2015 OOCEP ANNUAL REPORT
Oman Oil Company Exploration & Production LLC (OOCEP) was established as an Omani upstream oil & gas company. As a subsidiary of Oman Oil Company SAOC (OOC), OOCEP is driven by upstream investments in line with OOC's strategy of pursuing local and international energy related investments. OOCEP’s activities are focused towards upstream and mid-stream investments in Oman and abroad. Given these segments potential for growth, OOCEP continues to search for opportunities where its solutions can unlock value. Primarily an Omani organization, OOCEP makes investments to capitalize on Oman’s experience in the oil & gas industry. Moreover, the company strives to achieve strong operational results, financial returns, pursue opportunities that will contribute to meeting the future energy needs of the Sultanate, and provide a platform for professional development of its Omani workforce.
**2015 YEAR IN REVIEW**

**OPERATIONAL HIGHLIGHTS**

- Working Interest average daily production over 38 BOEPD (Thousand Barrels of Oil Equivalent per day).
- Stock Tank Oil in Place (STOIP) 4402 MMBOE (Million Barrels of Oil Equivalents).

**Block 60 (ABB)**

- Successfully completed the commissioning of 21 new wells, reaching the total number of 31 online wells.
- The operations and maintenance systems/procedures are fully in place and implemented.

**Musandham Gas Plant (MGP)**

- The integrated gas pipeline was commissioned with a flow of sweet gas from Ras Al Khabar Gas Plant (RAKG) in June.
- The offshore production was commissioned with well fluids from Block 8 in July.

**Block 42 (Ramlet Al Sharqiya)**

- Two-exploration wells were drilled to address the hydrocarbon prospectively of two independent play concepts.
- The block had completed a total of 770,000 man-hours without any recordable Lost Time Injury (LTI).
- A total of 3,500,000 km had been driven with zero recordable incidents.

**Health, Safety and Environment (HSE) Corporate Achievements**

- Block 60 has a record of 178 DAYS FREE OF LTI - 1 LTI was logged in Block 60 in July.
- The total kilometers driven were 8,894,423.
- The total man-hours worked were 7,618,994.

**OOCEP CORPORATE - 2015 HSE STATISTICS**

- **Lost Time Injury Frequency Rate (on millions):**
  - 2014: 0.32
  - 2015: 0.90

- **Motor Vehicle Accident Frequency Rate (in millions):**
  - 2014: 0.96
  - 2015: 0.88

- **Man-Hours Driven:**
  - 2014: 16,490,764
  - 2015: 7,618,994

- **KM Driven:**
  - 2014: 15,590,446
  - 2015: 8,894,423

**LEGEND**

- Actual
- Target

**OOCEP OVERVIEW 2015 YEAR IN REVIEW**
Security & Crisis Management

The effective management of Security, Crisis and Business Continuity are necessary to ensure resilience of OOCEP’s activities in its operated assets and that OOCEP continuously remains able to perform its primary business functions. In line with OOCEP’s commitment to conduct business in a safe and secure working environment, proactive and reactive security and crisis management systems that protect our people, the environment, our assets and reputation have been developed and embedded at both of OOCEP’s operated assets (ABB and MGP) and head office.

With the commencement of operations at the ABB gas processing plant and commissioning of the MGP, the focus during 2015 was development and implementation of fit-for-purpose security, crisis and emergency management plans and procedures for all facilities under OOCEP.

The security management system is in line with the national requirements and also adheres to international best practices or guidelines. A systematic risk assessment has helped effective measures to be deployed at both OOCEP operating assets for each of the layered protective steps. A framework plan has been developed for each asset that uses threat ratings and alert levels to identify and activate the appropriate response measures.

During 2015 all project / department emergency response plans have been embedded. The core members for crisis / emergency / incident management and response teams have been nominated and training provided as to their individual roles and responsibilities. A number of exercises and mock drills have been conducted at crisis management, emergency management, incident management and incident response levels. The drills provided OOCEP an opportunity to test the adequacy and just-in-time availability of the management / response plans and procedures, equipment, communication links and third party resources. During 2015 a total of more than 130 incident response / management drills, 2 desktop emergency management exercises and one comprehensive field based exercise involving both OOCEP and 3rd party resources were completed at OOCEP assets.

OOCEP also embarked on development of Business Continuity Management System that would provide a mechanism to recover from partial or full loss of critical processes caused by internal or external events and to restore those critical processes to defined points. A number of workshops involving the internal parties and departments were completed as part of the Business Impact Analysis. Business Continuity plans are being developed to manage each of the Impacts on the company critical processes. These activities for continual improvement in the Security and Crisis Management systems will continue in the year 2016.
GROUP CEO’S MESSAGE

This report outlines the company’s performance during the year, witnessing notable achievements across our business. On the human capital level, the company is proud to provide a platform for the professional development of our Omani workforce especially within highly skilled management positions. OOCEP has increased its Omanisation rate, which reached over 75%, compared to 2014.

Within operations, the average daily production working interest in 2015 was over 38 BOEPD (thousand barrels of oil equivalent per day).

Stock Tank Oil in Place (STOIP) accounted for 4402 MMBOE (Million Barrels of Oil Equivalent). Continuing on this path, OOCEP now aims to be the driver of growth and financial stability for the OOC group of companies.

Above all, on behalf of OOCEP, I express my heartfelt thanks and deepest gratitude to His Majesty Sultan Qaboos bin Said for his wise leadership and guidance that has nurtured our country through his vision. I would also like to thank OOCEP’s stakeholders, Ministry of Oil and Gas and the Board of Directors of Oman Oil Company and the entire team at OOCEP for their steadfast support in the growth of the company.

ISAM AL ZADJALI
CEO, Oman Oil company
In 2015, OOCEP saw key advancements in the two major operated assets — Block 60 and Musandam Gas Plant (MGP).

The Gas Processing Plant (GPP) in Block 60, commissioned in December 2014, successfully continued to process and export gas and condensate in 2015. OOCEP successfully completed commissioning of 21 new wells, reaching the total number of 31 online wells in 2015. The integrated gas pipeline in MGP was commissioned with sweet gas in June 2015, while Musandam offshore production was commissioned with well fluids from Block 8 in July 2015. The completion of commissioning and plant handover is expected in 2016.

Our key goals are the sustainable and safe development of Oman’s hydrocarbon resources, with continued focus on good governance and compliance with the regulatory framework in Oman. With that in mind, the company operates a robust internal governance system and strives to achieve the highest standards of corporate governance. In its efforts to further enhance its corporate governance framework, OOC has released the Code of Business Conduct (“the Code”) which applies to all directors and personnel of OOCEP. This Code is an important element of our corporate governance structure and should guide staff and directors on how to conduct business.

Since adopting OOCEP’s HSE management system in 2014, the company has sought continual improvement in HSE performance. Continuing progress from the previous year, 2015 has been challenging due to the onset of commercial production at Block 60, commissioning of MGP and completion of the exploration activities at Block 42 amongst others. This year we are pleased to report that OOCEP has further reduced the LTIFR (lost time injury frequency rate) by 60 percent, TRIFR (total recordable injury frequency rate) by 35 percent and MVCFR (motor vehicle crash frequency rate) by 42 percent compared to 2014. This was made possible by successfully increasing the observation reporting at the worksites and introducing behavioral changes amongst our staff, contractors and partners.

Continuing to support the community, OOCEP’s collaboration with the Ministry of Higher Education and Ministry of Education has continued with the two mainstream projects; sponsorship of BSc degree in Engineering and electron microscopes for various public schools in the Sultanate. The sponsorship for the BSc degree in Engineering is aimed at students from families who are under the Social Security Scheme. The sponsoring of electron microscopes for various public schools in the Sultanate was completed in 2015.
BLOCK 60
ABU TABUL (ABB)

OOCEP acquired Block 60 in March 2011 to develop the deep gas condensate in Barik, among other sandstone reservoirs.

2015 SUMMARY
Successfully completed commissioning of 21 new wells, reaching a total number of 31 online wells in 2015.

HIGHLIGHTS
• Successfully completed full mobilisation of operations and maintenance staff.
• Operations and maintenance systems/procedures fully in place and implemented.

WELL ENGINEERING
The company witnessed a major milestone in completing two exploration wells at Block 60 in addition to the five-development/appraisal wells in the block. In addition, the average Non-Productive Time (NPT) decreased significantly from 2014 to less than 10 percent in 2015.

COMPLETION SERVICES (Hydraulic Work over Unit)
Building on the achievements of 2013, the average completion duration per well dropped in 2015 to 12.5. This also included a reduction in NPT to 2.9 days in 2015 with 70 percent improvement.
The Khazzan natural gas field located in Al Dhahirah Governorate, Oman and was discovered in 1994 and is one of the largest upstream gas projects in Oman. The field is situated 350 kilometers (km) southwest of Muscat.

**2015 SUMMARY**

First gas production is scheduled to take place by Q4 2017. In 2015 the project witnessed an increase in activities on all fronts especially at site where most of the planned rigs are now mobilised and operational. In addition, there was a significant increase in surface facilities construction as well as delivery of materials to site. The engineering design work is now substantially complete. Results from well testing continue to be higher than previously anticipated. The current optimisation plan calls for a reduction in the number of wells (primarily after first gas) and an improvement in the type and location of the wells.

Cost improvement plans were successful in 2015 with the active participation from OOCEP in two main areas:

- Reduction in well pad construction: high cost was identified and benchmarked with Block 60 with a total reduction in total cost by 70 percent compared to BP’s budget for these activities.

- Drilling activities: a similar bench marking exercise was carried out and improvement areas identified, this is ongoing and the cost is seen to improve in some of the recently drilled wells by 10 to 15 percent.

**HIGHLIGHTS**

- Overall project progress was close to 60 percent as of end of 2015.

- Major equipment now placed on foundation or delivered to site.

- Major contracts placed and contractors have mobilised to site.

- Optimisation initiatives continue to improve work plans and cost.

- Based on current drilling and well testing results, the original plan was optimised which is paving the way for a Field Development Plan (FDP) review.
The development of the field has continued in both the Gharif and Kahmah formations based on the most recent FDP, the remaining surface facilities were progressed and more than 98 percent of water and steam capacities were constructed. By the end of the year, the total number of wells drilled reached more than 2,600. Oil production during 2015 averaged at 122,000 BOPD. The cumulative oil produced by the end of 2015 was approximately 300 million barrels of oil. Several performance enhancement projects were progressed during 2015 among which are casing vapor recovery system, insulated tubing and infill drilling; these projects are expected to enable efficient steam management.

2015 SUMMARY

- Zero Lost Time Injury (LTI).
- 9.3 average days drilling (days on location) for horizontal wells and 3.3 days for vertical wells with an average drilling non-productive time (NPT) of 9.4 percent.
- Successful execution of drilling all wells within the expected time and cost.
- 87% Omanisation level.

HIGHLIGHTS
Karim Small Fields (KSF) is a cluster of 18 fields located in PDO’s Block 6 concession area. OOCEP holds a 25 percent interest in a participation and economic sharing agreement with MEDCO, the operator of the field via a service contract with Petroleum Development Oman (PDO). The service contract was amended and restated in April 2015 for 25 years. The objective of the KSF service contract is to enhance the oil production from several marginal oil fields that are mostly sandstone reservoirs (Haima and Haushi). Efforts were aimed at increasing the oil production by infill drilling, improved well and reservoir management (WRM) and connecting the undeveloped small new fields. In addition to implementing fit-for-purpose enhanced oil recovery (EOR) programs, more than 250 new infill wells have been drilled since 2007.

**2015 SUMMARY**

By the end of 2015, the average daily production was 4% above target; this was the result of increased performance from the new and existing wells at the block. The water flood program in Simsim continued to show encouraging results with an average oil gain of 30 percent above the project plan. Towards the end of the year, the oil gain from the steam injection started to show encouraging results in Ilham field.

**HIGHLIGHTS**

- Karim Small Field Service amended and restated service agreement was signed on April 28, 2015 for 25 years.
- 39 new development wells delivered exceeded the project plan.
- Continued to implement Enhanced Oil Recovery (EOR) pilot programs.
RIMA SMALL SATELLITE FIELDS

Rima Small Satellite Fields (RSSF) is a cluster of 18 fields located in Petroleum Development Oman (PDO) Block 6 concession area. OOCEP holds 25 percent interest in an operating agreement with Petrogas Rima LLC, which is the operator of the field via a service contract with PDO. The objective of the RSSF service contract is to enhance the oil production from several marginal oil fields that are mostly sandstone reservoirs (Haima and Haushi). Efforts were aimed at increasing the oil production by infill drilling, improved well and reservoir management (WRM) and connecting the undeveloped small fields. More than 160 new infill wells were drilled since 2008.

2015 SUMMARY

In 2015, the operator continued infill drilling, data gathering and incorporated new seismic information to understand the reservoirs structure, complexity and communication. It has also continued producing field development plans, incorporating opportunities for the infill drilling and the steam soak and water injection. A total of 48 wells were drilled in 2015 against a plan of 45 wells while utilising two rigs. The improved oil recovery/enhanced oil recovery (IOR/EOR) trials continued from the previous year, such as the water flooding trials in Basali and Rasha fields as well as cyclic steam stimulation in Jalmoud, Jalmoud North and Nuham fields. Most of these trials were successful and resulted in incremental oil gain.

HIGHLIGHTS

- Encouraging results from steam injection program showed oil gain of more than 50 percent above projected volumes.
- Water flood pilot programs continued with results showing good response from a number of fields.
The Dunga oil field is an onshore field located 50 km to the north of the city of Aktau in western Kazakhstan. Production from the field is governed by a 30-year Production Sharing Agreement (PSA) which was signed in May 1994. The field is jointly developed by Oman Oil Company Limited (OOCL, an OOC SAOC subsidiary), Partex Corporation (Kazakhstan) and the operator, Maersk Oil Kazakhstan GmbH (Maersk Oil). The presence of hydrocarbons in the field was identified in 1966. Operations under the PSA first commenced in 1998. The first phase of the FDP was completed in 2009, comprising the drilling of eight vertical wells and six horizontal wells. The Phase II of the FDP commenced in 2012 to accommodate anticipated oil production growth at the field.

2015 SUMMARY

The Dunga daily oil production has gradually increased following the implementation of Phase II project. The Operator in 2015 continued with the drilling of new wells along with the construction of Phase II project facilities. On December 28, 2015, the amendments to the Dunga PSA were signed between the Kazakhstan Government represented by the Kazakhstan Ministry of Energy and Maersk Oil Kazakhstan GmbH, OOCL, and Partex Corporation (Kazakhstan).

HIGHLIGHTS

- Operator progressed with the implementation of the incident-free program to focus on process safety, contractor management, work culture and road safety.
- Commencement of trial test production from the new reservoir.
- Hook-up of additional development wells to ramp up the production.
MUSANDAM GAS PLANT (MGP)

The Musandam Gas Plant (MGP) is an oil and sour gas processing plant which is constructed in Tibat Musandam Province, Sultanate of Oman. The integrated gas pipeline for MGP was commissioned with sweet gas in June 2015, while Musandam offshore production was commissioned with well fluids from Block 8 in July 2015. The completion of commissioning and plant handover is expected in 2016.

**HIGHLIGHTS**

- The integrated gas pipeline was commissioned with a flow of sweet gas in June 2015.
- The offshore production was commissioned with well fluids from Block 8 in July 2015.
- The gas turbine generators at MGP have been commissioned with electrical power distribution system fully energized.
- Commissioning of the utility systems at MGP has been completed and the commissioning of the process system has commenced.
OFFSHORE SECTION

• Caspian Offshore Pearls

CASPIAN OFFSHORE PEARLS

HIGHLIGHTS

• The Pearls project sustained zero LTIs in the past 7 years.

• Khazar and Auezov development feasibility reviews have been performed.

Operator: CMOC
Participant: SEPOVL 55%
OPCL 20%
KMT 25%

Location: Kazakhstan
Date awarded: December 2005
Field type: Offshore Oil
EXPLORATION OVERVIEW

The current OOCEP exploration inventory and portfolio primarily comprises opportunities in two operated blocks, Block 60 and Block 42. Block 60 (~1585 sq.km) is located on the western side of prolific Ghada salt basin whereas Block 42 (~25,590 sq.km) is located along the Huqf arch axis towards the east of the Ghada basin. The two blocks have distinctly different subsurface structural evolution and petroleum history. Block 60 represents near field exploration opportunity whereas Block 42 represents frontier exploration domain.

Furthermore, adding to the exploration activities, the Block 65 Pilot and Appraisal Study Agreement was signed on May 31, 2015 with the Ministry of Oil and Gas with the objective of drilling one well to assess the prospects of unconventional resources in the block. Drilling site civil work has been completed and the rig has been mobilised to site. The spud of the pilot well is anticipated to take place during mid-March 2016.
The project plan for Block 42 consisted primarily of the follow-up of the geology and geophysics (G&G) in 2015, which included the drilled exploratory wells and potential testing of the unconventional reservoir interval encountered in the Ramlat Wahiba North West Well (RWNW-1). Further, dedicated activities will focus on assessing the potential of other geological provinces in Block 42 (such as the Masirah trough area).

The extensive G&G evaluation and interpretation work performed in 2014 to define the structural and stratigraphic framework in the block became the foundation stone to delineate play concepts and mature prospects and leads in priority area-1 for exploratory drilling. In 2015 two exploration wells, Ramlat NW-1 (RLNW-1) and Sedrah NW-1 (SDNW-1), were drilled to test the presence of hydrocarbons in two independent geological setting play concepts.

2015 SUMMARY

- Completed total 770,000 man-hours without recordable LTI.
- A total of 3,500,000 km driven with zero recordable incidents.
- Completed the construction of two drilling sites and the construction of a 30 km access road.
- Completed the construction of the well pad and the access road to the two water supply wells.
- Completed the drilling operation of RWNW-1 and SDNW-1 wells.
Abraj Energy Services (AES), founded in May 2006, is an oilfield services company, wholly owned by OOCEP. AES has rapidly grown to become a strong player within the oil and gas service sector in Oman. AES employs over 2000 people with 80 percent Omanisation level.

AES has achieved its best ever HSE performances with respect to lost time injury (LTI FR) and total recordable cases (TRCFR). The management site visit audits (MSV) have also been completed 100 percent in which 23 audits were scheduled and all of them were successfully completed. The below tables showcase the performance of QHSE since the start of operations in 2010:

**2015 Utilisation Achievement**

- 95% for the drilling rigs services
- 100% for the work-over services division
- 85% for the well services division

**2015 Summary**

AES deployed and commissioned four new rigs in 2015 and added BP Exploration (Epsilon) Limited to its portfolio of customers. The cementing and integrated fracturing services (IFS) have continued to outperform as a service. Our IFS had performed a unique High Rate Water Frac (HRWF) treatment that was successful.

Health, safety, and environment (HSE) performance for the year where lost time injury frequency rate (LTI FR) and total recordable frequency rate (TRCFR) were at record lows and the management site visit (MSV) audits were at their highest since AES establishment. Customer satisfaction compliance exceeded expectations in comparison to the target set for 2015.
**2015 Key QHSE Achievements/Milestones**

- Best ever HSE performance for both LTIFR and TRCFR since AES was established
- 100% completion of MSV audits in 2015 with areas of improvements identified and communicated across the organisation.
- OHSAS 18001:2007 and ISO 9001:2008 re-certification audit was conducted successfully in 2015
- 27 units achieved LTI free milestones in 2015 out of 30 units
- Cumulative customer satisfaction compliance was achieved as 86 percent against set target of 80 percent

**BUSINESS**

AES business is divided into three divisions:
- Drilling and workover
- Well services
- Integrated project management (IPM)

**Drilling and Workover**

AES started the year with 16 rigs and 3 hoists, including 4 rigs that were commissioned and operational by the end of the second quarter in 2015. In addition to adding 3 rigs with BP Oman operation, AES recruited 340 new employees, thus placing AES as the largest drilling service provider in Oman with a total capacity of 20 rigs.

**Well Services**

Despite the sharp decline of crude oil prices in 2015, AES managed to sustain and utilise its assets, especially the new service lines that were deployed in 2014. Highlights include:
- Successfully introduced and performed memory production logging tool (MPLT) services with no QHSE issues.
- 34 high pressure high temperature (HPHT) successful gel frac’s operations and the first slick water hybrid frac service.
- The cementing services were performed in over 40 wells, with no QHSE incidents.

**Abraj Omanization Level**

- Expatriates 15%
- Omani Nationals 85%

**Abraj Training Manhours**

- Expatriates 6,782 (10.7%)
- Omani Nationals 56,401 (89.3%)

**Abraj Training Spent**

- Omani Nationals $1,600,000
- Expatriates $0

**Total Recordable Cases Frequency (TRCF)**

- Target 2015

**Manpower Strength**

- Total
- Omani
- Expatriates

**Management Site Visit (MSV)**

- Target 2015

**Lost Time Injury Frequency (LTIF)**

- Target 2015

**IN-COUNTRY VALUE (ICV)**

AES has strived to ensure continuous improvement and growth to its ICV initiatives. The graphs below illustrate the achievements of ICV during the year that includes:
- Increased Omanisation level with over 80%
- Increased training budget spent on training nationals
- Increased local sourcing of services to local suppliers.

**Services**

**Abraj Energy Services**

- Business services
  - Drilling and workover
  - Well services
  - Integrated project management (IPM)

- Business resources
  - Drilling rigs
  - Workover rigs
  - Casing running services
  - Fracturing
  - Coiled tubing
  - Flowback and well testing
  - Cementing
  - Slick line
  - Non corrosive pumping
  - Drilling fluids
  - Memory production logging tool (MPLT) services
  - High pressure high temperature (HPHT) successful gel frac’s operations
  - Cementing services in over 40 wells
HUMAN CAPITAL DEPARTMENT (HCD)

HCD focuses on strategic sourcing, enhancing performance through performance management systems, staff engagement and staff development programs.

2015 SUMMARY

The organizational success depends on the high-level skills and professionalism of our people. The true focus of HC management is recruiting, motivating, and retaining the best talent available within the organization, sustaining a high performing workforce and providing business continuity through succession planning. HCD’s annual plan drove the development, implementation and completion of the following projects and programs:

HCD focuses on strategic sourcing, enhancing performance through performance management systems, staff engagement and staff development programs.

Human Capital Department (HCD)

Supply Chain

Information Systems

Corporate Social Responsibility (CSR)

OOcep Workforce Planning and Omanisation

A reduction in voluntary turnover rate, which is defined as (employee voluntary resignation) from 8 percent in 2014 down to 6 percent for 2015.

Achieved Omanisation target of 75 percent for 2015 up from 72 percent in 2014.
Training and Development Programs

In line with OOCEP’s position on job enriching and enhancing competencies, and to enable all employees to progress in their careers, OOCEP is constantly offering its employees the opportunity to enhance their competency levels through various professional training programs. The following programs were implemented:

- **HCD** focuses on building a qualified internal talent pipeline by establishing a framework to create an environment in which existing talent can be identified and developed by supporting line managers in developing effective/high performing teams and individuals by linking development plan to individual competency framework. OOCEP continues to develop its Omani mid-management employees through Takatuf’s Leadership Development Program as a form of creating and retaining our talent pool in which four mid-level managers had successfully completed the assigned training program in 2015.

- **Talent Management**
  - HCD seeks to develop the skills of our highest potential employees in order to equip them to pursue career opportunities. We believe that current employees are the natural candidates for tomorrow’s roles, therefore talented employees are identified early and groomed to ensure a promising pipeline of future leaders aligned with the company’s business imperatives. As part of our talent management plan and to build the capability of our workforce we have developed the following programs:
    - Collaborate with other organisations to prepare our future leaders by sharing the development of promising individuals (i.e. seconding OOCEP personnel to OOCEP joint venture partners and group companies of Oman Oil Company).

HCD offered a variety of training and development opportunities in 2015 totaling 16,000+ training hours.

- **The Petro-skills Competency Analysis Tool (CAT)** was implemented in 2013-2014 for around 200 positions (technical and support) and it is continuously updated to capture the progress in the individual competency levels.

- **Secondment programs** were implemented for a number of employees with our joint venture partners for a period of two years.
SUPPLY CHAIN

SCM continues to support the company’s evolution from a project-based organisation to focus on the demands of well delivery, operations and maintenance environment by providing equipment, goods and services that are needed to sustain operations on a 24/7 basis.

SUPPLY CHAIN MANAGEMENT – BEST PRACTICES

SCM best practices include the following:

• Rolling out and optimisation of In Country Value (ICV)
• Development of key competencies and skills
• Process effectiveness and efficiency
• Synergy within the OOC group
• Re-engineering SCM Function
• Demonstrating strong ethical, transparency and code of business conduct.

In particular, we are committed to conducting business in accordance with the highest standards of ethics, probity and transparency. We want the reputation of SCM to be beyond reproach so that our suppliers, contractors, stakeholders and the business communities in which we operate can have complete confidence in its integrity. To meet the company’s growth, the integrated SCM team manages procurement and contracts but also logistics, materials management, transportation, warehousing and a myriad of other support services needed to sustain our diverse and remote operations.

To meet with best practice demands, OOCEP is also adopting the latest technologies and software applications in purchasing and supply to enhance efficiency and effectiveness, besides providing process integrity assurance.

IN-COUNTRY VALUE (ICV)

Within OOCEP, ICV can be defined as the total amount spent on in-country resources and personnel along with the associated tangible benefits that enhances Omani business development, contributes to the human capability development and stimulates increased productivity in the Omani economy. In short, the company attempts to use products made and services provided by Omanis in Oman. In 2015, OOCEP has seen ICV becoming a prominent feature in all that SCM delivers and was given a fundamental consideration in all evaluations and contract award decisions.

OOCEP is committed to introducing ICV initiatives that will optimise ICV and contribute to Omanisation, Omani development and the creation of small local entrepreneurs. In addition, OOCEP strives to support local contractors and suppliers in a number of ways.

ICV commitment to Local Community Contractor (LCC)/ Small Medium Enterprises (SME)

On time delivery of hook-up materials

Positive cost savings and discounts across SCM functions.

Set up and startup operations of MGP warehouse

HIGHLIGHTS
The information systems department has expanded its role in the company to cover information management and data management as well. The new Information Management and System (IM&S) department servers will serve a wider group of users and will expand its scope of activities including engineering and exploration functions. This consolidation of functions aims to achieve a more focused delivery of IT products and services and a centralized execution of IT projects.

INFORMATION SYSTEMS

2015 ACHIEVEMENTS

The department embarked on providing a new line of services to the company based on internal development of IT products. These efforts materialised in delivering the first in-house developed software system “Ahdaaf”. This application empowered OOCEP to manage its Key Performance Indicators (KPI) scorecards across several levels: corporate, departmental and operational. Not only did the system enhance the visibility of the company’s performance, it also provided a vital tool to measure achievement at any point in time throughout the years.

HIGHLIGHTS

• Enhancing cyber security: Enhancing security of the operation system assumed central importance in 2015. By implementing this security control, a secure communication is established between operation information network at Block 60 and the business information network in the head office. In its efforts to reduce cyber security threats from the Internet, the information management and system management team (IM&S) installed a protective sophisticated device that would stop any flow of unauthorised data from the internet (or cyber space) to the operation systems.

• Operating power back-up generator for data center: To ensure continuity of power supply to the data center at the OOCEP head office, a diesel generator has been installed, increasing the operation uptime to 24/7.

• Establishment of communication line to offshore site at MGP: By establishing connectivity between MGP and the off-shore Bukha platform, communication is facilitated for all operation data and signals to the operation room are now transmitted through a fully automated fiber network and communication channel.

• Developing balance scorecards system: Internally designed and developed, a new performance management system was launched aiming to provide an automated means to measure the company’s performance against set annual KPIs.

• Developing a new OOCEP website: Using internal resources, a new company website is being developed and shall be launched based on the latest web technologies and tools.

• After successfully completing the first drill for testing the readiness of the disaster recovery center it built confidence for the continuous operation of the plants.
CORPORATE SOCIAL RESPONSIBILITY (CSR)

Our corporate social responsibility principles set out OOCEP’s beliefs, values and behaviours that govern the way its business is conducted. It describes the way in which our commitments to society are made.

PRINCIPLES

• Establish and maintain effective relationships with stakeholders.
• Engage with communities in the areas of operations.
• Create and deliver opportunities that maximise benefits to society through enhancing skills and knowledge.
• Work closely with local government institutions to ensure neighbouring communities benefit from our presence.

STRATEGIC AREAS OF OUR SOCIAL INVESTMENT PROGRAMS:

• Health safety and environment.
• Education and training.
• Community development and infrastructure projects.
• Local SMEs development.
• Donations and sponsorships.

SPONSORSHIP FOR BACHELOR’S DEGREE IN ENGINEERING

In collaboration with Ministry of Higher Education, OOCEP launched scholarship schemes in 2011 mainly for students from families who are under the Social Security Scheme and want to obtain a BSc Degree in Engineering.

The scheme offers ten (10) scholarships per year to students from the Governorate of Musandam, Wilayats of Ibi and Hima who have started the academic year in 2011-2012.

In order to qualify for this scheme, the student selection process is carried out through the Higher Education Admission Center. The number of students undergoing this scheme was twenty-five in 2015-2016.

SPONSORING ELECTRON MICROSCOPES FOR VARIOUS PUBLIC SCHOOLS IN THE SULTANATE

In collaboration with the Ministry of Education, OOCEP signed a memorandum of understanding (MOU) in 2014 to provide 1195 electron microscopes to be used in public schools across the Sultanate. As of December 31, 2015 the project was complete. The biggest advantage of electron microscopes is that they have a higher resolution and are capable of a higher magnification (up to 2 million times) in comparison to the light microscopes that can show a magnification of only up to 1000-2000 times.