional diplomas in Finance and the International Management Qualification. I am a member of the KPO Leadership team and have also been involved in the creation of the Budget & Reporting Department in Marketing, which has proven to be efficient. All this was achieved having a family and a young child!

What is your work environment like at KPO?

As an international company, you meet a lot of different people from all parts of the world. They are brought up in different cultures with different opinions, styles and traditions. This makes for an interesting and sometimes very challenging work environment.

Our staffs are flexible to changes and ready for improvement.

It is a great sense of achievement when your work meets high quality standards and your foreign and local colleagues and senior management respect you for what you are and what you are doing.



KPO launched BBS for its drivers

The drivers Behavioural Based Safety (BBS) programme aimed at improvement of the road culture in KPO is being launched. This programme was worked out specifically for the KPO drivers.



It is expected that all KPO drivers will pass training course on defensive driving. The course aims to teach the trainee to anticipate any dangerous situation despite the errors of others or in other adverse conditions. Defensive driving aims at reducing the risk of driving.

The BBS programme was

launched at KPO in early 2004 and was established to support safe operations in the Karachaganak field. It applies across all operational and project activities under KPO control including activities carried out by its contractors.

KPO BBS programme is one of the key methods to sustain safety achievements and it is being successfully used by KPO employees. BBS programme is aimed at enhancing safety efficiency by way of a new approach to safety control.



Aksai Infrastructure changes due to KPO

KPO has improved the road safety for local communities by implementing a number of road infrastructure projects over the last few months.

One of the issues KPO has sought to address is that of bus passengers standing in the road for want of a bus shelter. KPO has constructed over 20 bus shelters last year to keep people off the road. The bus stops were built in the most convenient places across the township of Aksai.

The road running next to KPO's Czech Camp is shared by a village known locally as Shanghai. The residents of Shanghai suffered severely due to the state of the road between the Czech Camp and Shanghai. Some of the problems included: No lighting, no footpaths,



no footbridges over the drainage ditches.

To address these issues KPO has now completed over 2000 metres of pavement works and installed 3 footbridges. It is now in

the process of installing lamps. KPO installed oversized transformers for its lighting so more power will be available for Shanghai street lamps and for Shanghai domestic use.

KPO's contractors "KazBurGas" and "Aksaigasservice" celebrate 1million LTI free

On 5 February, KPO's contractor companies "KazBurGas" and "Aksaigasservice" celebrated significant safety record achieving jointly 1 million man hours without a lost time incident (LTI).

On this occasion, on behalf of the KPO Leadership Team, Well Operations Manager Mazzei Sabatino, Well Construction Manager Giacomo Tognoli, Rig A50 Supervisor Vladimir Sudakov and HSE Superintendent Vadim Bovt congratulated the teams of the two companies on this excellent joint achievement.

During the meeting with the teams of contractor companies KPO representatives noted that this achievement by "KazBurGas" and "Aksaigasservice" reinforces the work which KPO has been doing with respect to safety awareness across the entire business. It also signifies the KPO



Mazzei Sabatino congratulates President of "KazBurGas" Zholdaskali Utebaiev

commitment to best safety, health, and environmental practices and standards. This achievement also demonstrates that the employees of the contractor companies are able to take care for their own and each other's safety, and work very hard as one team to ensure that each task is completed safely.

In closing, Giacomo Tognoli and Mazzei Sabatino invited President of "KazBurGas" Zholdaskali Utebaiev, and First Vice President of "Aksaigasservice" Valery Rozhkov to receive a commemorative plaque in recognition of 1 million man-hours without an LTI.

The newspaper "Karachaganak News" also congratulates the management and all staff of "KazBurGas" and "Aksaigasservice" on this outstanding achievement.



Giacomo Tognoli congratulates First Vice President of "Aksaigasservice" Valery Rozhkov

KPO launches new HSE intranet site



HSE team

KPO has recently launched the new intranet site for Health, Safety and Environment (HSE).

The new site which represents the latest information on various HSE activities is a joint effort of the four HSE section teams in KPO - Corporate Safety, Corporate Environment, Field HSE and Occupational Health. The new site is to replace all information previously available at the HSE intranet section.

Thereby everyone at KPO will be able to familiarize with HSE daily work in an interactive interface and to learn about programs and campaigns run to foster awareness among KPO employees and local community. Also each employee will be able to ask questions, see the latest news and recent photos on KPO activities and the field development.