KUFPEC GAS DISCOVERY in MALAYSIA SK-410B
KUFPEC is pleased to announce a significant gas discovery via the first exploration well, Lang Lebah-1RDL2, drilled pursuant to the SK-410B Production Sharing Contract (PSC). Block SK-410B is located in shallow waters, nearly 90 kilometers offshore Sarawak, Malaysia covering an area of approximately 1870 km² in the prolific Central Luconia Gas Province.

KUFPEC Malaysia (SK-410B) Limited holds a 42.5% working interest under the PSC, with PETRONAS Carigali Sdn. Bhd. and PTTEP HK Offshore Limited (as operator) holding the balance of the working interests. The drilling of Lang Lebah-1RDL2 commenced in March 2019. This well targeted non-associated gas in the primary formation of the carbonate reservoir and was drilled to a total depth of 3,810 meters. The well encountered a gross gas column of 252 meters and estimated to be a multi-TCF gas discovery. The well was tested in the carbonate main target reservoir with a stabilized combined flow rate of 41.3 MMSCFD and 246 barrel of condensate per day (BCPD) through 40/64-inch choke size.
The government of the Republic of Indonesia has officially awarded the Anambas Block Production Sharing Contract (Anambas PSC) to KUFPEC Indonesia (Anambas) B.V., a subsidiary of KUFPEC. The award ceremony took place in Jakarta on 10 June 2019.

On behalf of the Indonesian Government, The Chairman of SKKMIGAS Dwi Soetjipto signed the Anambas PSC in the presence of the Vice Minister of Energy and Mineral Resources of the Republic of Indonesia Archandra Taher. KUFPEC South East Asia Region (SEAR) Manager Bader Al-Matar represented KUFPEC during the signing ceremony along with a delegation including Indonesia Country Manager Abdulaziz Al-Mousawi, Subsurface Manager Muhammad Farhan, Operations Manager Abdullah Al-Shoraian and Senior Finance and Administration Officer Ichsan Samiron.

The Anambas Block is located in the Natuna Sea, Indonesia, covering an area of 3450 km2. The block neighbors Natuna Block A, a block that KUFPEC has been participating in since the early 1980s. The Anambas Block provides intriguing upside potential due to its strategic geographical location and neighboring fields. The Anambas PSC is the latest Indonesian PSC generation known as the Gross Split PSC. These Gross Split PSCs introduce a new fiscal terms breakthrough by erasing the cost recovery mechanism.

With this historic award, KUFPEC shall regain its status as an operator in Indonesia which is a great step in executing KUFPEC 2040 operatorship strategy.
KUFPEC announced on 22 May 2019 signing a Petroleum Exploration License and Petroleum Concession Agreement for Block 3371-19 (Makhad) in Pakistan by its subsidiary Kirthar Pakistan B.V. (KPBV). The Makhad Block covers an area of approximately 1,560 square kilometers in Attock, Chakwal and Mianwali Districts of the Punjab Province and in the Kohat District of the Khyber Pakhtunkhwa Province.

Shaikh Nawaf S. Nasir Al-Sabah, KUFPEC Acting Chief Executive Officer, signed the agreements on behalf of KPBV. Mian Asad Hayaud Din of the Federal Secretary Petroleum Division signed the agreements on behalf of the Islamic Republic of Pakistan in the presence of the Federal Minister of Petroleum of the Islamic Republic of Pakistan, H.E. Omer Ayub Khan.

At the signing ceremony, Shaikh Nawaf said “KUFPEC is proud of its strong strategic partnership with the Islamic Republic of Pakistan, which is reflected by our successful investments exceeding US$ 1 billion in Pakistan since 1987.” He also stated that the Makhad Block will be the third asset operated by a KUFPEC subsidiary in Pakistan and the first in the Punjab Province.

KPBV plans to work closely with Pakistan's national oil companies and the provincial holding company of Punjab in relation to KPBV's operations in the Makhad Block. At this stage, KPBV anticipates acquiring seismic data and drilling one exploration well.
KUFPEC Canada welcomed a high-level delegation comprising of KUFPEC Chairman Qasem A. Al-Majadi, Deputy Chairman Mohammed R. Jasem, Acting Chief Executive Officer Shaikh Nawaf S. Al-Sabah and Vice President for Operations Saeed Al-Shaheen. The visit provided the delegation with an overview and an update on KUFPEC Canada Inc.’s operations.

On the other hand, Acting Chief Executive Officer Shaikh Nawaf S. Al-Sabah, Vice President for Operations Saeed Al-Shaheen, EMEAR Manager Khaled Al-Mulla, Asset Management Team Leader (America) Bader Heider and KUFPEC Canada Country Manager Farhan Al-Farhan met with the Minister of Economic Development, Trade and Tourism in the Alberta Provincial Government Tanya Fir and the Deputy Minister of Economic Development, Trade and Tourism Jason Krips. They also met with the Associate Minister of Natural Gas Dale Nally at McDougall Centre on 14 June 2019.

The delegation had visited the Kaybob Duvernay Joint Venture and Pembina processing facility beside checking completion and drilling operations.
KUFPEC Participates in the Kuwaiti-Canadian Economic Forum

KUFPEC Country Manager Farhan Al-Farhan participated in the Kuwaiti-Canadian Economic Forum that was held on 8-9 April 2019 in Toronto, Ontario, under the patronage of H.E. the Kuwaiti Ambassador to Canada Abdulhamid Al-Failkawi. Farhan presented an overview on KUFPEC activities in Canada, highlighting Kaybob Duvernay project and the level of the Kuwaiti investments in Canada via KUFPEC.

High ranking officials from both sides attended the forum, including the Kuwait Minister of Finance H.E. Nayef Falah Al-Hajraf and the Canadian Minister of Finance H.E. Bill Morneau. The CEO of Petrochemical Industries Company (PIC) Mutlaq Rashed Al-Azmi attended the forum as well as DCEO Nadia Al-Haji and Corporate Engineering & HSE Manager Salman Al-Ajmi. At the end of the forum, a memorandum of understanding was signed between the chambers of commerce of the two countries to enhance future investment.
KUFPEC China Inc. (KCI) obtained a safety award from the Building Management Staff for China Merchants Tower on 17 May 2019. Brian MacDonald (Country Manager) and Mark Wu (HSSE in Charge) received the award on behalf of KUFPEC. The award was presented in recognition of KUFPEC outstanding safety awareness and proactive safety behaviors.

However, KUFPEC identified several critical flaws in the building’s evacuation access which Building Management recognized and took immediate action to correct. The most critical flaw was a locked door operated remotely to the safe gathering area which now remains unlocked. Furthermore, KUFPEC used to organize fire evacuation drills regularly while wearing smoke hoods. The Building Management was so impressed with KUFPEC (China) HSSE audit and evacuation drills, and they participated in one of the drills on 10 April 2019.

The HSSE Management System of KUFPEC (China) was introduced as a best practice from the Building Management Team, leading to the presentation of the HSE Award to KCI which is the very first award to be presented to an office in the building.
As part of KUFPEC sharing knowledge and practices initiative with other K-companies, Corporate Planning team conducted a series of awareness sessions with KOC, KGOC, KIPIC, KPI and KPC teams. The sessions covered different planning and operational functions about CP best practices including monthly management report, strategy map and corporate balanced scorecard, strategy communication campaign, LACPA Model, market outlook, PEEP usage in KUFPEC reporting, capital budget analysis, capital monitoring template and Corporate Planning software and subscription.

The teams also held fruitful discussions that led to adopting 4 best practices so far for implementation in their respective organizations.
Cancer Survivors Day

Under the slogan “I am Strong”, Quality Assurance Department organized an awareness campaign for cancer survivors at KUFPEC head office on 26 June 2019. The campaign included an interview with Hanan Al-Khaldi who had already subjected to chemotherapy and survived cancer two times.

Hanan has become an awareness activist, participating in various volunteering campaigns such as INJAZ Kuwait and Alnoor Group that aim to raise people’s awareness and optimism which effectively contribute to overcoming and recovering from cancer.
As part of KUFPEC 2019 Best Practice initiative for sharing technical practices within K-Companies, EMEAR organized and presented, in coordination with Canada Area Office, a knowledge sharing session on “Horizontal Well Multistage Fracturing in Shale” to Kuwait Oil Company (KOC) on 17 June 2019.

A similar presentation was also organized at KUFPEC head office in the same month. The presentation was submitted by Senior Operational Support Engineer David Acton and Senior Reservoir Engineer Osita Aniekwe.
In continuation of SEAR’s BIGP (Bison, Iguana, Gajah Putri) Engagement initiative for its Natuna asset in Indonesia, Operations Manager Abdullah Al-Shoraian and Senior Specialist Facility Engineer at Technical Support Department Hanafi Younes conducted field visits on Batam Island and Singapore on June 13 and 14 respectively to check the readiness and progress of the subsea campaign.

In Batam, KUFPEC team inspected the condition and equipment of the DLB-01 vessel which is the main vessel responsible for laying the pipeline. Later during that day, the team traveled to Citra Tubindo Engineering (CTE) fabrication yard to check the progress and quality of the subsea facilities, particularly the subsea manifolds to ensure they are being constructed in accordance with the assigned specifications. The team also verified the arrival of the subsea valves that are on the critical path for BIGP project execution.

The next day, the team traveled to Singapore and inspected the Diver Support Vessel (DSV) MPV Everest which is responsible for the umbilical installation, riser replacement and tie ins. Such great team efforts are to ensure that the operator and contracted parties are executing the project according to plans as well as anticipating and rectifying any issues related to the subsea campaign, especially transportation and installation.

This proactive engagement is in line with KUFPEC 2040 strategy to maximize the value of the asset, practice NOJV influence, safeguard our assets and become a Partner of Choice.
KAPL and H.O Enterprise Risk Management (ERM) team were invited to meet with the development team of Chevron’s Australia Operational Excellence Management System (OEMS). The meeting aimed to enable participants to deal with global improvement plans that aim to enhance their focus on safeguards, risk management and assurance to manage high-consequence risks. The meeting also included submitting a presentation that provided significant details about various aspects such as:

- Updated OEMS enhancing the existing system.
- Alignment with critical OE risk management workflows.
- Updated criteria and risk profile spanning six focus areas.
- Clear understanding of safeguards and assurance.
- Manage high consequence risks.

KUFPEC team interacted effectively with the operator and recommendations on future meetings were raised to move towards an integrated alignment with JV (KUFPEC) and Chevron for risk management. However, the joint venture partner attendance included Woodside Energy Limited, PE Wheatstone and Kyushu Electric.
As part of KUFPEC 2040 Strategy, Technical Support conducted a technical workshop in cooperation with Geophysical Solutions Team, a unit of KOC Exploration Group, in Ahmadi on 8 April 2019.

The workshop covered three seismic inversion projects which are part of the IKON's RokDoc and Joint impedance Facies inversion (Ji-Fi) software evaluation task. It also highlighted assessing conventional and unconventional reservoirs at Burgan and Greater Burgan Area in Kuwait as well as Kaybob Duvernay in Canada.

The workshop ended with observing strengths and weaknesses of the JiFi software, demonstrating the value of knowledge exchange and enhancing future cooperation.
KUFPEC NORWAY CONDUCTS A BEACH CLEAN-UP CAMPAIGN

As part of social responsibility, KUFPEC Norway employees and their families gathered for a beach clean-up session recently. This beach cleaning-up initiative was in preparation for the summer return of migratory birds and their hatching season.

During a day when Stavanger has seen the four seasons in a matter of hours due to the weather fluctuation, participants of the different ages carried out the campaign with great enthusiasm. Although some participants had to surrender due to the cold wind, they could persist efforts to clean the beach beside having a nice barbeque when the sun shined. Meanwhile, local organizations appreciated such a step as it contributed to restricting effects of wastes flushed by the sea while winter storms.
Under the patronage of KUFPEC management the Company celebrated the holy month of Ramadan by holding its annual "Quraish" event at head office on 5 May 2019. KUFPEC also took this opportunity to bid farewell to the former Corporate Planning Manager Jamal Al-Hubail. KUFPEC CEO Shaikh Nawaf S. Al-Sabah presented a token of appreciation, after thanking Al-Hubail on his service to KUFPEC and the oil sector. Abdullah Al-Affasi, Corporate Planning Manager also thanked Al-Hubail and provided him with a gift from all the employees of Corporate Planning. For his part, Al-Hubail expressed his gratitude to KUFPEC management and employees and wished them all the very best. The highly spirited celebration was attended by KUFPEC employees whom exchanged congratulations for the advent of the holy month of Ramadan.
KUFPEC Acting CEO Shaikh Nawaf S. Al-Sabah delivered a speech during a ceremony held to bid farewell to former Vice President, Finance and Administration, Khalid Al-Qaoud who had retired from the company in 2019. The ceremony was attended by head office employees and management on 24 April 2019.

In his speech, KUFPEC Acting CEO expressed his gratitude to Al-Qaoud's great effort, contribution and service during his work at KUFPEC. Afterwards, Al-Qaoud thanked KUFPEC Acting CEO, management and employees, and said he was and continues to be very proud of being a member of the KUFPEC family. Al-Qaoud also wished KUFPEC and its employees a prosperous future.