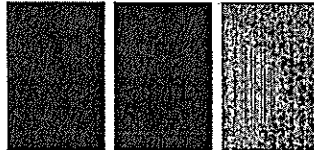
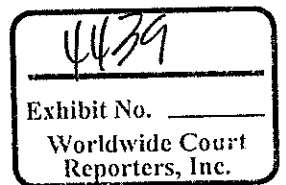


HSSE EXCELLENCE : THE BP WAY



Welcome

Curtis Jackson  
HSSE Director, GoM SPU



## Today's Agenda



|  |                        |           |
|--|------------------------|-----------|
| Welcome and Context. Key Messages from Management  | Curtis Jackson         | 1:00-1:10 |
| Safety Summary <ul style="list-style-type: none"> <li>• Personal vs. Process Safety</li> <li>• 6 PP/ S&amp;O Agenda</li> <li>• Risk Identification and Management</li> <li>• Drilling HSE Performance</li> </ul> | Stan Garner            | 1:10-1:30 |
| Operations Management System   | Scott Neumann          | 1:30-1:45 |
| Environmental Summary <ul style="list-style-type: none"> <li>• Environmental Agenda for E&amp;P</li> <li>• Environmental Requirements for New Projects (ERNP) Practice</li> <li>• Climate Change</li> </ul>      | Virginia Park          | 1:45-2:05 |
| Health and Security  | Janna White/Jack Kogut | 2:05-2:20 |
| Organizational Capability <ul style="list-style-type: none"> <li>• Operations Excellence (1,2 &amp;3)</li> <li>• HSSE Function Capability</li> </ul>   | Brad Smolen            | 2:20-2:40 |

## HSSE Performance



### Headlines

- Zero DAFWCs in 2007.
- Total 21 Recordables in 2007, 11 recordables in Drilling. Engaged all Drilling contractors in safety meeting.
- Annual ISO 14001 ENV audit was completed without major findings. DDII and Morfanas have been certified.
- MMS inspection on facilities and rigs at Helstein Mad Dog PU resulted in no findings.
- Mad Dog wells operations surpassed one year without a recordable incident and without a dropped object.
- Atlantis Integrated Project Team completed 10 million man-hours without a lost time accident or illness (July 2004 - April 2007).
- DDII rig completed its first one million man-hours without any DAFWCs.
- The GSP Explorer completed over 1 year on the T-Bells appraisal program without a single recordable.

|                        | 2007<br>YTD (Jan-May) | 2006<br>YE |
|------------------------|-----------------------|------------|
| HIPO                   | 4                     | 12         |
| TRIR<br>(12 mo avg)    | 0.73                  | 0.53       |
| Recordable             | 21                    | 36         |
| DAFWCf<br>(12 mo avg)  | 0.00                  | 0.09       |
| DAFWC                  | 0                     | 6          |
| Projected DAFWC/<br>YE | 0.00                  | 0.00       |
| Hrs Worked             | 5,693,810             | 13,392,883 |
| Spills                 | 23                    | 55         |

Donna Pennell / Curtis Jackson to provide update for this slide.

## What are we trying to do ???



- Drive towards continuous improvement
- Systematic rigorous management
- Connectivity and continuity from top to bottom of Group
- Need to reset risk awareness and tolerance level
- Long term focus on cultural change and behaviours

...to achieve short- and long term reduction of risk in our business!!

...to be an industry leader - Safety, Process safety and environmental stewardship!

## The BP Way ...



- Safe Processes and Workplaces
- Trusted and Responsible Members of our Communities
- Operations Where People Love to Work
- Efficient and Effective role models for our industry
- .....

**Great Operators**

## 2007 HSSE Global Conference Key Messages



- The Way Forward → Operating Management System (OMS)
  - Overarching, Consistent, and Sustainable Management System
  - "The right thing to do for the business."
- Competence and Leadership
  - Operating Essentials Training will provide better clarity to leaders on their role delivering OMS
  - Deepen Understanding and Knowledge of Process Safety – The Baker Report
- Culture → The BP Way
  - HSSE to play an engaged, aligned, and positive role in the business and its operations.

## HSSE EXCELLENCE : THE BP WAY

### The Way Forward → OMS

OMS is an overarching management system that BP will adopt to run its core business. BP historically has allowed BU's to run with customized local business solutions; you will see a stronger bias for more consistent programs and implementation across the business (The BP Way). It will not happen overnight. OMS is still being implemented in the Wave 1 facilities. (NAG is a Wave 1 SPU and we will begin to hear more in 3 & 4Q 2007). It will still be 5-10 years until OMS is completely integrated into the business. OMS also brings a standardization to BP, requiring the same fundamental program areas and reporting methods from the entire business and operations.

OMS is not simply a consequence of Texas City; it will also intended to provide sustainable business results from which we can continuously improve. OMS and standardization is a solution to the problem that was identified, and it is the right thing to do for the business.

### Competence and Leadership

Historically BP has not done an inconsistent job of providing leaders with the skills and education to perform the roles they are expected to perform. There will be a three tiered program called Operating Essentials (OE 1 – 3) designed to provide leadership from the field (OCM), Functional / Asset Leadership (AM; HSSE Manager), Senior Leaders (>PUL) the same skill set and education around delivering the OMS. There will be a bias to providing leaders deeper operational experience in their careers. Pilot OES sessions will be taking place later in 2007.

BP must also deepen its understanding and knowledge of process safety. The Baker Report has challenged BP to get deeper institutional understanding and experience around process safety – which also goes deeper than OSHA's 1910.119. We heard from BUL's at the Conference that they want HSSE to deepen their understanding around process safety even if they may not be the Technical Authority. We will be looking to offer process safety training for at least part of our organization in 2007. It should be noted that the core (H)ealth, (S)afety, and (E)nvironment areas will not be ignored and must continue to be delivered (e.g., Driving Standard). Compliance is extremely important. However, the current priority is safety and operations – with particular focus on Process Safety..

### Culture → The BP Way

It is recognized that the standardization that BP is moving towards is a cultural change that is to occur. In order to support this change, HSSE, as a function, will need to continue to play an engaged, aligned and positive role within the business and its operations. The 2<sup>nd</sup> slide provides an overarching view of the OMS journey we are on.