



VICO Indonesia

Engaging with Local Communities A VICO Perspective

May 2013





VICO Indonesia

Delivering Clean Energy Safely

Vision is to deliver sustainable
clean energy safely

Integrity of people and plant

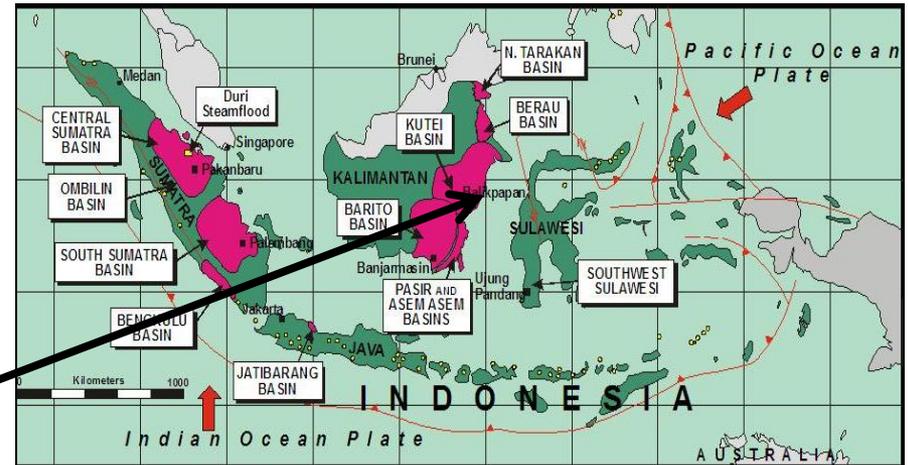
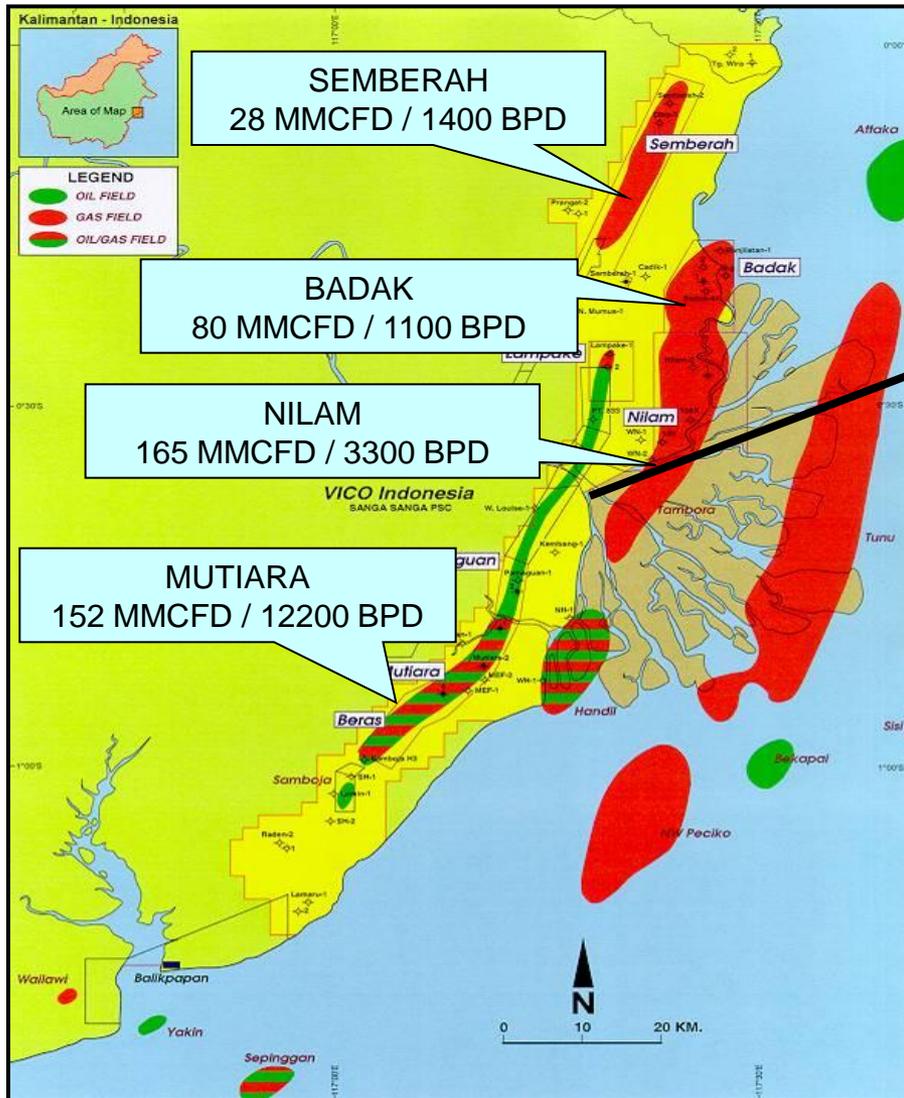
Caring for people, communities
and environment

Outstanding performance
globally recognized

1 Team
Direction



VICO Overview



- VICO has been operating in Kalimantan since the early 1970's.
- VICO operates the Sanga Sanga PSC (oil and gas) and the Sanga Sanga CBM PSC.
- VICO is a 50:50 partnership between BP and Eni.
- Driving force behind LNG development in Indonesia
- Delivered over 12 Tcf of gas to domestic and export markets
- Leading CBM explorer in Indonesia and first to produce and sell CBM gas to LNG and domestic power generation.



VICO at a glance

- 4 main production centers
- 4 camps (1 primary)
- 800+ Development wells drilled
- 2,850+ gas/oil reservoirs
- 54 compressors (incl. 10 rentals)
- 25 generators
- 185 pumps
- 82 pressure vessels
- 13 glycol dehydrators
- 24 heater treaters
- 23 storage tanks
- 1,000 km of pipeline



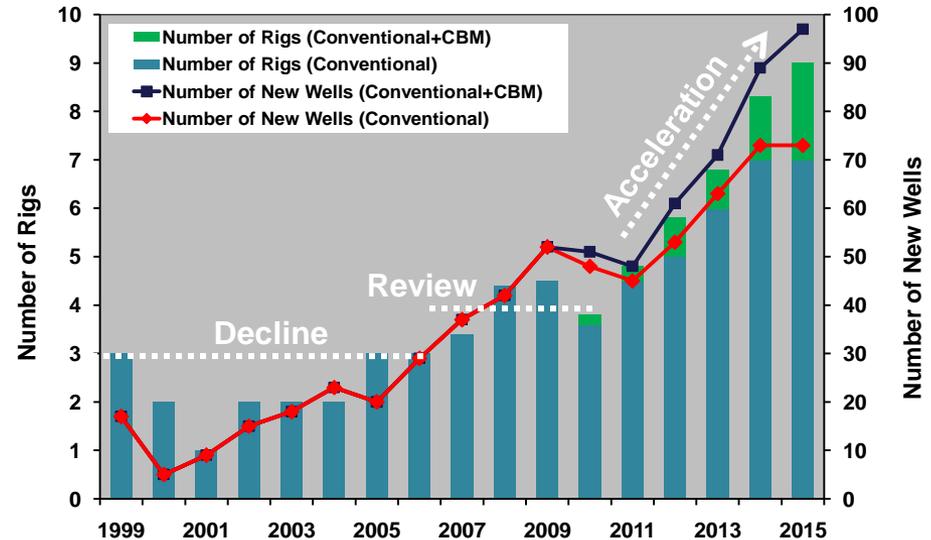
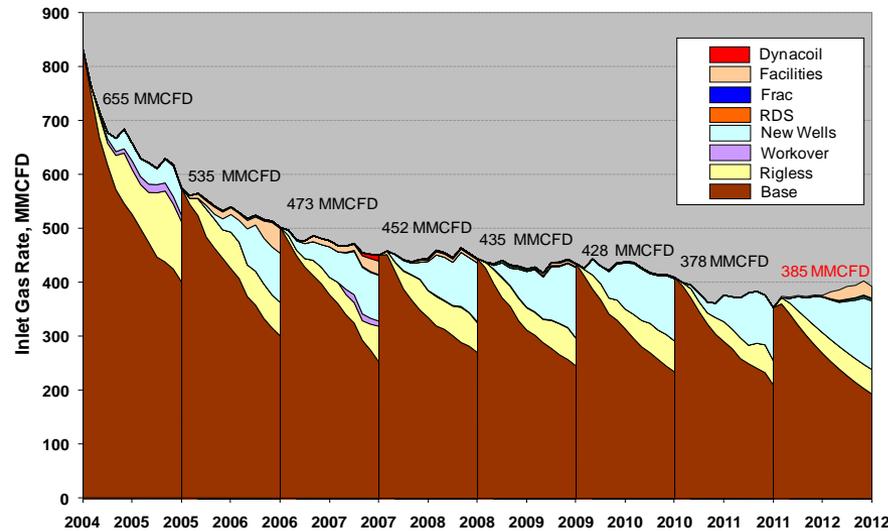


VICO External Affairs Goals

- Be a recognized industry leader in responsible energy development, innovative solutions and good neighbor practices.
- Deepen trust through relationships based on mutual advantage by “doing the right thing” in the communities where VICO operates.
 - Assess local community CSR projects based on “need” not “want”.
 - Ensure local communities participate in VICO activities through encouraging contractors to use local labor where possible.
 - Manage expectations in terms of VICO role in development of local communities.
- Prevent criticism and misunderstandings of VICO’s business by maintaining open, honest and coordinated communications with SKKMIGAS, MIGAS, Central and local government, landowners, community leaders and media.
- Establish VICO’s brand and reputation profile to support VICO business objectives.



Investing for today and the future



VICO is investing in both conventional and CBM drilling to maintain conventional gas production and develop CBM for the future.



Land Access

- VICO needs to purchase and build 80 to 100 new well sites a year
- Each location can require up to 2,000 truck loads of material and 3 months to build and pile.
- Many locations require new roads.



Our 40 years of experience ensures our land survey, acquisition and construction team works with the local community to ensure construction activities occur in a way that avoids disruption and benefits the area.



Re-greening



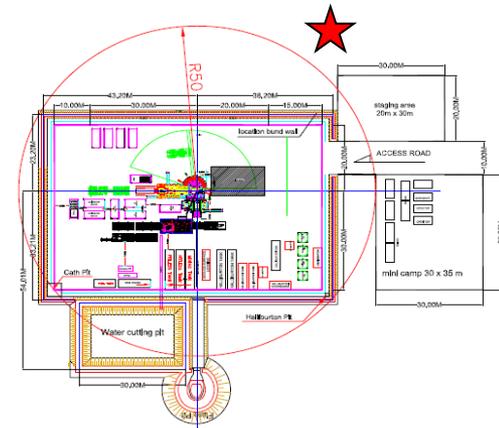
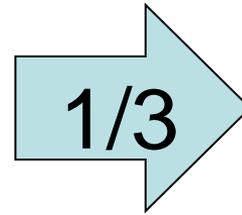
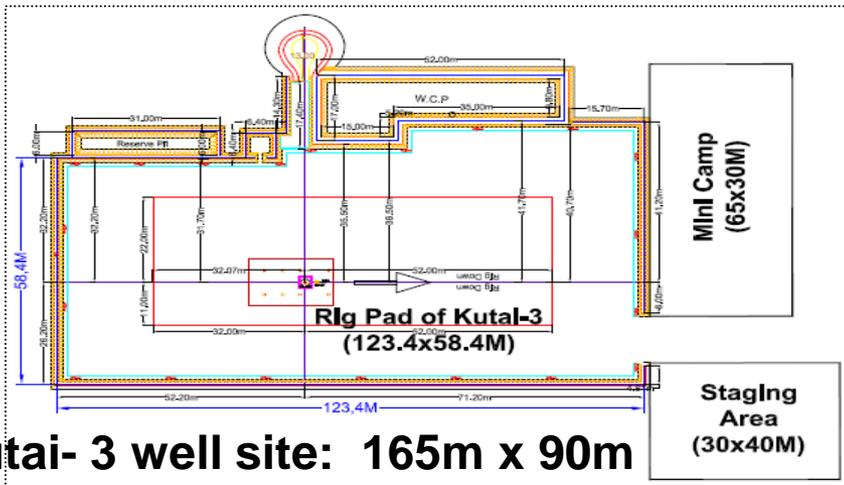
After drilling VICO undertakes a re-greening exercise to restore the natural vegetation.



Rig Technology



1. Many fewer loads to move.
2. Faster rig- up time.
3. Less rig footprint and smaller well site size.
4. Reduced height.
5. Automation – less people.
6. Quieter.





Artificial Lift Pump Technologies

Linear rod pumps (LRPs) vs Beam Pumps



Minimal exposed working parts

Quieter, less visual impact



Beam Pump – large visual signature, noisy and many exposed moving parts.



VICO LRP



LRP in parking lot in US



Overlap with Coal Mining



Coal mining activities are frequently in the same area as VICO activities.

VICO works with coal mining companies to establish MOUs defining mining no-go areas and cooperation on roads and access issues.



Caring for our Communities



VICO received a CSR award for best practice supporting local rubber farmers from Harian Seputar Indonesia (SINDO)

SKKMIGAS standard (PTK 017) governs public relations and community affairs



CBM to Electricity



VICO is now supplying CBM gas to PLN.

The electricity from CBM gas powers more than 1,000 homes in East Kalimantan.

This is the first CBM to Electricity Project in Indonesia.



Development with respect



BP San Juan field in an area of outstanding natural beauty in the US

VICO aspires to achieve development of Indonesian oil and gas resources with respect for local communities and the environment.