ConocoPhillips

spirit

First Quarter 2015

spirit Magazine is going green!

This is the last issue that will be printed and mailed to subscribers. Read more on page 2.

San Juan legacy operations help fund the future

How crude oil exports will benefit U.S. consumers

Technology pursues game-changing innovations

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What is it?

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ConocoPhillips

From the desk of

Don Hrap, President, Lower 48

ONE OF THE KEYS TO ONGOING SUCCESS FOR CONOCOPHILLIPS is protecting its base. After the capital investment phase in a new area has been completed, the asset can begin to give back cash to fund new growth by adding reserves, increasing production and building for the future. Throughout the history of the company, large, long-term assets have been developed around the world to strengthen virtually every aspect of our business.

Featured in this issue of ***spirit*** *Magazine* is the Lower 48 San Juan Business Unit — one of those legacy assets. ConocoPhillips has been operating in the San Juan Basin for more than 50 years under the names of several merged or acquired companies. Today, we are the biggest operator in the basin, with more than 10,000 producing wells and interest in another 4,000.

When the price of natural gas dropped a few years ago, ConocoPhillips discontinued its San Juan drilling program in favor of investing in liquids-rich shales like Eagle Ford and Bakken. The San Juan management team was not discouraged. Instead, they initiated optimization programs to increase well production; project teams looked into how to reduce emissions; and others began a study for using local production to power our truck fleet.

Everyone focused on a cost management plan they call 17 x 17, with the challenging goal of realizing a 17 cent margin improvement by 2017. Most important, they didn't just look at the wells, but considered all possible ways to save money to reach that goal.

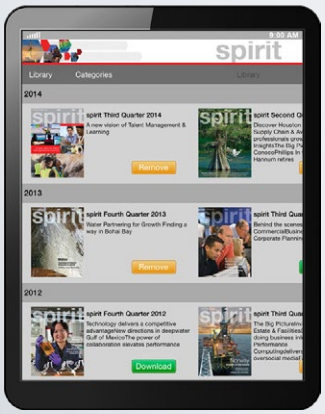
All of this started a long time before crude prices dropped some 60 percent in just a couple of months and the number of drilling rigs nationwide began a steep decline. Today, the entire company is talking about options for redirecting investment and cost management. These are the difficult down-cycle days we endure as part of the oil and gas industry.

While we wait for worldwide crude supply markets to re-balance, San Juan offers a shining example of the best way to execute business. Its story describes how one legacy asset evaluated the challenges it faced and then developed a plan for emerging from the down cycle with confidence.

Around the world, ConocoPhillips remains focused on running its business safely and well through the current economic environment. When the time is right, the company will move with purpose to restore the pace of development to match our potential. ■

ConocoPhillips

Our Readers Say **"Go Green!"**



Over the past eight years and 33 editions, ***spirit*** *Magazine* has provided readers with a closer look at the company and its outstanding people. Thanks to your feedback, we're always evolving, always improving. And now we're going green!

The magazine's staff strives to deliver content in ways that meet our readers' needs. We offer ***spirit*** *Magazine* electronically on *conocophillips.com* and via an Apple app for company devices. The response to these digital formats has been outstanding.

With more readers turning to their devices for content, we'll be discontinuing the mailing of hard copies starting with the second quarter edition. At the same time, we'll increase electronic access. For example, we'll use social media, such as Facebook and Twitter, to expand the magazine's digital presence. You'll still get the same quality stories and images that you've come to expect from ***spirit***, but we'll do it in a way that addresses your feedback, while reducing our impact on the environment.

Like our SPIRIT Values, ***spirit*** *Magazine* is pure ConocoPhillips. Thanks for reading and keep the comments coming!

Ray

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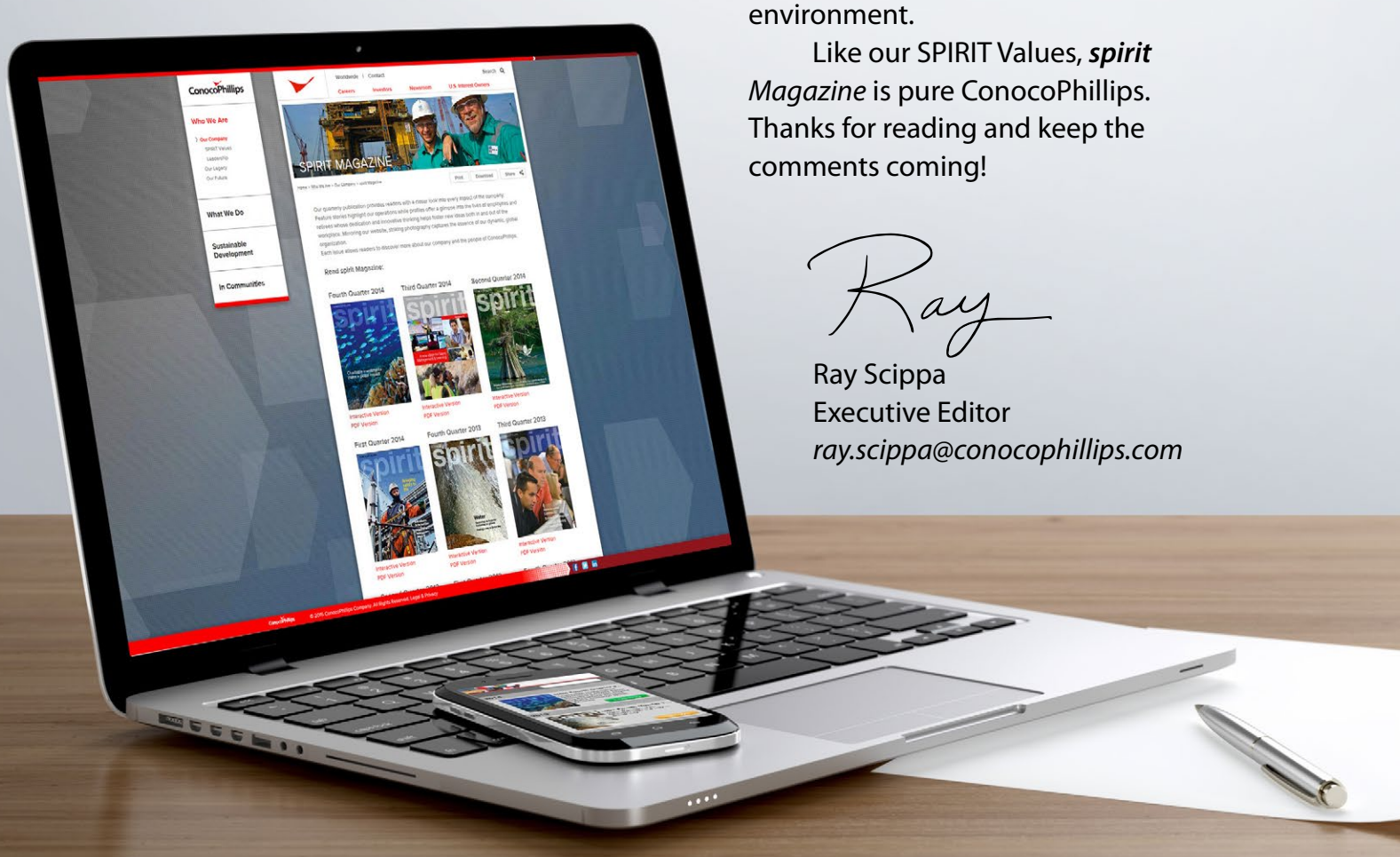

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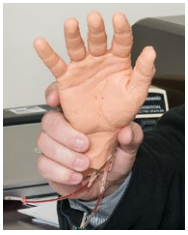
Lifting the 1975 ban on crude oil exports could help create American jobs, reduce the price of gasoline and stimulate the economy. JENNIFER LEAHY



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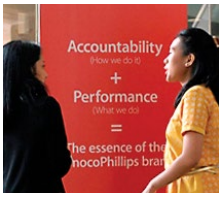
By defining its values and business philosophy, the refreshed ConocoPhillips brand sets the company apart from its peers.

ASHLEY DILLON



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ON THE COVER

From his laptop, Multi-Skilled Operator Frank Anstead can monitor and control well performance in real time, as well as production history. Solar energy powers the telemetry and well controls and connects the well to the Integrated Operations Center (IOC) in Farmington. The telemetry enables IOC personnel to access data, spot problem trends and control the well remotely, even shutting it in if necessary.

PHOTOGRAPHY BY PATRICK CURREY

A Texas beauty

The historic Wise County Courthouse in the small town of Decatur, Texas, is a prominent landmark in the Barnett Shale, a gas-rich play that stretches beneath 24 counties in North Texas. ConocoPhillips employees occasionally visit the historic courthouse to check records related to ownership of oil and gas interests in Wise County. The courthouse was completed in 1896 and is clad in pink granite with terra cotta ornamentation. PHOTOGRAPHY BY PATRICK CURREY

Corporate social responsibility in rural Indonesia

These three young girls live in the Indonesian village of Mangsang, located in the Musi Banyuasin Regency of South Sumatra. ConocoPhillips Indonesia sponsors a wide variety of enrichment programs and activities, including a styling salon, educational outreach, vocational training, culinary classes, construction of a mini soccer field, local cooperative coaching and a health, safety and environment campaign. PHOTOGRAPHY BY MARTIN L. VARGAS


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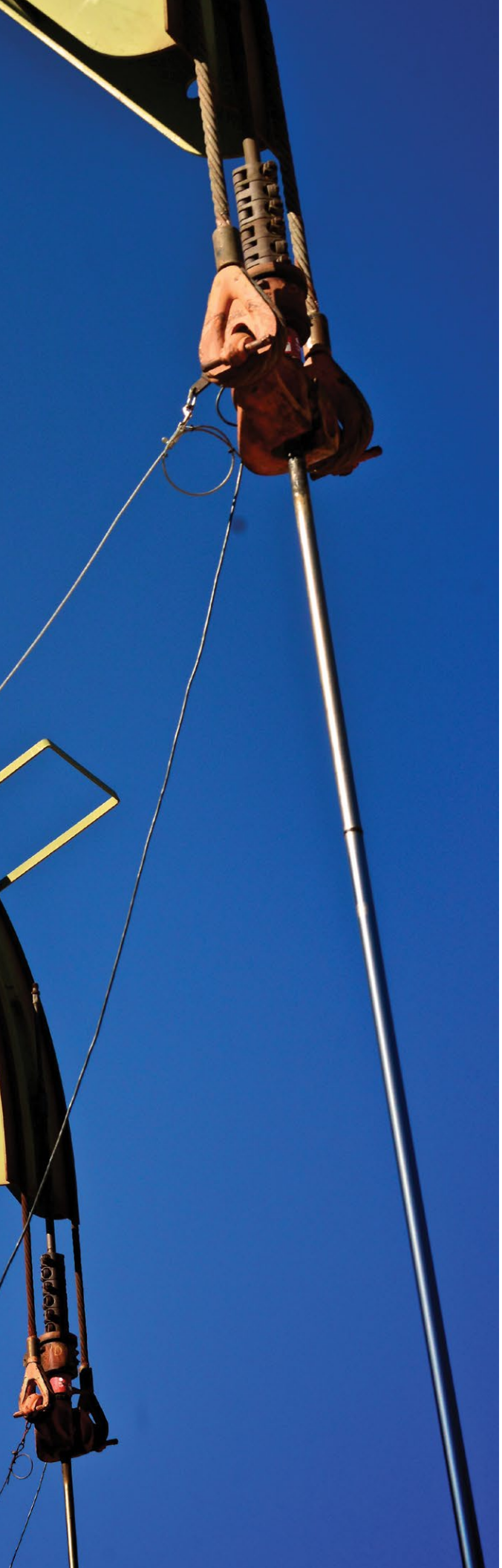
Running down a dream

The Houston Wellness Center is an integral part of the ConocoPhillips community, welcoming more than three-quarters of a million visitors working to fulfill their health and wellness aspirations since 2007. Every day, nearly 600 people take advantage of the facilities, as well as the classes, events and programs coordinated by the Wellness Center team to build a healthier, safer and more productive workforce. Employees, retirees and family members can take advantage of the many opportunities to reduce stress, improve overall health and enhance work-life balance in the center six days per week. Upcoming events include the Ultra Mile Spin Challenge, a Nutrition Boot Camp and the Wellness on the Go! program, a four-week class that teaches fitness, stress management and nutrition strategies for those with limited time. PHOTOGRAPHY BY HALL PUCKETT

SAN JUAN BUSINESS UNIT:

Legacy operations support company development



BY DAVY KONG AND JIM LOWRY,
PHOTOGRAPHY BY PATRICK CURREY

THE SAN JUAN BUSINESS UNIT (SJBU), WITH OPERATIONS IN NORTHWESTERN NEW MEXICO AND SOUTHWESTERN COLORADO, PLAYS A VITAL ROLE IN HELPING CONOCOPHILLIPS FUND DEVELOPMENT PROGRAMS AROUND THE WORLD. PRIMARILY A DRY GAS ASSET WITH A LONG HISTORY OF PRODUCTION, THIS LEGACY OPERATION REPRESENTS MORE THAN A QUARTER OF LOWER 48 PRODUCTION AND ALMOST 10 PERCENT OF THE COMPANY'S WORLDWIDE VOLUMES.

Tapped to lead the SJBU in 2012, Vice President Terri King knows firsthand the asset's importance to ConocoPhillips.

"San Juan is one of the few large and not easily replicated legacy assets in the company," King said. "Year in and year out, San Juan generates almost a half-billion dollars to help fund new development in the Lower 48 and around the world."

SIZE + SCOPE + SCALE

One of the largest U.S. natural gas fields, the San Juan Basin produces from multiple conventional tight gas formations as well as from coal beds. It also has potential for future production from unconventional zones.

ConocoPhillips has been in the basin for more than 50 years and operates across an area of approximately 1.3 million net acres. The business unit (BU) has interest in 10,000 operated wells and 4,000 non-operated wells, which brings total net production to approximately 150,000 barrels of oil equivalent per day for 2014.

The SJBU continues to pursue development opportunities in three conventional formations: Mesa Verde, Pictured Cliffs and Dakota. These formations produce commercially high-value natural gas that contains such liquids as ethane, propane and butane. The Mesa Verde formation, which consists of the Lewis Shale, Cliffhouse, Menefee and Point Lookout sands, is the largest producing tight-gas formation in the basin. The Fruitland Coal, another formation in the basin, is one of the world's oldest and largest producers of coalbed methane.

VIBRANT BUSINESS FOR DECADES TO COME

During her 20-year career at ConocoPhillips, King has had a variety of roles in both corporate functions and BU operations. One of the leadership lessons she learned was the importance of listening.

A year into her role, King, working with other members of the leadership team in San Juan, launched a series of listening sessions. They discovered employees were very committed individually and in their immediate teams. However, they were also independently striving for objectives that did not always align with each other.

From the information gathered, the leadership team realized there was an opportunity to simplify and provide further clarity about the goals of the business. They decided to launch a

King named Farmington's Citizen of the Year

The Chamber of Commerce in Farmington, New Mexico, recently honored SJBU Vice President Terri King for her leadership in helping make the community a better place to live. King is the campaign chairperson for San Juan United Way and serves on the boards of Four Corners Economic Development and the New Mexico Oil & Gas Association. She also volunteers as a youth mentor in the Big Brothers Big Sisters organization. Throughout her career with ConocoPhillips, King has held roles in reservoir engineering, planning and portfolio management, exploration and development team leadership, upstream technology strategy development and operations management.

SJBU Vice President Terri King

Colorado's San Juan Mountains tower above San Juan Basin. Nicknamed the Switzerland of America, this rugged range in the Rockies boasts the highest concentration of 14ers, peaks 14,000 feet and higher, in the Lower 48.

set of focused objectives that supported the BU's four priorities: safety, production, emissions and cost discipline.

"These aligned goals were all in support of our high-level commitment to the company's strategy and budget," King noted. "But beyond that we also wanted to increase production by 30 million cubic feet per day (MMCFD) and pare $50 million from our cost structure. In the SJBU, our employees know this program as 17 x 17, which translates to a 17 cents per thousand cubic feet (MCF) margin improvement by 2017."

Leaders met each month to track progress and discuss how to solve barriers to achieving their goals. These meetings reinforced the team's commitment to have an ongoing dialogue with employees.

"A lot of technology goes with production optimization and the cost work that we are doing," King said. To offset the natural production decline rate, the SJBU has an ongoing program of protecting base production by performing workovers on existing wells, adding compression and installing artificial lift.

As a result, the asset provides strong cash flow and profitable production, with significant remaining potential.

"Our business unit is a big part of the company's base," King said. "And with our emphasis on production optimization and cost discipline, we are putting into play the types of changes that will ensure we are the low cost operator.

"We have a real opportunity and responsibility to make this business unit vibrant for decades to come. We want to be the flagship onshore operator for the company, and we want to show what that looks like in a way that is sustainable."

The SJBU offers further evidence of ConocoPhillips' fundamental commitment to safety, operating excellence and environmental stewardship. From developing the plunger lift optimization tool to the significant progress made on emissions reduction, the employees in this basin continue to provide success stories centered on a long-term, proven record of safe and successful operations.

San Juan curtails emissions and optimizes production

TEXT AND PHOTOGRAPHY BY PATRICK CURREY

The SJBU is in the midst of an ambitious multi-year initiative to curtail greenhouse gas (GHG) emissions and optimize production. "When I think about our new brand, Accountability + Performance, I am really proud of the team for their work in significantly improving our environmental performance and optimizing production," said Terri King, vice president, SJBU.

The BU's proactive steps have contributed to reductions of 3 to 5 percent annually since 2009, helping to keep overall ConocoPhillips emissions nearly flat.

"While emissions reduction has always been a part of our business focus, we elevated that focus in 2012 when the EPA's Greenhouse Gas Reporting Program mandated we report our emissions," explained Sharon Zubrod, manager, Health, Safety & Environment (HSE). "Since then, we've assembled a cross-functional team to examine emissions reductions projects that align with the company's strategy to reduce emissions that make sense economically."

This focused effort resulted in a significant improvement in environmental performance.

Environmental Supervisor Clara Cardoza is leading the team focused on curtailing emissions from three sources: plunger lift optimization, compressor optimization and pneumatic controller replacement.

"The team is meeting regularly to tackle this issue," said Cardoza. "We estimated a 50 percent reduction in greenhouse gases in 2014 and plan to continue our reduction efforts this year."

ABOVE: Production Lead Freddie Garcia; **ABOVE LEFT:** HSE Manager Sharon Zubrod

PLUNGER LIFT OPTIMIZATION

The plunger lift optimization tool (PLOT) is a software application that monitors and analyzes production data from surface and down-hole equipment at gas wells where artificial lift technology has been installed to remove liquids that can restrict production. Engineers and field operations personnel use the PLOT to safely optimize well production and reduce GHG. PLOT originated in the SJBU, and the team that developed the technology was recognized with a 2013 SPIRIT Award.

"San Juan is recognized as a leader for our plunger lift tool," said Dan Voecks, manager, SJBU Projects Group. "The plunger operates in the well bore. It looks like a piston, roughly a foot long, and resides in the well head where it can rest out of the gas stream. As pressure differentials are

San Juan BU profile

Largest operator and acreage holder in the San Juan Basin, with approximately
1.3 million
net acres
in northwestern New Mexico and southwestern Colorado.

Operates approximately
10,000
natural gas wells,
with interests in about
4,000
other wells.

Production of nearly
1 billion
gross cubic feet of
natural gas
and natural gas liquids per day as of year-end 2014.

More than
a quarter
of Lower 48 production.

Almost
10 percent
of the company's worldwide volumes.

sensed, the tool releases, falling down the tubing into the well bore. It hits the fluid column, usually water that is restricting the flow of gas. It rests at its destination until the computer logic says it's time to bring the plunger back to the surface — and up it comes in one big flow. Water is directed to the separator to be treated and recycled, and the plunger resides back in its holding spot in the well head."

As a result, hydrocarbons start flowing and gas rates increase. The technology continues to monitor the situation as differential pressures build again and the process repeats. Artificial lift devices have produced a return on investment as well as reduced emissions.

"We're really seeing the payoff as the logic directs the artificial lift," said Chuck McCarty, project lead, Artificial Lift Instrumentation & Electrical. "In addition, with the recent formation of the Integrated Operations Center (IOC), we have the ability to remotely monitor and control the well sites."

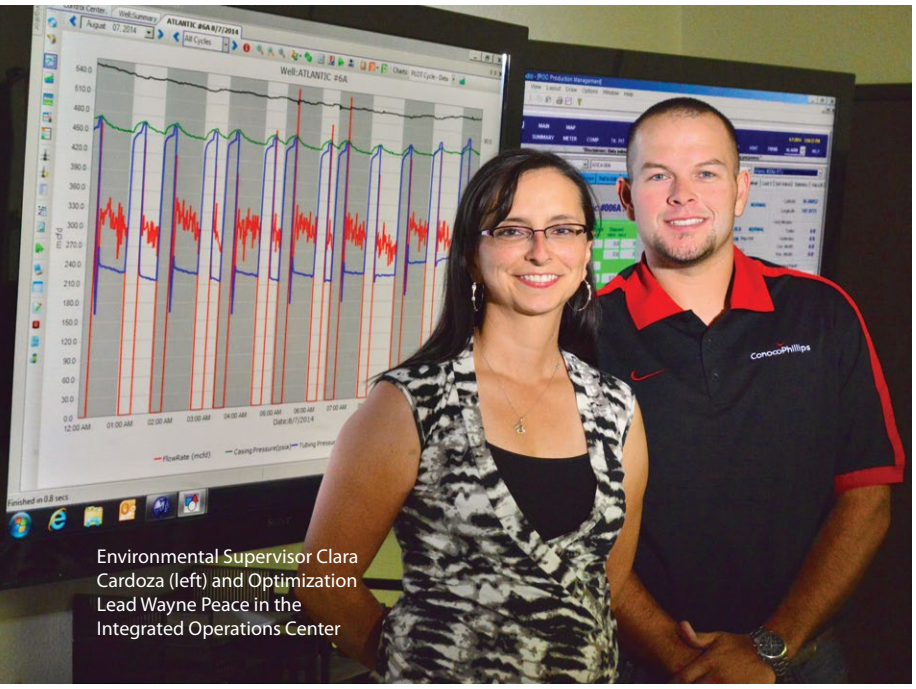
The SJBU upgraded the well automation system, which includes installation of smart controllers with the technology to detect operational problems that may lead to venting. McCarty added, "We have much better data quality to recognize a problem and fix it quickly."

The automation upgrades also reduce the frequency with which multi-skill operators (MSO) need to visit a site, allowing them to spend more time in places that aren't yet automated. It's effective across the board in deploying resources where they're needed.

Artificial Lift Instrumentation & Electrical Project Lead Chuck McCarty

LEFT: Environmental Coordinator Lori Notor

Projects Manager Dan Voecks

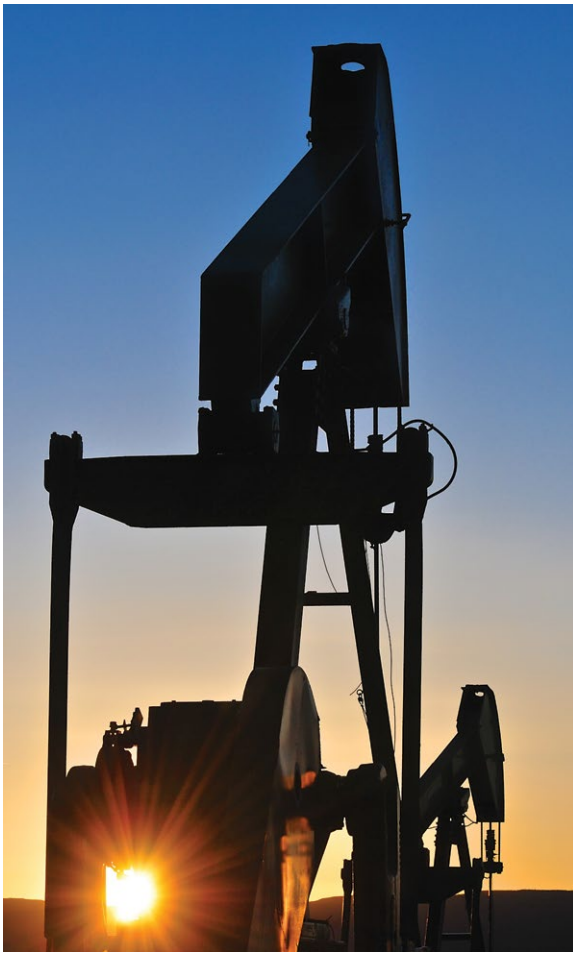


Environmental Supervisor Clara Cardoza (left) and Optimization Lead Wayne Peace in the Integrated Operations Center

"With upgrades to the smart controllers, we are able to communicate from the IOC to the controller and make changes to individual wells wirelessly," said Wayne Peace, optimization lead. "An MSO can also tie into the controller in the field with a laptop and do the same thing. The

MSO Trey Sullivan

ABOVE: Optimization Supervisor Ryan Sustakoski holding a plunger lift piston



technicians study the graphs to spot trends and arrive at a recommendation. If the optimization tech makes a change on the fly, they email the MSO and follow up 24 hours later to see if the change was effective. Our primary goal is to ensure gas remains in the pipe, safely and responsibly."

If the hardware and logic are the neurons, the optimization technicians and MSOs are the muscle and blood, giving life to the high-tech platform system in the IOC. Optimization Supervisor Ryan Sustakoski leads a team of eight technicians tasked with well optimization and emissions reduction.

Formed last year, the energetic, tightly-knit crew averages more than ten years of experience, with an impressive dossier of oil patch skills from compression to drilling. They know the terrain, but they rely on the MSOs to be their eyes and ears in the field.

"Our team uses automation and telemetry to optimize production while reducing our environmental footprint," explained Sustakoski. "But the reality is we can't operate this system without collaboration between the optimization techs and MSOs."

The power of propane on display in San Juan

BY JIM LOWRY

ConocoPhillips' reputation for sustainability is getting a major boost starting this year in the SJBU through the ongoing, practical application of alternative fuel use. A total of 30 field service vehicles will be converted in 2015 as the first step toward powering a large number of company vehicles with propane instead of gasoline. Within five years, the majority of the San Juan vehicle fleet will be converted to propane.

In a clear demonstration of finding new ways to improve operating efficiency and save money, the team evaluating various fuels concluded that using propane will result in more than $1 million in savings over the next five years. Potential savings from tax credits are not included in this estimate.

Because of the team's research and testing of available technologies, it was decided to convert up to 300 vehicles to propane fuel over the next five years. The fully implemented program will result in continued annual savings due to reduced fuel costs, extended maintenance intervals and higher resale value once the trucks are replaced.

Propane fuel was chosen over natural gas for a number of reasons, including range and required tank size. Additionally, propane was identified as the most efficient alternative for the higher altitude in northwest New Mexico. Increased range means the vehicles do not require dual fuel, which would have increased emissions.

Two years of extensive tests proved that propane would deliver similar range, power and dependability for the Ford F-250 and F-350 vehicles used by MSOs and maintenance technicians, who average 25,000 miles per year crisscrossing northwest New Mexico for maintenance and repairs on more than 10,000 ConocoPhillips wells.

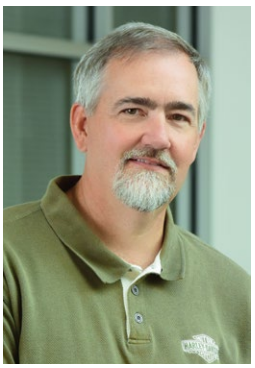
Some benefits behind the rationale include:

- Fuel tank is small enough that it doesn't significantly reduce room in truck bed for tools.
- Range is roughly equal to gasoline-powered vehicles.
- Cost for propane is significantly lower than gasoline per gallon.
- Carbon monoxide emissions are reduced by 60 percent per vehicle. Additional reductions include 12 percent less CO_2, 20 percent less nitrogen oxide, and 25 percent less greenhouse gasses.
- Propane to fill the fuel tanks is produced at the company's Ignacio plant in the San Juan Basin.
- Propane is less flammable than gasoline, improving safety.
- Engines last longer.
- Maintenance intervals can be extended due to the clean burning properties of propane.
- Resale value for the trucks is expected to be much higher.

In addition to financial and operational improvements, the propane conversion project is testimony to the versatility and dependability of the natural gas that ConocoPhillips produces.

MSOs Tim Emery, Victor Kern and Dennis Sheets with newly converted propane-fueled trucks.

Discipline Engineering Supervisor Dusty Mars



Technical Director Bruce Boyer

Area Supervisor Freddy Proctor shows MSO Frank Anstead the pump off controller on a San Juan well site.

COMPRESSOR OPTIMIZATION

The SJBU operates about 2,000 compressors. Typically found on a well site, the compressor optimizes well production by dropping bottom hole pressure, which accelerates reserves recovery. However, the engines in these compressors are natural gas driven, so they are a source of CO_2 emissions.

As the discipline engineering supervisor, Dusty Mars' responsibilities include overseeing compression optimization. "We have the opportunity to right-size compression equipment because it was originally sized for the well's initial conditions," said Mars. "As the reservoir is depleted over time, the conditions change, and we are able to reduce the horsepower by replacing a bigger compressor with a smaller machine."

Larger compressors are more expensive to operate, so in 2009, the SJBU recognized the value in optimizing compressor units. Since then, the BU has replaced 80 to 100 units per year. From 2009 through 2014, more than 500 units have been optimized. The SJBU is continuing its optimization efforts in 2015.

PNEUMATIC CONTROLLER REPLACEMENT

A pneumatic controller is an automated instrument used for maintaining a process condition such as liquid level, pressure or temperature. Natural gas-driven pneumatic controllers come in a variety of designs for a variety of uses and have been identified as a source of emissions, defined by the Environmental Protection Agency (EPA) as continuous-, low-, high-, intermittent- and zero-bleed.

In the SJBU, most pneumatic controllers are used at the separator to provide a number of functions such as inlet pressure control, flow control for pipeline pressure control and water bath temperature control, to name a few.

Since 2011, the BU has been actively replacing high-bleed or intermittent-bleed pneumatic devices with low-bleed pneumatic devices. To date, close to 3,000 devices have been converted. The SJBU has also replaced all pneumatic chemical pumps with solar versions.

Pneumatic controllers: Emissions characteristics defined

- CONTINUOUS BLEED: Pneumatic controllers with a continuous flow of pneumatic supply natural gas. Continuous bleed controllers are further subdivided into two types based on their bleed rate:
  - Low bleed: rate of less than or equal to 6 standard cubic feet per hour (scfh).
  - High bleed: rate of greater than 6 scfh.
- INTERMITTENT: Pneumatic controllers that vent non-continuously. These natural gas-driven pneumatic controllers do not have a continuous bleed, but are actuated using pressurized natural gas.
- ZERO BLEED: Pneumatic controllers that do not bleed natural gas to the atmosphere. These natural gas-driven pneumatic controllers are self-contained devices that release gas to a downstream pipeline instead of to the atmosphere.

Source: U.S. EPA Office of Air Quality Planning and Standards, April 2014


Artificial Lift Technician Jeff Sandoval

Quantifying and classifying these devices requires a significant amount of collaboration between the environmental, engineering and operations teams. Environmental Coordinator Lori Notor focuses on air-quality regulation, ensuring that all the BU's emissions sources are tracked, in compliance and reported to regulatory agencies on time. "There is a significant amount of collaboration in my role," said Notor. "I liaise with operations and engineering to validate classification of the pneumatic instruments."

TAKING ENVIRONMENTAL STEWARDSHIP PERSONALLY

A member of the emissions reduction strategy team, Bruce Boyer has worked for ConocoPhillips for 32 years and in the basin for 18 years. Boyer and the employees of the SJBU take their environmental stewardship responsibility very seriously. "As the largest producer in the basin, we take great pride in being a good citizen in the community," explained Boyer. "For us, it is more than a job. This is where my family and I call home. We want to be able look folks in the eye and talk openly and proudly about the work we are doing to protect air quality and reduce our land footprint."

ENVIRONMENTAL STRATEGY FRAMEWORK

Recognizing the growing interest in the oil and gas industry's environmental performance, ConocoPhillips last year endorsed a new Environmental Strategy Framework (ESF) that supports

Environmental Strategy Framework Work Streams

The Environmental Strategy Framework (ESF) is an implementation structure to help ConocoPhillips continue to drive the company toward a culture of environmental excellence. The ESF focuses on key environmental issues and governance mechanisms that are critical to maintaining high levels of environmental performance. Participants from business units around the world drive the framework's six work streams.

- DATA QUALITY AND MANAGEMENT: Assessing business processes to identify opportunities for improving environmental data quality and management.
- FOOTPRINT: Strengthening the company's approach to environmental leadership, with an initial focus on footprint reductions for methane emissions, flaring and spills.
- STANDARDS AND GUIDELINES: Reviewing, revising and developing standards and guidelines in support of strong environmental performance.
- ENVIRONMENTAL AND SOCIAL VALUATION: Encouraging more holistic decision-making by better reflecting the environmental and social benefits as part of investment value.
- TECHNOLOGY: Improving governance to more comprehensively include environmental implications in decision-making, further clarifying technical expectations around projects and programs.
- COMMUNICATIONS: Implementing a strategy to assure ongoing and effective two-way communication on the implementation of the ESF, and the company's commitment to improved environmental performance.

Environmental Strategy Framework for Smart Growth

Unique program in SJBU prepares employees to be ambassadors

BY DAVY KONG AND AMANDA ARAGON

Energy issues are complex. So it's not surprising stakeholders in the communities where ConocoPhillips operates have questions — lots of them. The company's SPIRIT Values — Safety, People, Integrity, Responsibility, Innovation and Teamwork — set the tone for how the company conducts its business. In the San Juan Business Unit (SJBU), as in all of the company's operations around the world, ConocoPhillips works diligently to build respectful, authentic and inclusive relationships with local communities and organizations.

LEFT: Stakeholder Relations Director Frank Santiago has a conversation with visitors attending the Albuquerque International Balloon Fiesta.

BELOW: Statewide Relations Advisor Amanda Aragon engages with community leaders at an event hosted by the San Juan Stakeholder Relations team.

Frank Santiago leads the Stakeholder Relations team in San Juan. The team of four is focused specifically on building relationships and actively listening to communities and local officials in New Mexico in order to proactively address community issues.

"From a resource perspective, we recognized it was impossible for the Stakeholder Relations team to have a presence at all the events that were in need of coverage," Santiago said.

"The team decided to develop the Ambassador Program to equip and empower employees to help tell our story and to develop knowledgeable advocates to correct misinformation."

In its fifth year, the program recruits volunteers annually to participate in the eight-week program, which consists of the following courses:

- STAKEHOLDER ENGAGEMENT — Highlights information about ConocoPhillips' mission statement, SPIRIT Values, vision and history.
- A GLOBAL VIEW OF CONOCOPHILLIPS — Focuses on the company's core business and operations around the globe.
- A STATE AND LOCAL VIEW OF CONOCOPHILLIPS — Explains company impact across New Mexico and in local communities.
- ENGAGING AS AMBASSADORS — Offers practical examples of how to engage and communicate with stakeholders.

Amanda Aragon, advisor, Statewide Relations, has been with the company for six years and spearheads execution of the Ambassador Program. "It is a privilege to train and work with our ambassadors," said Aragon. "They are a tremendous asset to the business unit, and their passion truly epitomizes our goal to build community trust."

To measure knowledge of the curriculum, participants take an exam prior to the start of the training and then another exam after the training to measure what they've learned. Ambassadors are required to score 70 percent or higher to graduate. The Stakeholder Relations team has trained more than 250 employees since the program's inception.

"While the Ambassador Program contributes to our goal of being recognized as a good neighbor, it also impacts the business unit's bottom line," Santiago said.

In 2013, one county in New Mexico with more than 1,200 ConocoPhillips wells considered enacting ordinances that would prevent the company from continuing to do business there. Field Superintendent Mike Martinez, an Ambassador Program graduate and a native of Rio Arriba County, is highly respected by area residents. Martinez was able to open new lines of communication by presenting his personal story and explaining the company's operating practices to county commissioners. The commissioners appreciated his expertise as a local hydraulic fracturing expert, listened to the facts and decided that the current oil and gas ordinance was sufficient, thus paving the way for the company's continued operations in the county.

This approach is consistent with the company's commitment to listen, communicate openly and seek solutions that create mutually beneficial business and engagement approaches and build long-term value for both ConocoPhillips and its stakeholders.

ABOVE: HSE Supervisor Shannon Donnelly

LEFT: Optimization Lead Wayne Peace

BELOW: Optimization Lead Wayne Peace (third from left) with Optimization Technicians (from left) Dustin McElreath, Josh Jones, Codey Yates, Calen Wilkins and Juan Cardenas.

the company's business strategy. "Maintaining our commitment to environmental excellence and continuing to build robust systems is critical to our future growth," said Mike Ferrow, vice president, HSE. "Establishing priorities and identifying value-adding opportunities in this area are key, and the ESF will do just that."

The ESF provides clearer direction to businesses on performance expectations and over time will enable stronger positioning of the company as the exploration and production company of choice.

As HSE supervisor in San Juan and a member of the ESF's Standards and Guidelines work stream, Shannon Donnelly has a unique perspective on how the new framework is being integrated at the BU level. "Although our emission reduction efforts began prior to the ESF launch, the new framework's implementation structure has been helpful to focus our continuous improvement."

Combined with the carbon strategy and sustainable development action plans, the ESF will help the company deliver improved environmental performance through more robust processes and footprint reductions. "Lower 48's San Juan Business Unit has demonstrated that we can achieve meaningful reductions in emissions from existing sources through value adding, voluntary efforts,"

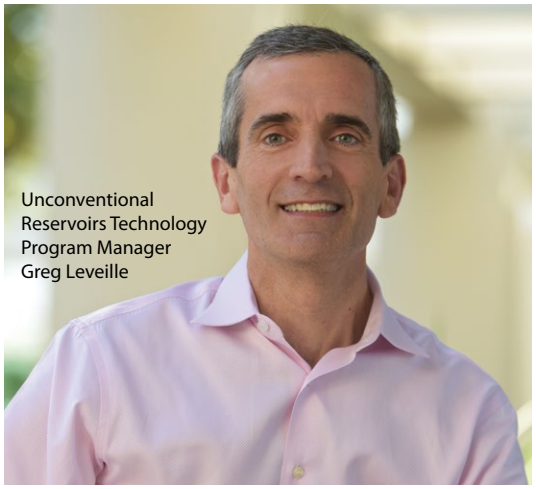
said Sarah Terry, senior principal environmental consultant for HSE and manager of the ESF. "This initiative exemplifies the ESF's philosophy of shared leadership. Our corporate HSE policy, ESF and sustainable development efforts establish the direction and overall expectations for environmental performance, but it takes the commitment and innovation of business units like San Juan to deliver tangible reductions in our footprint." ■

Studies show crude oil exports could benefit U.S. consumers

BY JENNIFER LEAHY, PHOTOGRAPHY BY PATRICK CURREY

IN THE MID-1970S THE MEDIAN FAMILY INCOME WAS ABOUT $12,000. AMERICANS WERE GRAPPLING WITH FALLOUT FROM THE WATERGATE SCANDAL AND THE VIETNAM WAR. LONG LINES AT GAS STATIONS HEIGHTENED CONSUMER CONCERNS ABOUT THE DWINDLING DOMESTIC OIL SUPPLY AND RISING FUEL COSTS AMID GEOPOLITICAL UNREST.

These concerns prompted Congress to take action by banning the export of crude oil. The policy was aimed at ensuring that the seemingly limited supply of domestic oil remained in the U.S., minimizing American reliance on foreign oil and supporting domestic price stability. Discussion about ending the ban preventing the free trade of excess crude oil began recently, when it became apparent that the forecast for American oil production was far greater than ever anticipated.



Unconventional Reservoirs Technology Program Manager Greg Leveille

A BRIEF HISTORY

After the onset of the Arab oil embargo in 1973, the price of crude oil skyrocketed, doubling and then quadrupling. Designed to ensure there was enough energy available for American consumers, the 1975 Congressional ban forbids the export of unrefined oil in all but a few circumstances. Oil products such as gasoline and diesel fuel can be exported and are the third-largest U.S. export by dollar volume. The oil and gas industry overall believes that crude oil should not be treated differently from its products or from natural gas.

The *Polar Endeavor* is one of five double-hulled petroleum tankers owned and operated by ConocoPhillips that transport crude oil from Alaska to the U.S. West Coast.
PHOTOGRAPHY BY SALVADOR GARZA

For decades the ban was considered irrelevant because there was not enough oil to prompt discussions about exporting. That all changed with the North American energy renaissance. The use of hydraulic fracturing and horizontal drilling for oil and natural gas in shale rock in the late 1990s made large-scale production possible for the first time. The resulting abundant supply is here for the long term; the industry has just scratched the potential of shale. Most new production is from a handful of major fields that hold tens of billions of equivalent barrels each. Recovery factors and efficiency are rising through closer well density and higher-yielding fracturing, and several dozen potentially productive trends in the U.S. and Canada await future development.

"With this breakthrough in technology, we've actually seen U.S. oil production jump up at a very dramatic rate, and just in the last five years production has increased by almost 4 million barrels per day (MMBD). And in the not too distant future, the U.S. will become the largest oil producing country on our planet once again," said Unconventional Reservoirs Technology Program Manager Greg Leveille.

"With this breakthrough in technology, we've actually seen U.S. oil production jump up at a very dramatic rate, and just in the last five years production has increased by almost 4 million barrels a day." —GREG LEVEILLE

Fast facts

The U.S. oil and natural gas industry now supports

9.8 million
domestic jobs
and contributes
8 percent
of the U.S. gross domestic product.

Oil exports would help lower world oil prices,
which in turn would drive down U.S. gasoline prices.

A PROBLEMATIC BAN

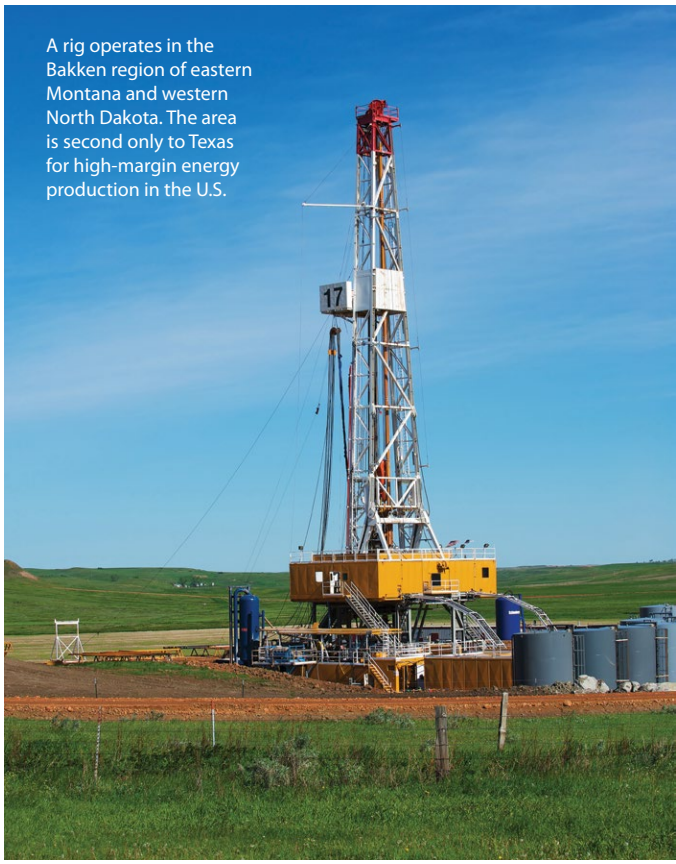
The new abundance of oil raises questions about the restriction on free trade of crude oil.

"The economic transformation resulting from the renaissance in light sweet oil production has been great for our industry and our country. It has proven to be a job-creation machine, as well as a source of economic development," said Chairman and Chief Executive Officer Ryan Lance. "Lifting the ban on U.S. crude oil exports could help protect and even create more direct and indirect jobs by encouraging more exploration and production. Additionally, gasoline prices would decrease, and U.S. geopolitical standing would be strengthened."

Lance's predictions are supported by research conducted by both independent and industry-aligned groups: the Brookings Institution, the Aspen Institute, IHS Energy, ICF International and the U.S. Government Accountability Office (GAO).

"We're really in a new time in America, a time when oil production is up, we're no longer beholden to other countries for our energy security and, because of this abundance of oil, we're able to not only satisfy most of America's needs but also to be able to export," Lance said.

"The rapid increase in production has been a welcome boon to both U.S. consumers and producers."



A rig operates in the Bakken region of eastern Montana and western North Dakota. The area is second only to Texas for high-margin energy production in the U.S.

> "If we can export crude and have more markets, we can increase crude production. The increase in crude supplies would slightly lower the world crude and subsequently gasoline prices, which are based on the international crude price." —MARIANNE KAH

NOT ALL CRUDE IS THE SAME

Crude oil ranges from light to heavy, high to low sulfur and sour to sweet. Light crude production will eventually exceed refiners' ability to process it without substantial facility investments or crude exports; by 2020, the U.S. will have excess volume of 1.5 to 2 MMBD of light oil available for export.

To use more light crude domestically, refineries would require steep domestic crude devaluation and would either operate in a suboptimal fashion or require a significant investment in new capacity.

Exports would consume only part of the U.S. surplus. Refiners would still have all the light oil they can process and would still enjoy a competitive advantage over foreign refiners due to

the $2- to $6-per-barrel cost of shipping U.S. oil overseas, studies indicate.

"The new oil is a mismatch with our refining system, and as such, it poses a threat to the future ability of producers to continue their domestic investments in new development. But there is a solution. We can turn this challenge into new opportunity — quite simply, by exporting some of our light crude oil," Lance said.

WHERE THE REFINERS STAND

Most U.S. refiners welcome lifting the ban on crude oil exports. Phillips 66 says exporting crude oil and other products are good for the U.S. and contribute to a strong balance of trade. In addition, Marathon Petroleum said it supports free markets, and Tesoro Corp. is in favor of exporting crude.

Valero Energy Corp., however, fears its profits will be negatively impacted if the ban is lifted because it may raise oil prices at home and in turn increase prices at the gas pump, leading to refinery closures.

Chief Economist Marianne Kah

New Power in Cooperation website is a valuable tool

It's no secret that there are a variety of viewpoints on the development of oil and natural gas. Finding and producing enough energy to meet the world's growing needs raises important questions. ConocoPhillips understands the importance of addressing industry challenges with the best solutions available today, while continuing to work for better ones down the road.

Through its Power in Cooperation website, the company hopes to encourage conversation, seek common ground, and champion collaboration and cooperation over conflict.

"The effort to remove the ban on crude exports has been identified as a high priority, so it is important that those who are invested in our success help work for the repeal of the antiquated law. The new Power in Cooperation site is a valuable tool as we discuss these important issues and advocate for policy that makes sense for our industry and America," said Andrew Lundquist, senior vice president, Government Affairs.

The site makes it easy for people to make their voices heard. Registered advocates will be notified when important policy decisions are being made so they can decide whether they would like to participate in the debate. Issue information and draft letter content is provided so that advocates can easily sign a petition or urge their elected representatives to support prudent energy policies. This type of two-way dialogue allows employees, retirees, contractors, and other stakeholders to easily voice their opinions on these important issues.

ConocoPhillips has had an act-now process in place for its employees for some time, and used the process most recently to target employees in key Congressional districts and ask for support to lift the ban on crude oil exports. The new Power in Cooperation site gives that same opportunity to other interested stakeholders.

"We are trying to provide stakeholders with more information on how oil and natural gas is produced in a safe and responsible manner and the benefits it brings to U.S. consumers. We hope this will allow more people to act as ambassadors for the company and industry whenever important policy discussions arise," said Ellen DeSanctis, vice president, Investor Relations & Communications.

Please visit *www.powerincooperation.com* and register today.

Data visualization, if exports allowed

3 million
barrels per day increase
in U.S. production
(Source: Brookings Institution)

$750 billion
in additional industry investments through 2030
(IHS)

$135 billion
in higher annual gross domestic product at the peak
(IHS)

1 million
new jobs added
at the peak
(IHS)

$67 billion
annually
in improved trade balance
(IHS)

$1.3 trillion
in higher federal, state and local government tax and royalty revenue through 2030
(IHS)

$18 billion
in annual savings on gasoline
(IHS)

Per-gallon savings of 9 to 12 cents
on gasoline
(Brookings Institution)

IMPACT ON CONSUMERS

Independent studies show that allowing crude oil exports could benefit consumers. If gasoline prices decrease as predicted, the resulting increased production would stimulate the economy and provide additional disposable income.

"If we can export crude and have more markets, we can increase crude production," said Chief Economist Marianne Kah. "The increase in crude supplies would slightly lower the world crude and subsequently gasoline prices, which are based on the international crude price."

Since the current ban prevents U.S. oil and gas producers from competing in the global marketplace, repealing it would enhance their competitiveness and unleash more investment, more innovation and more growth for the American economy.

"U.S. consumers, who have been paying internationally set gasoline prices, will not be negatively impacted if the crude is untrapped and exported. In fact, it is more likely to help them by lowering gasoline prices," Kah said. "Independent studies show that consumer savings on gasoline alone could total $18 billion annually."

Additionally, studies show that U.S. jobs are predicted to increase by an average of 394,000 per year at a minimum, with peak job creation of about one million estimated by 2018. In the current lower crude oil price environment, a decision to allow exports would likely help protect existing oil and gas jobs. According to an IHS study, benefits from free trade of crude oil are distributed throughout the U.S. Jobs growth and economic benefits are continent-wide — not just in large oil-producing states — due to substantial supply chains supporting the field production, capital spending, transportation and refining of crude oil. For example, 24 percent of the future jobs supporting the oil industry are located in states that essentially produce no crude oil.

Unless the ban is lifted, Lance said the company and the nation will face an impact from the resulting domestic crude price discount.

"The discount would ultimately threaten the producing industry's ability to make investments in new crude supplies," Lance said. "In short, it could shut down the energy boom."

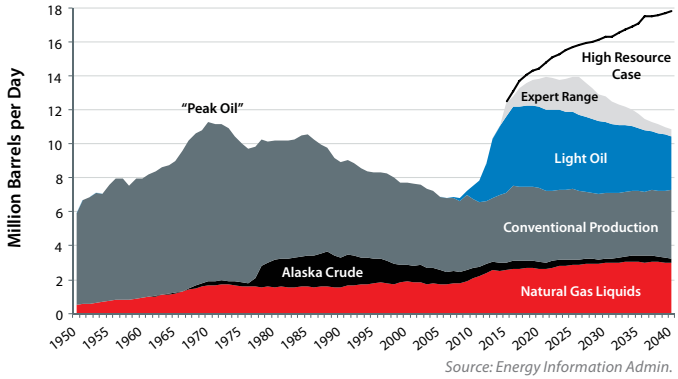
A GLOBAL IMPACT

The ability to export U.S. crude oil would alter the face of geopolitics. National and international energy security would be enhanced by more affordable gasoline and other fuel prices, reduced volatility in oil prices, a diversified global energy supply and a more competitive oil market. Additionally, allowing crude oil exports enhances U.S. power and influence by demonstrating the nation's commitment to free and open markets.

"It's admittedly a complex story for a society that likes simple sound bites," Lance said. "But we're going to have to get together and explain what we've done over the last five years with technology, innovation and production growth, and how we've enabled the U.S. to become a more energy secure and prosperous country.

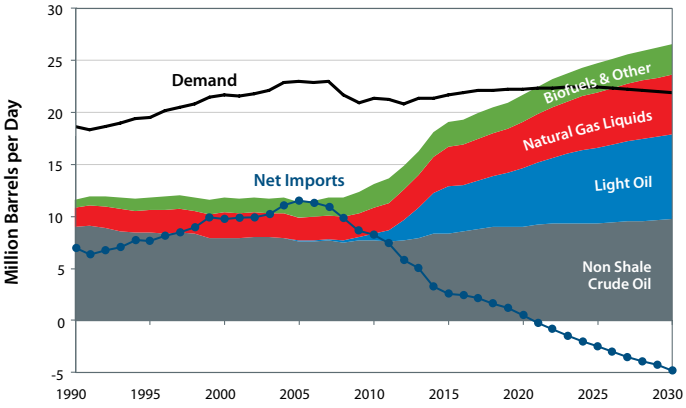
"Our industry is driving much of the economic growth occurring in the U.S. today. That will continue if we can successfully address the lack of crude oil exports." ■

"It's admittedly a complex story for a society that likes simple sound bites. But we're going to have to get together and explain what we've done over the last five years with technology, innovation and production growth, and how we've enabled the U.S. to become a more energy secure and prosperous country." —RYAN LANCE



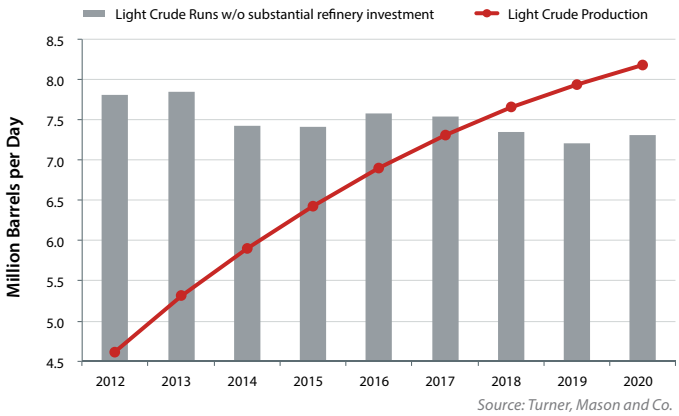
Source: Energy Information Admin.

Liquids production has returned to levels not seen since 1972, with further growth expected.



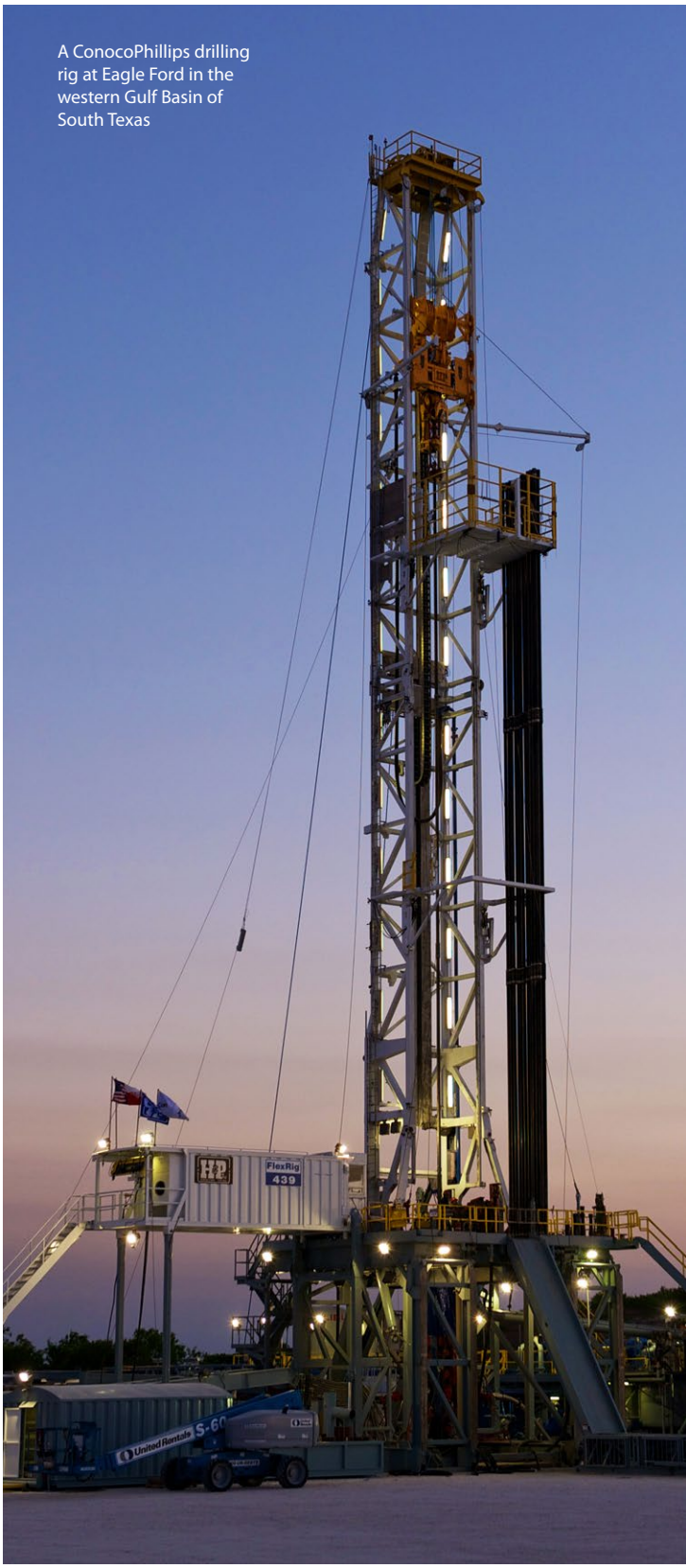
Source: PIRA Energy Group

Sharply rising U.S. and Canadian oil production in the face of flat demand will make future surplus oil available for export.



Source: Turner, Mason and Co.

Light crude production will eventually exceed refiner ability to process it without substantial refining investments or crude exports.



A ConocoPhillips drilling rig at Eagle Ford in the western Gulf Basin of South Texas

2015 SPIRIT Awards start with Safety and People

BY RAY SCIPPA

ON FEB. 9, CEO RYAN LANCE ANNOUNCED THE SELECTION OF 28 TEAMS AND SIX INDIVIDUALS FOR 2015 SPIRIT OF PERFORMANCE AWARDS, THE COMPANY'S MOST PRESTIGIOUS GLOBAL RECOGNITION PROGRAM. THROUGHOUT THE YEAR, ***SPIRIT*** *MAGAZINE* WILL TAKE A CLOSER LOOK, BEGINNING IN THIS ISSUE WITH THE WINNERS IN THE SAFETY AND PEOPLE CATEGORIES. TURN TO PAGE 55 TO SEE THE FULL LIST OF 2015 WINNERS.

Safety Awards

EAGLE FORD CONSTRUCTION MANAGEMENT TEAM — TOUCH/NO TOUCH

In 2014, Eagle Ford construction crews worked more than five million man-hours and had an impressive safety record: only four recordable injuries and no lost work day cases. This improvement over previous years was largely due to a focus on hand and finger safety after trends showed that 25 percent of all incidents and 42 percent of recordable injuries were hand and finger related. The Eagle Ford Construction Safety Management Team (CMT) is a ConocoPhillips-led consortium of leaders from primary service providers that meet frequently to review and discuss safety trends, conduct safety audits, and take action to improve safety performance in the field.

"We knew it would be impractical to mandate a 'never touch' philosophy," said Eagle Ford Construction Manager Dwight Beadle. "Instead, we asked crews during their job safety analysis (JSA) meetings to challenge themselves with the question, 'Is it absolutely necessary for me to touch?' When the answer was 'Yes,' we provided an improved JSA tool for eliminating or mitigating those risks prior to commencing work."

The Touch/No Touch (TNT) concept was born. First rolled out mid-2013, the tool resulted in a 50 percent reduction in hand and finger injuries in 2014.

Determined to keep the tool an active part of pre-job planning, the CMT upgraded and reissued the TNT tool as a tally book in both English and Spanish.

To further improve injury awareness and prevention, the Eagle Ford Projects organization teamed up with Health, Safety & Environment (HSE) Manager Dave Wulf, who had been collaborating with

Eagle Ford Construction Manager Dwight Beadle displays one of the lifelike artificial hands used in safety videos and live presentations.

Dr. Matt Hallowell from the University of Colorado to develop a series of safety videos featuring life-like artificial hands. Rather than only playing the videos for the rollout, the teams used the artificial hands during 24 live demonstrations, reaching more than 1,350 people, as part of the enhanced TNT rollout for 75 Eagle Ford project construction crews. Lower 48, Alaska and Canada are adopting the campaign and toolkit across their business units.

The Eagle Ford Construction Management Team

Dwight Beadle, team lead
David T. Wulf
Louis Ferrari
Robert Bourque (ISS)
Lolo Cavazos
Danny D. Potje
Monica T. Garza

POLAND

The ConocoPhillips/Lane Energy Poland team created a ConocoPhillips safety culture while implementing a complex exploration program in a relatively remote oil field. Adding to the challenge, the company faced mistrust from local communities as well as the prospect of blocked access that has stymied other operators in Europe. A robust stakeholder engagement program was so successful that formerly skeptical local community leaders have become strong advocates.

"The Poland operations team achieved stellar results executing the largest frack in Europe with no recordable injuries for two full years," said Wells Operations Manager Donnie Sperry. "More than 700 workers received safety leadership training in both English and Polish, and we implemented an HSE management system incorporating the 8 Life Saving Rules."

Thanks to the active engagement of all stakeholders, no days were lost to disruptions. The team set a world record for conventional four-inch core in shale project and accomplished all work within 10 percent of estimated costs. The 1,460 meter lateral was 100 percent in target zone.

"We have established a culture of safety ownership," Sperry said. "Most important is for individuals to take personal responsibility for their safety and that of their peers. This whole organization has embraced the SPIRIT Values with enthusiasm."

The Poland Team

Donnie Sperry, team lead
Timothy D. Harding
Matt Garner
Craig Lingo
Tom Lee
Les Heard (Brunel Energy)
Wes Romaniuk (Brunel Energy)
Damijan Maglica (Brunel Energy)
Don Rankin (Brunel Energy)
Marcin Zdyb (Brunel Energy)
David J. Mentock
Charlie D. Kennedy
Andres Rojas

ABOVE: The Eagle Ford Construction Management Team

LEFT: Wells Operations Manager Donnie Sperry; **RIGHT:** Members of the Poland Team gather to celebrate their 2015 SPIRIT of Performance award for safety.

LOST CABIN GAS PLANT OPERATIONS IMPROVEMENT

Following a 2012 safety incident, employees at the Lost Cabin Gas Plant (LCGP) made significant improvements to process safety and shutdown management during 2013 and 2014.

Due to the hazardous nature of the product stream, the team's first priority was to ensure the protection of plant personnel against hydrogen sulfide (H_2S) exposure. They reduced risk in hazardous areas through safe work procedures and safety system protections.

"Another important safety aspect is keeping the hazardous product in the pipe," said LCGP Manager Ray Pugh. "We implemented an extensive asset integrity management system with the valuable assistance of Lower 48 and Global Production Excellence (GPE)."

During the program implementation, 45 inspection saves avoided releases of gas, greatly reducing the 2014 leak rate. Implementation continues in 2015.

TOP: Ray Pugh, team lead;
ABOVE: Lost Cabin Gas Plant employees

By successfully managing safety, asset integrity and shutdown management, LCGP reduced planned and unplanned downtime, improving direct operating efficiency by 12 percent compared to 2012.

The Lost Cabin Team

Ray Pugh, team lead
John D. Stackpole
Jagannathan (Jay) Murali
Cyndee R. Clouse
Michael Filippich
Jim B. Akin
Dale S. Rasche
Brandt Matosich
Matt G. Collins
Jason Palm
Jason R. Espeseth
Donald A. Rudder
Pat Chasteen
Toby H. Erickson
Chris Dash
Mike T. Forbis
Ross G. Goff
Brian E. Oaks
Natalie Breen
Dave Young
Shelby M. Hanks

CANADA SHUTDOWNS

Shutdowns are complex events that require a strong focus on safety. In 2014, Canadian operations completed successful shutdowns across the Western Canada (WC) and Oil Sands operating facilities.

The Surmont 1 shutdown was successful for the completion of an extensive tank roof repair and major facility tie-ins to a new well pad and the S2 facility, along with 10 other projects, 79 equipment inspections and 296 valve inspections. The team cleaned 40 percent more contaminating solids — greater than 7,200 cubic meters worth — than in any previous shutdown without affecting the project timeline.

"Our Surmont 1 shutdown centered on the importance of safe work behaviors and was completed with zero recordable incidents," said Team Lead Ryan Letwin. "The resulting ramp-up delivered production of 1,000 barrels per day ahead of plan for October."

At the WC facilities, zero recordable injuries occurred during shutdowns for regulatory compliance inspections, facility improvements and operations reliability.

The shutdown teams came together at two workshops in spring 2014 to share knowledge and best practices. The teams developed integrated plans and schedules, incorporating a sustainable development HSE management plan based on a review of Australia's APLNG model.

The Canada Shutdowns Team

Ryan D. Letwin, team lead, Oil Sands BU
Dan R. Domke, team lead, WCBU
Boyd Nagy
Ed Westad
Billy Cyrenne
Bill W. Matthews
Kevin W. Clarke
Jamie Pelley
Rocky L. Ohm
Richard M. Marquardt
Dale L. Luscombe
Yolanda Celkis
Derek R. Babenek
Jeremy J. Wilson
Derek Cooper (Osprey Associates)
Kelly Tucker
Chas D. Lundgard
Trent A. Tarleton
Michael E. Gladwin
Shelley A. Maclean
Jeff T. Deuchar
Darryl M. Tait
Troy I. Bechtel
Derek J. Meisner
Clint R. Cockwill
Brendan B. Hinzmann
Scott B. Barker
Wayne Scott
Kirk L. Maclellan
Chad C. Seigel
Alistair J. Murison
Dennis May
Rodney R. Schenk
Clayton J. Ulrich
Tim M. Vanderveen
Shawn M. Seitz

MARINE OPERATIONS

In 2014, the Marine Operations team successfully demonstrated the use of suitcase remote-operated vehicles (ROV) for close visual inspections in ballast tanks onboard legacy floating production, storage and offloading (FPSO) vessels and Polar Tankers. ConocoPhillips has been trialing the technology for more than 10 years in an effort to reduce the need for personnel to enter confined spaces. The effort included obtaining industry approvals and proving the technology provided the same quality of inspection.

"We established a joint industry project to demonstrate the technical and commercial readiness of the technology and how it would be implemented," said Marine Operations Advisor David Stephen Power. "After four years of effort, the team obtained the approval from the major classification societies."

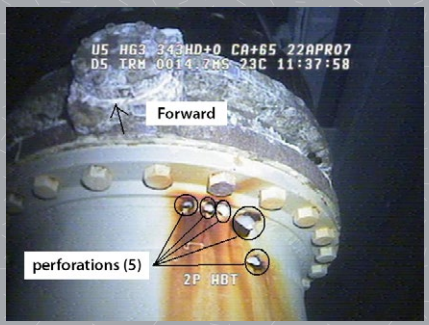
The technology is now implemented in the business units that operate legacy FPSOs as part of their asset and operating integrity (A&OI) philosophy.

"This technology reduces the number of personnel confined space entries," Power said. "Potential savings on an entire campaign for an asset could be in excess of $1 million compared to the traditional means of hiring contractors and equipment."

ABOVE: Members of the Surmont shutdown team (from left) Chao Gao, Chris O'Connor (Sancon), Sarwar-Ul Alam and Steve Sheret (Sancon)

LEFT: Ryan D. Letwin, (left) team lead, Oil Sands BU and Dan R. Domke, team lead, Western Canada BU

BELOW LEFT: David Stephen Power, team lead, Marine Operations team; **BELOW RIGHT:** ROV photograph of an issue impacting a vessel's asset integrity



The Marine Operations Team

David Stephen Power, team lead
Richard Rawlings
Steve Emmerson
Luke Mulheron
Sriram Balasubramanian
Rick Radclyffe-Smith
Robert Hayes
Claire Brown
Ben Shaklee
Vu Vu Long

People Awards

ABU EAST PERSONNEL RECRUITING

An essential element of APLNG readiness is ensuring the organization is resourced, on-boarded and integrated to support operations. The team achieved its goal of resourcing 85 percent of the workforce plan two months earlier than planned.

"This was a significant achievement in a challenging Australia market, particularly in the highly competitive Gladstone area," said ABU East HR Director Paula Saftig.

The team followed a 180-day plan aligned with a robust recruitment process, transparent tracking tools and the use of leading indicators. Sessions with recruiters and hiring managers ensured candidates were aligned with the company's SPIRIT Values. An advertising and branding campaign targeted local and national candidates with LNG experience or transferrable skills. Employees who had already relocated to Gladstone delivered key messages on ConocoPhillips opportunities, culture and values.

"Our candidate care program delivered timely and effective communications and candidate engagement," Saftig said. "To support the Gladstone community, we extended the program to include unsuccessful candidates in a recruitment feedback survey. The result was positive community feedback and continuous improvement."

An intensive one-month program was created by Operations to help production technicians integrate the workforce into ConocoPhillips. Exceptional support was provided by Human Resources Shared Services, ensuring all new employees had a professional and positive beginning with ConocoPhillips.

ABOVE LEFT: ABU East HR Director Paula Saftig; **LEFT:** ABU East team members

The ABU East Team

Paula L. Saftig, team lead	Melanie L. Weber
Charles A. McWattie	Alana J. Chancellor
Nick Rodgers	Graham R. Johnston (APLNG)
Melinda Mackay	Martin G. Breen
Dennis K. Murphy	Alison Smith

ACCELERATE PROGRAM

On June 1, 2014, ConocoPhillips launched Accelerate, a global development program to attract, develop and retain early career petro-technical employees around the world. The five-year program includes 700 participants working across five business regions: Alaska, Lower 48, Canada, Europe and Asia Pacific/Middle East. Accelerating the development of early career employees is a strategic response to a forecasted gap in petro-technical skills.

"Led by a cross-functional project team, the two-year collaborative effort to design and implement the program demonstrates the success that comes from tapping into all of our organizational resources," said Accelerate Team Lead Leisl Wilson. "It is important to recognize and acknowledge the implementation support provided by over 300 early career supervisors, more than 500 technical mentors and career coaches, 17 steering committees, four talent management teams and many leadership and HR teams globally."

The Accelerate Team

Leisl Wilson, team lead
Liz Jolley
Kelsey Lamar
Jan Evans
Ole Eeg
Caroline Bruce
Tony Ball
Muhammad Asfamudi
Mike Northrop
Mike Neuschafer
Kathy Jackson
Andrew Vogan
Robert Coffman

INTERIM LEARNING CENTER IMPLEMENTATION

Challenged with implementing a strategy to develop, engage and retain talent, Talent Management & Learning (TM&L) and Real Estate & Facilities Services (REFS) teamed up to deliver a dedicated learning center.

An increased demand for training, limited on-campus space and increasing costs for outside venues drove the near-term plan to lease space offsite for the Interim Learning Center (ILC). The team collaborated with functional learning leads, Information Technology and Meeting Technologies to identify and implement innovative, cost-effective solutions.

The team also engaged Sodexo to develop an efficient catering solution. The result is a learner-focused facility with flexible and fixed training rooms, breakout rooms and collaboration areas, a central dining/networking area, a business center and the ability to support more than 40 classes per month.

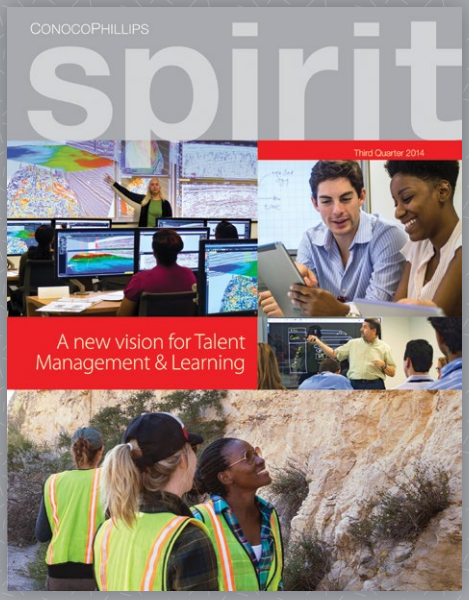
"The project was delivered without incident in less than four months and under the $4 million budget," said Learning Center Director Dianne Underwood. "Since opening in August, ILC usage remains high, and our reliance on offsite facilities has decreased. The need for training space has been mostly addressed, but the team has achieved much more through thoughtful design and implementation."

The ILC Team

Dianne Underwood, team lead
Bryan Chumchal
Adrian Angove-Rogers
Lawrence Stevens
Dave Bishop
Alfredo Lopez
J.R. Haas
Michael Franklin
Ben Marshall
Elizabeth Simons

TOP: Accelerate participants in Indonesia meet with COPI President & General Manager Erec Isaacson. **RIGHT:** Leisl Wilson, Accelerate team lead

BELOW LEFT: Learning Center Director Dianne Underwood
BELOW RIGHT: The Interim Learning Center was featured as part of a cover article on Talent Management & Learning in the third quarter 2014 issue of ***spirit*** *Magazine*.



What is Accountability + Performance?

It's not just what we do. It's how we do it.

BY ASHLEY DILLON

Investor Relations & Communications Vice President Ellen DeSanctis

Brand & Community Relations Manager Ed Burke

"A BRAND FOR A COMPANY IS LIKE A REPUTATION FOR A PERSON. YOU EARN REPUTATION BY TRYING TO DO HARD THINGS WELL." — JEFF BEZOS, FOUNDER AND CEO OF AMAZON

ConocoPhillips has formed its reputation through years of industry-leading experience and a steadfast adherence to its SPIRIT Values. Exemplified by a commitment to accountability and performance, these qualities help illustrate what makes the company different and why it is rapidly becoming the E&P company of choice.

Accountability + Performance,
the essence of the ConocoPhillips brand

"Accountability represents our commitment to set personal, team and company-wide goals. Performance represents our commitment to deliver upon our goals," said Ellen DeSanctis, vice president, Investor Relations & Communications. "The ConocoPhillips refreshed brand is designed to enhance our reputation by clearly and consistently articulating what sets us apart from our competitors."

But what is a brand?

"It isn't logos, advertising or slogans," DeSanctis said. "It's the sum of all experiences a stakeholder has with our company and it forms the basis for how we are perceived."

The ConocoPhillips brand characterizes the actions its people take every day to achieve a worthwhile goal: excellence, but not at all costs. And just as people earn their reputation, the hardest thing about brand — authenticity — must be done exceptionally well.

"The successful effect of a brand depends heavily on authenticity to the organization it serves," said Ed Burke, manager, Brand & Community Relations. "It must be a true representation of who we are both today and in the future.

"Our task was not to create a new brand for ConocoPhillips. It was to help better clarify who we are so all employees new or tenured will understand the essence of our company and represent us consistently."

The internal brand team, comprised of DeSanctis, Burke, Chris Young, director, Brand & Creative Services, Scott Stone, director, Brand and Digital & Social Media and Mara Webster, account manager, Brand & Creative Services, in collaboration with Prophet, a worldwide leader in corporate identity, brand and design, put forth a rigorous analysis to communicate who

"The company isn't focused solely on performance, but it is focused entirely on performance through accountability." — ELLEN DESANCTIS

Employees in Jakarta, Indonesia, participate in the Nov. 19, 2014 launch of the refreshed brand by discussing the brand equation, Accountability + Performance, and what accountability looks like at ConocoPhillips.

ConocoPhillips is, inside and out.

They achieved this by inviting insight from internal communicators, functional representatives, analysts, leadership and employees.

"We knew that the brand had to reflect ConocoPhillips people in all functions and business units, and project an accurate reflection onto local communities, investors, regulators and potential hires," said Burke.

"YOUR BRAND IS WHAT OTHER PEOPLE SAY ABOUT YOU WHEN YOU'RE NOT IN THE ROOM." — JEFF BEZOS

Through extensive interviews and surveys, here's what they found:

- The company's people make a difference. What they do is important, but how they do it is what sets them apart.
- ConocoPhillips is a "said, did" company, always holding itself accountable to the commitments it makes. Through a history of commitment to safety, responsibility and respect for communities, ConocoPhillips is already the E&P company of choice in many communities where it operates. Stakeholders have experienced ConocoPhillips people doing what they said they would do, making good on the company's promises.
- Students and experienced professionals, who may want to work for ConocoPhillips, admire the company's commitment to technology and innovation, as they seek to join a company with leading experts, a history of achievement and stimulating projects.
- ConocoPhillips people find their work meaningful and are optimistic, proud and energized by what they do. They are loyal to their teams and connected to their communities around the world.

It's not just what we do. It's how we do it.

The SPIRIT Values — Safety, People, Integrity, Responsibility, Innovation and Teamwork — are the heart of ConocoPhillips, driving the company's mission, vision and strategic objectives, and providing the framework by which the company operates. The "how" differentiates the company from others and drives that performance.

Brand & Creative Services Director Chris Young

BELOW: Carefully considering how the brand attributes apply to the visual system, the Creative Services team and members of corporate identity, brand and design agency Prophet collaborate to find the best images that capture Accountability + Performance.

"The company isn't focused solely on performance by the numbers. We are also focused on demonstrating behaviors that make us accountable to our stakeholders and each other," DeSanctis said. "And this will make us stronger than the competition both in the short term and for the long haul."

"BRAND IS A SENSORY EXPERIENCE," said Young. "It's manifested in a visual system that creates impact and understanding on the first impression. ConocoPhillips looks organized, technologically capable, impactful yet simple, and shows the authentic and diverse work employees expertly do.

ConocoPhillips Australia employees contemplate how accountability applies to everyday actions and behaviors.

"The company also sounds straightforward, conscientious, approachable, realistically optimistic, knowledgeable and thoughtful through the voice and tone used to communicate."

The ConocoPhillips Brand Center at copbrandcenter.com provides employees with materials, examples and guidelines to achieve a visual and vocal brand experience.

Commitment — ultimately, that's the most important component of the ConocoPhillips brand. It's commitment that causes people to keep doing the hard things well, leading to a durable reputation.

"Behaviors and actions drive our strong character, and a strong character stands up to challenge," DeSanctis said.

Together, the people of ConocoPhillips work hard to achieve worthwhile goals. That's Accountability + Performance. ■

Accountability

Defined as "the willingness to own and answer for outcomes resulting from behaviors and actions," accountability is exemplified by:

- Commitment to stand up and say, "I'll do it."
- Ability to prioritize individual, team and enterprise goals.
- Judgment around when and how to collaborate.
- Courage to speak up when something isn't working.
- Transparency to honestly report progress and adjust the course when necessary.
- Candor to have tough conversations when needed.
- Behavior consistent with the SPIRIT Values.

Performance

Performance means "delivering on commitments and doing what you say you will do." And that looks like:

- Setting goals that are aligned with company objectives.
- Consistently following through on commitments.
- Paying attention to the competition.
- Striving to win, but not at all costs.
- Focusing on both long-term and short-term results.
- Objectively analyzing and assessing results.
- Delivering results in accordance with the SPIRIT Values.

OUR BRAND EQUATION

The ConocoPhillips brand,

ACCOUNTABILITY (HOW WE DO IT)

Our SPIRIT Values guide our behaviors and our actions. They unify our organization. We stake our reputation on being accountable to our stakeholders, communities and each other.

+

PERFORMANCE (WHAT WE DO)

At ConocoPhillips, we embrace our role in responsibly accessing, developing and producing oil and natural gas to help meet the world's energy needs. We are committed globally to high standards of performance. We keep our promises.

demonstrated consistently,

OUR SPIRIT VALUES

- Safety
- People
- Integrity
- Responsibility
- Innovation
- Teamwork

+

HOW WE REPRESENT CONOCOPHILLIPS

- Accountable
- Collaborative
- Expert
- Purposefully Innovative
- Quietly Confident
- Responsible

supports our company's goals.

=

MISSION

We exist to power civilization.

VISION

Our vision is to be the E&P company of choice for all stakeholders by pioneering a new standard of excellence.

STRATEGIC OBJECTIVES

- Smart Growth
- Superior Returns
- SPIRIT Values

Technology delivers value through innovation

BY JAN HESTER, PHOTOGRAPHY BY PATRICK CURREY, HALL PUCKETT, GUS MORGAN AND BRUCE SENIOR

FROM THE CHIEF TECHNOLOGY OFFICER:

RAM SHENOY SHARES HIS THOUGHTS ON THE ROLE OF TECHNOLOGY AT CONOCOPHILLIPS AND HIGHLIGHTS SOME RECENT SUCCESSES.

In an environment of lower commodity prices, the efficient development, qualification and adoption of technology are critical than ever to ConocoPhillips' operations having a cost advantage over our competition. Since 2012, our focus has been to connect Technology & Projects (T&P) and Exploration & Production (E&P). Doing so has allowed us to leverage technical and operational expertise dispersed across the company to develop, deploy and gain the benefits of technology. We also increased the emphasis on more cost effective ways to access technology, whether internally or externally sourced.

Unconventional reservoirs are a major growth driver for the next five years. Last year ConocoPhillips invested $80 million in unconventional reservoir research and development (R&D), the company's largest R&D focus area. We emphasized technology field trials, with the intent to get technology quickly qualified and available for field implementation.

"In an environment of lower commodity prices, the efficient development, qualification and adoption of technology is more critical than ever to ConocoPhillips' operations having a cost advantage over our competition." — RAM SHENOY

We've had a number of successes. Three of those, in 2014, were the successful tests of instrumented wells by the Gulf Coast and Rockies business units (BU) and Global Wells; the Permian water treatment project by the Mid-Continent BU and Global Production Excellence (GPE); and the stimulated rock volume (SRV) pilot by the Gulf Coast BU, Geosciences & Reservoir Engineering (GRE) and Global Wells. The SRV revealed surprises about how rocks break, which will influence how we develop unconventional reservoirs. Advances in petrophysical analysis by GRE, working with the Gulf Coast BU, were important in the 700 million barrel oil equivalent resource* increase at Eagle Ford that

*Definition of resources: ConocoPhillips uses the term "resources" in this document. The company estimates its total resources based on a system developed by the Society of Petroleum Engineers that classifies recoverable hydrocarbons into six categories based on their status at the time of reporting. Three (proved, probable and possible reserves) are deemed commercial and three others are deemed noncommercial or contingent. The company's resource estimate encompasses volumes associated with all six categories. The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We use the term "resource" in this document that the SEC's guidelines prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the oil and gas disclosure in our Form 10-K and other reports and filings with the SEC.

was announced in the 2014 analyst meeting.

The Canadian oil sands represent approximately one-third of the company's resource base. One technology thrust is to continue to find ways to reduce production costs at Surmont I (already producing) and Surmont II (planned to come on production in 2015). For instance, we are looking for new ways to use less steam by distributing it more efficiently to mobilize hydrocarbons and to reduce heat losses. This also has the benefit of reducing our emissions footprint, while having a near-term reduction in the company's operating costs, and makes progress on commitments we made in our sustainable development action plans.

Our priority for core legacy assets is to minimize costs while maintaining production. Autonomous remote systems such as drones and the marine Wave Glider have matured to the point of being deployed in several assets. Compared with traditional air and marine surveillance, they are less expensive than the planes and boats they replace. They also reduce safety risk by removing people from potentially hazardous situations.

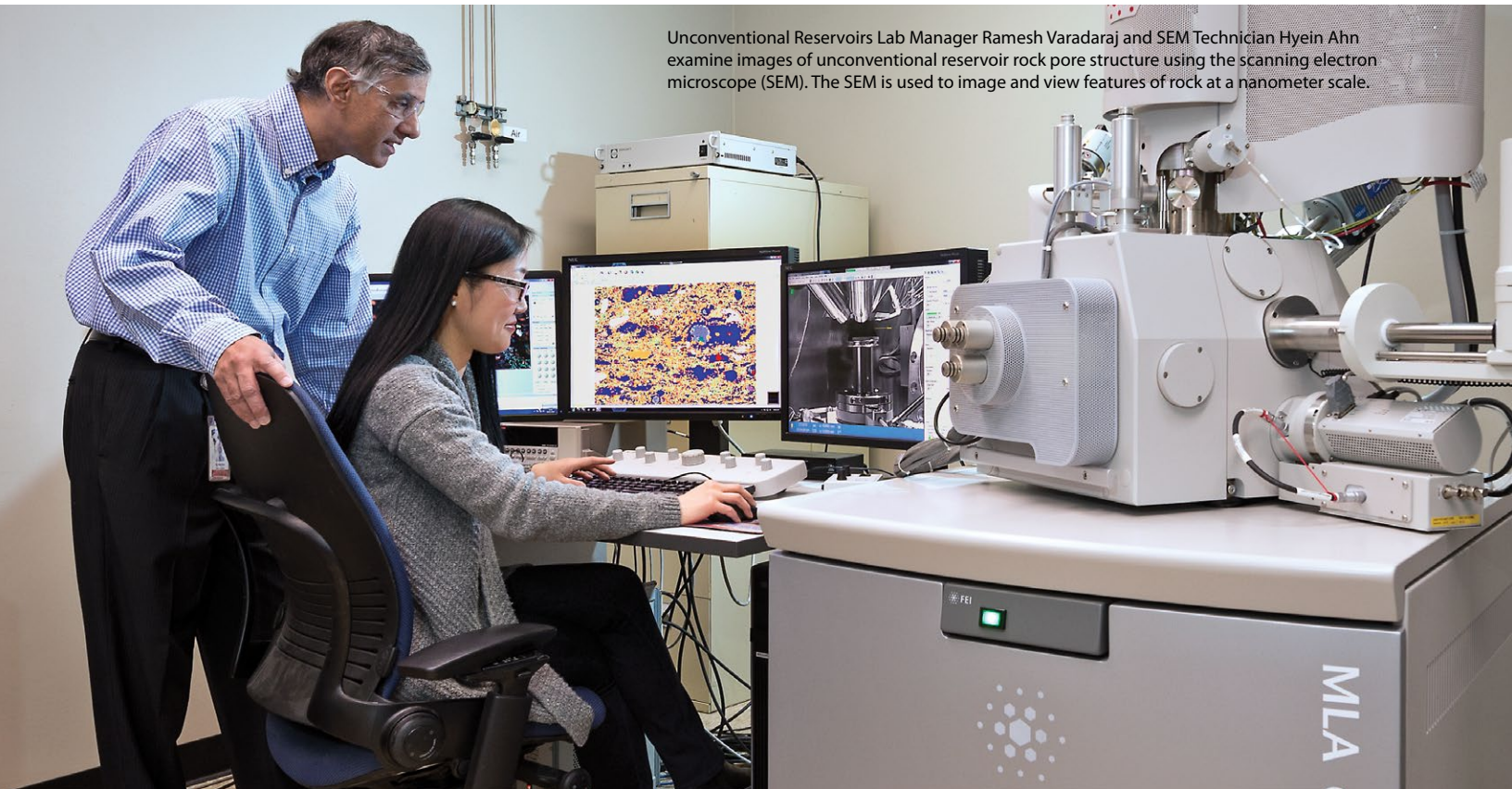
Another theme is technological innovation in plug and abandonment (P&A) technologies for our mature assets in U.K. and Norway. Working with the Norway BU, the Technology Ventures group has matured collaboration with some small innovative startups to provide novel technologies that significantly reduce costs by reducing the rig time involved in a number of P&A tasks.

Since 2012, we've been learning how to work together, and have achieved great successes in the last three years. Collaboration between the functions and BUs and being open to novel ways to source technology will be vital to our continuing success as we face some headwinds in 2015.

Mercury treatment

Elevated mercury levels in crude oil expose ConocoPhillips to a significant financial risk, but until now, no viable commercial technology existed for removing it. A multidisciplinary team designed a new mercury removal process, moving from original concept to an operating pilot unit in only 18 months. This 2014 Technology Award-winning project was made possible by collaboration among numerous groups, including GPE, Teesside Operations (U.K.), Supply Chain (Bartlesville), Information Technology (Norway) and several contractors.

The pilot unit has been performing well at Teesside, and results have already demonstrated that the company's patent-pending process is effective for removing mercury from crude oil. Once it has been commercialized, this innovative solution will offer ConocoPhillips an effective tool for managing the business risks associated with mercury.



Unconventional Reservoirs Lab Manager Ramesh Varadaraj and SEM Technician Hyein Ahn examine images of unconventional reservoir rock pore structure using the scanning electron microscope (SEM). The SEM is used to image and view features of rock at a nanometer scale.

Unconventional solutions:

Petrophysical analysis for reservoir characterization

Glossary

Saturation:
oil and water content.

Porosity:
how much core space is available in the formation to hold oil, water and gas.

Permeability:
flow properties, or the ability of fluids to move in the rock formation.

In the white-hot growth area of unconventional reservoirs, technology has made an enormous impact in recovering hydrocarbons, reducing costs and minimizing water usage. Production per well has increased significantly, driven by technical improvements and experimentation.

A new method of analyzing rock enabled the company to more accurately assess its volumes at Eagle Ford, the company's biggest asset.

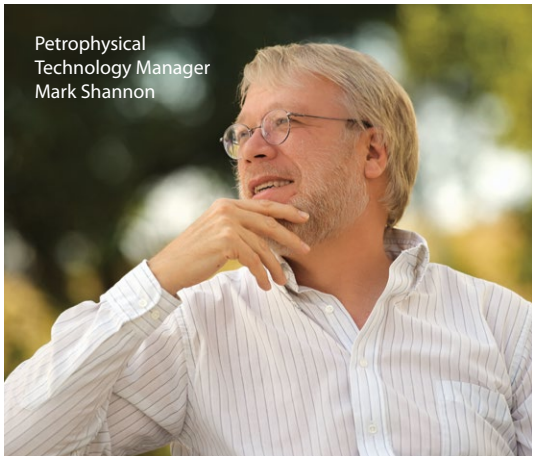
"We originally thought we had resources of a few hundred millions of barrel oil equivalent," said Greg Leveille, technology program manager, Unconventional Reservoirs. "The latest estimate is approximately 2.5 billion."

The analysis process involved developing an alternative methodology for tying core lab data to information from wire line logs in the field.

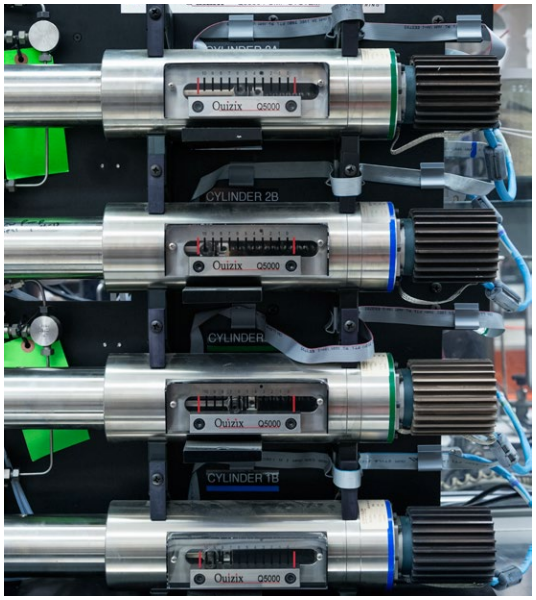
"We originally thought we had reserves of a few hundred millions of barrel oil equivalent. The latest estimate is 2.5 billion." — GREG LEVEILLE

"Until now our ability to translate logging and core measurements into accurate assessments of a reservoir has been limited," said Mark Shannon, manager, Petrophysical Technology. "We've relied on vendor data and got mixed results at best. So we built a lab program almost from scratch to provide us with the measurements we need to make those interpretations."

Ramesh Varadaraj, manager of the Unconventional Reservoir Laboratories in Bartlesville, describes the new lab capabilities. "Using


Petrophysical Technology Manager Mark Shannon

Eagle Ford Development Manager Steve Bohnet



Unconventional Reservoirs Technician Zach Cramer loads core samples into the micro-CT X-ray instrument. The device generates high resolution images of micro-fractures, a unique characteristic of unconventional reservoir rocks.

cutting-edge lab technology," he said, "we produce superior results in terms of accuracy and do it faster as well. The challenge is extraordinarily difficult as the rocks have microscopic pores. We believe our methods and capabilities are unique, and we've done this in less than three years."

The new Eagle Ford two-component model was a game changer. Calibrating data from logs back to core results has enabled ConocoPhillips to more accurately estimate hydrocarbon volume and flow potential.

"The petrophysical model opened our eyes to areas with resources in place that we might not normally have tried to recover and helped us identify areas where we could drill additional wells," said Steve Bohnet, development manager at Eagle Ford.

Leveille said ConocoPhillips' success in unconventional reservoirs has resulted from the partnership of T&P, including GRE, GPE and Wells & Marine, with BUs. "Technology," he said, "requires two things: the actual technical innovation, and adoption and deployment to create value for the company."

LEFT: Ramesh Varadaraj, manager, Unconventional Reservoirs Lab holds a molecular model of clay, a key mineral component of UR rock. In the background are Laboratory Researcher Robert Krumm and Pore Scale Lab Technician Elizabeth Krukowski.

Raising the bar at Surmont

Surmont II is expected to finish construction in spring 2015, with first production later in the year. Successful innovations introduced at Surmont I will also boost efficiency at Surmont II and Surmont III.

David Brown, technology program manager, Oil Sands & Heavy Oil

GAS TURBINE ONCE-THROUGH STEAM GENERATOR (GT-OTSG)

Producing the steam used in steam assisted gravity drainage (SAGD) requires large boilers called once-through steam generators. The GT-OTSG enhances the process by locating a gas turbine in front of the steam generator. As the turbine generates electricity by burning gas, the exhaust is used to preheat the steam generator combustion chamber, reducing the amount of fuel needed to produce the steam required for SAGD.

"This process also lowers greenhouse gas (GHG) emissions and generates electricity at a lower cost than we can purchase it," said David Brown, technical program manager, Oil Sands & Heavy Oil. "The successful GT-OTSG trial at Surmont I resulted in a 40 percent reduction in nitrous oxides, with an overall 11 percent reduction in GHG emissions."

The proven technology, currently being considered as a design option at Surmont III, could result in significant economic benefits.

CONTROLLING THE FLOW

Flow control systems are commonly used in conventional oil and gas operations. The Surmont team thought the technology might also be applied to the SAGD process, which would benefit from a more even distribution of the steam injected into the reservoir, as well as drainage of the melted bitumen.

Starting in 2009, the Surmont team initiated a

Surmont I


Principal Reservoir Engineer Wendell Menard

long-term field test of a flow control device (FCD) that would increase production by evenly distributing steam and reducing the risk of sand particles damaging the completion.

"We knew that if we could accelerate production by just 5 percent, the system would pay for itself," said Guy Vachon, principal technical advisor, Wells Technology. "It actually allowed us to increase production by 50 percent, with convincing results by 2012."

To further assess the potential of FCDs, ConocoPhillips constructed a test facility in Edmonton, Alberta, to evaluate these devices and better understand how to improve them for application to oil sands.

"Flow control devices were not invented for SAGD," Vachon said, "so we are learning about the relative merits of the existing tools and building on our expertise to design custom tools optimized for the oil sands.

"This will allow us to optimize operations at Surmont while providing information to help FCD designers improve their product."

FISHBONE WELLS

The most effective way to boost production from SAGD is to locate pairs of wells closer together, but closer spacing increases costs. A new strategy aims to replace some well pairs with branched production wells, known as fishbone wells, reducing costs significantly. The fishbone ribs branch out toward offsetting well pairs, which provide the heat needed to make bitumen flow.

At the pilot underway at Surmont I, Principal Reservoir Engineer Wendell Menard said steam is being circulated in the trunk so that when the ribs begin to produce bitumen, it remains warm enough to be pumped to the surface. "Once the trunks reach about 100 degrees Centigrade (212 Fahrenheit)," he said, "we'll increase drawdown to try to initiate flow."

Menard said reducing development costs and improving recovery will benefit the company by maximizing the value of current and future Surmont facilities. "Our simulations show that if you can get a significant number of ribs to flow properly," he said, "you can recover the same amount of oil without drilling an additional injection well. So you get the same volume of hydrocarbons out of the reservoir at a lower cost."

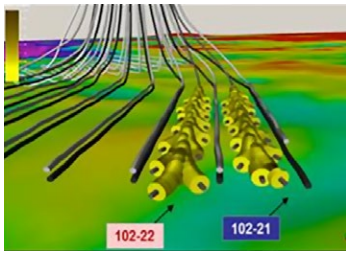


Diagram of a fishbone well structure

Steam assisted gravity drainage (SAGD)

Bitumen found in the Athabasca region of Alberta, Canada, does not flow like conventional crude, so it must be heated before it can be produced. SAGD involves injecting high-temperature steam underground through a horizontal injector well to melt the bitumen, allowing it to flow to an adjacent, parallel horizontal producer well. From there, it is pumped to the surface for processing.


Guy Vachon, principal technical advisor, Wells Technology

Matthew Pritchard, manager, Technology Integration & Commercialization

Dan Fernald, project development director, Engineering & Projects

Tech Ventures: Investing in innovation

NEW TECHNOLOGY FOR PLUG AND ABANDON

In 2013, a team from Wells & Completions and the Norway BU contacted Tech Ventures to discuss U.K.-based BiSN, whose new Wel-lok primary cement plug had the potential to make the company's P&A operations safer and more effective.

"We were asked to take a look at how to protect the ideas and funding that ConocoPhillips had contributed to the development of the Wel-lok system," said Matthew Pritchard, manager, Technology Integration & Commercialization. "After discussions with BiSN management, ConocoPhillips secured an equity position in BiSN and preferred commercial terms for the technology; BiSN received additional funding to progress technology development and commercialization, and continued access to ConocoPhillips technology experts and ideas."

The plug, made of a bismuth-based metal alloy, inserts into the well and melts in situ using a chemical reaction heater. The result is a metal-to-metal seal that creates a permanent, gas-tight barrier. It's also environmentally friendly and even works on damaged casings.

Jeff Heinrich, director, Technology Integration & Commercialization, said the two companies are also developing an annulus plug for use between casing strings. "If successful," he said, "it would help us meet environmental regulations as well as save the company money."

The plug was invented by Dale Doherty, cementing specialist in Wells, who worked with BiSN to design a working prototype.

"We're currently working on two versions," he said, "one for the Permian and one for deepwater. The Permian version is an actual packer that will attach to the outside of the casing string and melt into place. The device currently in use by the industry leaves holes in the casing. They're sealed, but they're still leak paths. For the same price, we'll be able to run a device outside the casing that doesn't require any holes in the pipe. It's an insurance policy in case the cement sheath has been inadvertently damaged."

For deepwater, the team is developing a liner top seal to protect the well in case of mechanical device failure. A successful design could reduce costs associated with rig downtime.

Dan Fernald, project development director, Engineering & Projects, said the annular seal for deepwater wells may have an even bigger impact on the company than the Permian plug. "Using these metal alloy plugs that melt in place will

Wells Cementing Specialist Dale Doherty

likely be highly effective in providing a pressure seal that is tailor made for the environment," he said. "We have a couple months' more testing to do, but we're expecting success."

Pritchard said the alliance with BiSN has been a success for ConocoPhillips. "The plugs are ready to be deployed by the Norway BU," he said. "The company's name is on one of the patents, and we get a royalty if the products are a commercial success. And since we're an equity holder, we will ultimately benefit from BiSN's success."

Jeff Vander Laan, director, Technology Integration & Commercialization

Sometimes little things can cause big problems. In the oil and gas industry, small items such as pipes, pumps and valves exposed to harsh environments can erode or corrode, resulting in lost production time, environmental incidents and even injury to personnel.

NANOLAYERING TO PROTECT METAL PARTS

Sometimes little things can cause big problems. In the oil and gas industry, small items such as pipes, pumps and valves exposed to harsh environments can erode or corrode, resulting in lost production time, environmental incidents and even injury to personnel.

The Tech Ventures team is working with Seattle-based Modumetal to identify potential applications for its nanolaminating technology, designed to make coated pieces more durable. The technology, originally trialed and adopted by the U.S. Coast Guard for bolts on helicopter machine gun mounts, involves coating with very thin, alternating layers of certain metals using electrical current modulation.

"Nanolamination has proven to be multiple times better than regular coating," Pritchard said. "Before agreeing to field trials, we asked Modumetal to do an accelerated corrosion test on their coated bolts. While other coating systems tested failed after 200 to 400 hours, the Modumetal coated bolts showed no signs of corrosion even after 3,000 hours. This duration is not significant on its own, but the relative result is. The potential cost savings could be very significant."

The project is another example of effective collaboration. Scientists in the GPE Bartlesville corrosion labs initially identified a number of opportunities for the nanolaminating technology, including coating fasteners such as bolts. The operations team at Bayu-Undan, located in the Timor Sea where corrosion is an ongoing issue, tested nuts and bolts in the company's first field trial. The parts are performing well, and other BUs have expressed interest in them.

"Modumetal has come up with a novel process for inexpensively producing nanolaminate metallic coatings with superior erosion and corrosion resistance, and in some cases enhanced mechanical properties," said Jeff Vander Laan, director, Technology Integration & Commercialization. "The process enhances service life and improves asset integrity at a lower cost than using corrosion resistant alloys or other coating systems."

The Modumetal coatings are being used on surface facilities in marine environments, with many other potential applications onshore and offshore.

Jeff Heinrich, director, Technology Integration & Commercialization

John Hand, technology program manager, Legacy Assets

Dennis Parrish, director, Customer Operations & Support, Aviation Alaska

ABOVE RIGHT: Liquid Robotics Oil & Gas (LROG) technicians deploy a Wave Gliders in ConocoPhillips' Qamut Block, just offshore northwest of Greenland. The Wave Gliders were transported to this harsh environment by ship to observe sea ice and icebergs, as well as collect metocean data to be used in designing future production platforms.
PHOTO COURTESY OF LROG

Autonomous remote systems are here to stay

John Hand, technology program manager, Legacy Assets, has a really cool job. He gets to check out a range of high-tech gadgets and explore their applicability to ConocoPhillips' business.

WAVE GLIDER

The Liquid Robotics Wave Glider gathers a wide range of information that is invaluable in an offshore exploration and production environment, including metocean data such as currents, temperature, wind speed and direction and barometric pressure. Its onboard instrumentation can even pick up samples and examine them for signs of algae, hydrocarbons, dissolved organic matter or chemical dyes. This data can help determine if hydrocarbons come from an oil slick or a natural seep.

"Metocean data is critical in rig operations," Hand said. "In the event of a spill, it can help responders understand where prevailing currents might carry the oil. We carried out a number of trials last year in the Gulf of Mexico and qualified the technology for typical environments. It is ready for use by the BUs."

The next step was to test the device in a harsher environment. In Alaska, a team set out to determine whether the Wave Glider could be used to track ice floes.

"We can track their movement using synthetic aperture radar (SAR) satellites," Hand said, "but unlike Wave Gliders, they cannot provide real-time tracking. The Wave Glider can also be redirected to another task at any time. Using a combination of Wave Gliders and SAR satellites, we can follow the routes of hazardous ice floes and icebergs."

The Wave Glider can also operate in areas that are not easily accessible by personnel, such as the northwest shores of Greenland. In 2014, a ConocoPhillips team tested the latest model's mettle in its extremely harsh environment.

"After working out some magnetic compass issues caused by proximity to the North Pole," Hand said, "we were able to operate normally and stay on a designated station for 45 days without fear of icebergs in the area. That's more than we thought we'd be able to do."

Additional missions this year are being driven by the BUs, including Norway, the Gulf of Mexico and possibly Australia.

PROTECTING PEOPLE AND THE ENVIRONMENT

Drones, or unmanned aircraft systems (UAS), are becoming ubiquitous in the U.S., often in a negative context. But in the oil and gas industry, they have the potential to protect people from exposure to high-risk jobs as well as reduce the environmental impact of finding and producing hydrocarbons.

Because of Federal Aviation Administration (FAA) regulations, most of the company's drone activity is currently outside the U.S. At Teesside, flare inspections are being conducted using infrared. In the southern North Sea, the U.K. BU is launching a decommissioning program that requires platform inspections. Drones can perform some of the inspection tasks normally requiring personnel.

"These typically require working under the platforms on erected scaffolding," Hand said. "With drones it's potentially a lot safer. We can do a visual inspection by flying a rotary wing drone around and under the platform, with minimal risk to people."

ConocoPhillips Aviation and the Alaska BU led the charge to use drones, with the first certified UAS flight in the U.S. and first commercial operations in 2013. This year the Alaska BU is pursuing an FAA exemption to use small UASs for inspections and will purchase a four-rotor drone, or quadcopter, for flights over ConocoPhillips' facilities.

"These flights can easily reach areas that are challenging or high risk for people, such as towers and flare stacks," said Dennis Parrish, director, Customer & Operations Support. "They reduce personnel exposure to risks such as falling from heights. They also require fewer permits to access the tundra, which means less impact on the environment."

The Indonesia BU has used drones to address the issue of security on cross-country pipelines.

"Drones can fly along extended sections of the pipeline to patrol for suspicious activity," Hand said. "Since the program began in July, incidents have essentially dropped to zero."

SATELLITES: THE NEXT GENERATION

In 2015, the company will represent the industry in a pilot project using the next generation of satellites.

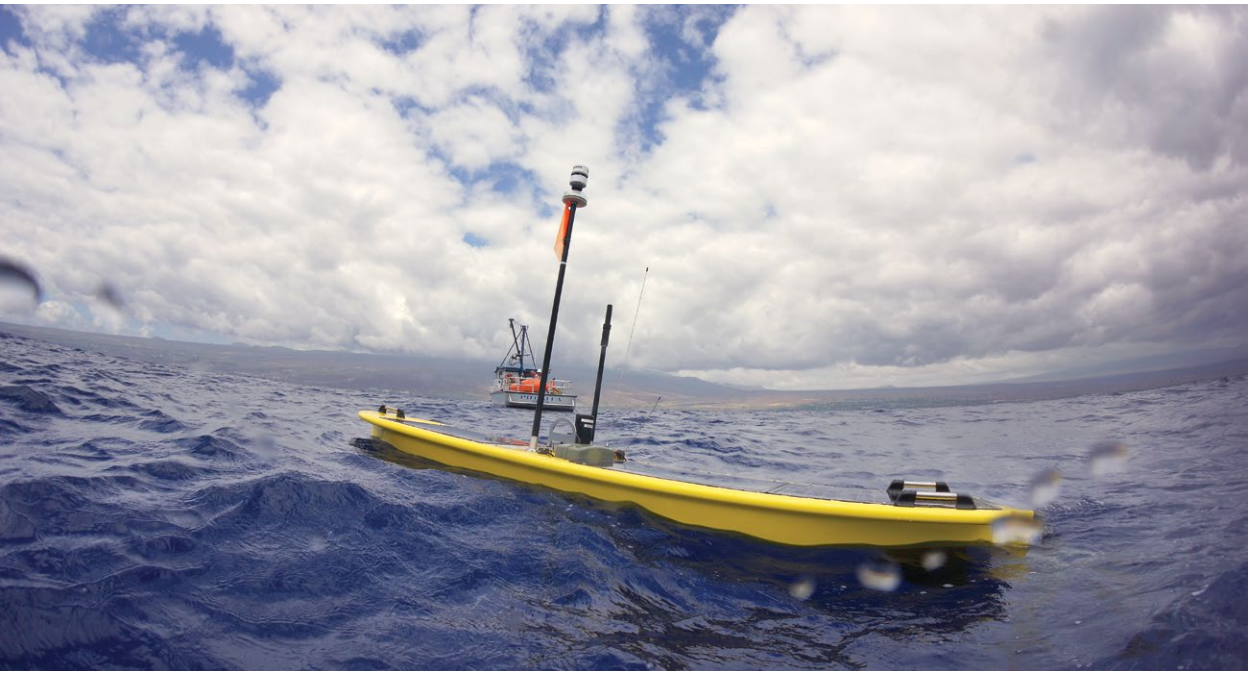
"The company is already recognized as the industry leader in the use of satellite imagery for oil and gas operations," Hand said.

This program, driven by Boeing, would represent improved imaging and a huge cost reduction.

"Going beyond the optical satellite imagery such as Google Earth, the new hyperspectral satellites will provide information about the character of lithology, surficial hydrocarbon leaks and vegetation in details not possible from current optical satellites," said Khalid Soofi, geoscience fellow, Geological Technology. "Hyperspectral imagery is like looking through an open window, as opposed to a window with the blinds down."

Hand said this will put ConocoPhillips at least three years ahead of the curve compared to its competitors. ■

Geoscience Fellow Khalid Soofi



ABOVE LEFT: A Boeing ScanEagle, similar to the one used in the first flight in Alaska

PHOTO COURTESY OF BOEING

LEFT: Wave Glider

PHOTO COURTESY OF LIQUID ROBOTICS


ConocoPhillips

Cecil Ingram

Returning to the North

BY CLIF INGRAM, CECIL'S SON

CECIL INGRAM WAS STANDING on the production platform Gulf Tide on that cool, damp April day in 1971 when the valve was opened to load the first barrel of oil into an oil tanker. From his regular position in the production department, he'd been on loan to the engineering department for 18 months.

"Ekofisk was finally producing," Cecil recalls. "We didn't dream it would turn into much."

He certainly did not realize how historic the moment was: the first barrel of crude oil from the North Sea flowing into a tanker. Ekofisk would change the petroleum industry as well as the history of Norway.

"After being in at the start, seeing what it is now just blows my mind."

Cecil arrived in the North Sea via a circuitous route. Born and raised on a cattle farm in southeastern Oklahoma, he graduated Caney High School in Kansas on a Thursday evening, took a bus to Borger, Texas, with $36 in his pocket, interviewed for a job on Monday and went to work for Phillips Petroleum Company on Tuesday. His first job was ditch digger, using a shovel in the days before backhoes. He started a family and moved up in the company, eventually moving to south Texas to work in the Corpus Christi office.

Celebrating his seventeenth anniversary with the company, he jumped at the opportunity for an international assignment. He took his family to Tripoli, Libya, where he had to travel 450 miles by plane, an old military DC-3 converted for civilian use after World War II, to work the production fields of the Sahara Desert. Life was good until Colonel Muammar Khadafy overthrew the monarchy and nationalized the oil companies. Most of the American companies pulled out.

Cecil was the seventh Phillips expatriate to arrive in Stavanger, Norway. Exploration was just getting underway in a new offshore field called Ekofisk. Life was challenging for those early pioneers. Bravo 14 blew out. Helicopters went down, and men were lost. They weathered 100-year storms, Cecil remembers, "when all support vessels were withdrawn, the waves were crashing into the platform deck eighty feet above sea level, and you could hear the legs of the platform breaking."

After eight years of offshore life, Cecil asked for a transfer "back home." He went to Kingfisher, Oklahoma, just northwest of Oklahoma City and retired in 1989, having worked 36 years for the company.

To celebrate their 60th wedding anniversary, Cecil and his wife Laura decided to return to Stavanger. The summer of 2014, 27 family members spanning four generations joined them on a visit. Most had never been. Cecil and Laura rejoiced to visit and take photos of the house they'd once lived in, now owned by a former neighbor.

Cecil Ingram (back row, third from left) and his extended family at the house he lived in during his time in Norway

The highlight of Cecil's trip was a tour of ConocoPhillips' Tananger office, hosted by Communications Representative Tore Falck.

Computer screens with real-time images of offshore activity and personnel controlling offshore operations from onshore centers amazed Cecil. Reminiscing about offshore life, he recalled how he once fished from the bridge connecting the flare with the north end of the facility. The flare has since been removed, but Tore informed him that fishing is still permitted.

Cecil concluded, "That was the trip of a lifetime. If I could live anywhere other than where I now live, it would be in Stavanger." ■

Pete Burgers

Honoring culture and looking after people

BY LUCINDA CALLIE

PETE BURGERS' CAREER has spanned two very different oil and gas industry periods.

From the ages of 18 to 27, Pete served as a merchant marine officer with an international towing and salvage company.

"When you're 18 and have such an opportunity, the world is your oyster," Pete said.

From serving as first responder during major disasters to battling nature's elements on supply boats off Aberdeen, Pete fully immersed himself in the industry — and loved every minute of it. He plans to recount those tales in a book he has promised his sons.

Pete briefs his crew on a typical day at Bayu-Undan.

Pete first joined Conoco in The Hague in 1984 for commissioning of the Kotter and Logger platforms, working there until both platforms were sold in 1998.

After relocating to Australia, Pete rejoined the company in 2002 as operations supervisor for the Bayu-Undan platform, then under construction.

"I supervised 50 operations technicians at the Korean construction yard. Half the original team has remained with the project because, from the outset, we created a culture of trust, honesty and friendship."

Today, as Bayu-Undan field manager, Pete is responsible for the safety and professional development of more than 400 people working on the platform in the Timor Sea, including many Timorese nationals still adapting to oil and gas industry technology.

Pete explains that success isn't just about mentoring the right people; it involves communicating with empathy and seeking to understand each individual's circumstances.

"Ultimately it's about the values we instill as a company and the right approach to the job. These are all good people you can relate to. That's what it's all about. My professional and personal approach to any experience is always in line with the fifth of Stephen Covey's '7 Habits of Highly Effective People': seek first to understand, then to be understood."

Cultural sensitivity plays an important role in his job. "For our Timorese people, working offshore means they're away from their families and villages, very important components of their social structure. I help them understand the importance of having a support structure to look after their families while they are away.

"When a relative passes, they may require a longer grieving period and might feel they can't work offshore again. Rather than lose well-trained, competent people, we honor their culture by offering extended unpaid leave and maintaining a personal connection until they return to work.

"Looking after our people is what excites me the most. I have a great capacity to listen and help people because they are family to me."

With hundreds of people working within operations, the decision-making process is constant and complex.

"A lot of people get tangled up in things that aren't that important or urgent; being able to realize the difference is critical."

While the focus is constantly on safety and operational efficiency, Pete is quick to recognize the right time and place to lighten the mood. "It's a harsh environment with many hazards, but we make time for some fun as well.

"Whenever I go back to Bayu-Undan, I love it. Where else would you want to be?" ■


ConocoPhillips
PETE BURGERS


ConocoPhillips

Karen Stiles

Texas charm, fresh perspective

BY GUS MORGAN, PHOTOGRAPHY BY PATRICK CURREY

KAREN STILES' LATEST JOB ROLE in operations is a Texas-sized task: helping maintain production of ConocoPhillips' nearly 730 wells that dot the gas-rich Barnett Shale in North Texas.

After joining the Lower 48 business unit in 2005, Karen's skills and responsibilities have steadily grown. She's just now settling into her new role as operations superintendent in the Barnett Shale, fresh off her duties as the Niobrara Planning & Integration supervisor, a business-development role that involved long-range planning and stakeholder engagement.

Operations, Karen said, is the heartbeat of the company, a tangible realm that allows her to see the fruits of her labor.

"It's the core of our business," said the San Antonio, Texas native. "If we can't operate our wells, we can't make any money."

STAKEHOLDER ENGAGEMENT

Karen's latest role puts her in the field, face-to-face with landowners who want assurance that any development on their property is being handled correctly. Her conversations with landowners run the gamut, from drilling operations, to environmental concerns, to cattle guards and access roads. Karen's professional demeanor and Texas charm make her a savvy communicator.

PAB Operations Manager Johnny Golden, who has worked with Karen for nearly four years, said Karen knows the value of effective communications and the importance of building relationships.

"Karen is a great listener," he said, "and completely comfortable in any environment, whether she's giving technical presentations to senior management or talking with local landowners. We are currently in the midst of a very challenging price environment, and we're going to be relying on Karen's fresh perspective to identify new ways to address these challenges while still delivering on our commitments."

And while Karen spends part of her day in the Decatur office discussing the daily tasks that need to be completed, be it surface work on tanks or downhole work on wells, she's regularly out in the field visiting the wells and facilities and being a visible safety leader.

GROWING WITH CONOCOPHILLIPS

Karen, a Vanderbilt University graduate who majored in chemical engineering and mathematics, started out in the company's GRAD program, where she spent a year and a half rotating through various job roles in all the engineering disciplines. Over the years, she's tackled a variety of roles, from reservoir simulation to CO_2 floods to greenfield development. Her foray into Operations is just her latest step ahead.

"At the time I joined," she said, "the Lower 48 was in harvest mode. It's been fun to be a part of the turnaround — we've successfully found new Lower 48 assets and grown the ones we had."

ConocoPhillips, Karen said, has given her the opportunity to excel.

"I've had incredible opportunities to see and do different things and really enjoy the industry," she said. "There are many more options than I ever thought possible, all within a safety culture that really does support everyone going home safe at the end of the day." ■

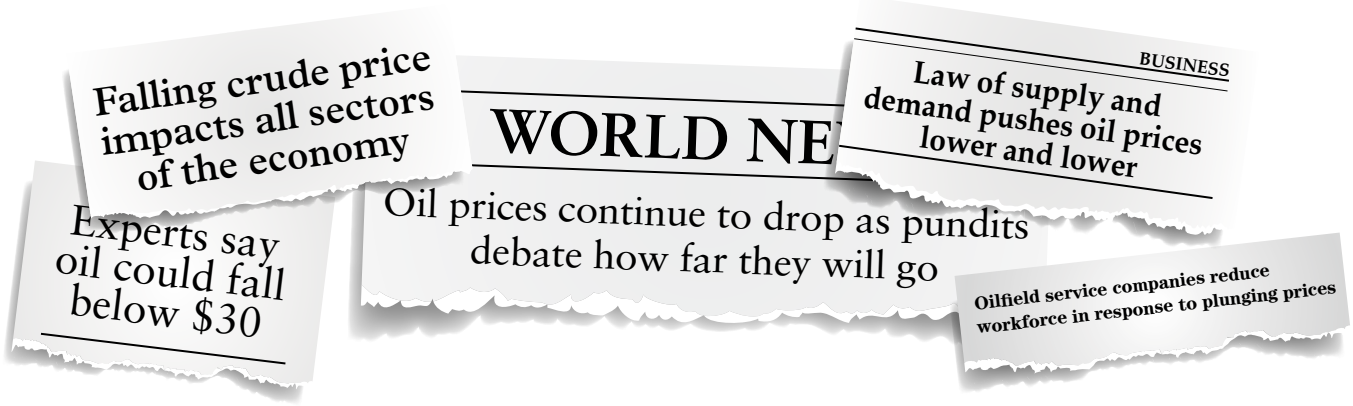
WORLD TRAVELER: Karen Stiles, who has set foot on all seven continents, hangs out with penguins during a 2012 trip to Antarctica. "It was beautiful and breathtaking," she said, "but at the same time so hostile and barren, nonetheless, a phenomenal region of the world." In 2013, Karen visited Machu Picchu, a 15th-century Inca site located 7,972 feet above sea level in Peru. She's already thinking about her next trip: a photo safari to Eastern Africa.

ConocoPhillips takes measures to address lower oil and natural gas prices

BY RAY SCIPPA

Oil and gas prices began a precipitous decline in late 2014 that continued into 2015. In response, ConocoPhillips took decisive action in anticipation of low prices through 2015.

"Our actions were driven by two key priorities: to protect our dividend and achieve cash flow neutrality in 2017," said Chairman & CEO Ryan Lance, during the company's fourth quarter and year-end conference call on Jan. 29. "We have exercised our capital flexibility and reduced our 2015 capital expenditures budget to $11.5 billion, a decrease of more than 30 percent compared with 2014 spending."



> "We believe we can effectively manage through this downturn because of our flexibility and resilience."
>
> — RYAN LANCE

At the revised capital level, ConocoPhillips expects to deliver 2 to 3 percent production growth in 2015 from continuing operations, excluding Libya. Meanwhile, the company will continue to fund maintenance capital to preserve the strength of its base production, as well as the operating and asset integrity of its portfolio.

"Most important, we will maintain our focus on personal and process safety," Lance said.

The company also announced that it would take measures to reduce controllable costs. In addition to broad-based measures aimed at eliminating discretionary expenditures, management made the difficult, but necessary, decision to eliminate annual salary adjustments in 2015. This was viewed as a 2015 action and does not represent a change in overall compensation philosophy.

Among the many broad-based measures, Lance called upon individuals across the company to take responsibility for eliminating discretionary costs. Instead of traveling to meet with colleagues, for example, employees are encouraged to take advantage of available virtual meeting technologies when appropriate.

"We believe we can effectively manage through this downturn because of our flexibility and resilience," Lance said.

ConocoPhillips continues to actively monitor oil and gas prices and assess its future capital investment plans.

"We are prepared to exercise additional flexibility in the future if lower prices persist in order to protect our dividend, achieve cash flow neutrality in 2017 and preserve value," Lance said. "Growth rates would be adjusted, as appropriate, to reflect investment levels in any given year."

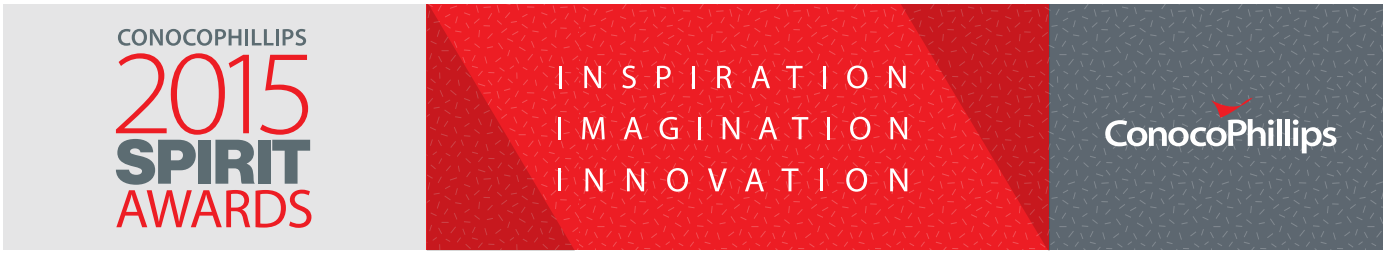
Oil prices began to decline in the summer of 2014 and quickly reached their lowest level since the global recession of 2009. For the full year 2014, however, ConocoPhillips delivered on its commitments.

"It was another year of solid operational and financial performance," Lance said. "We met or exceeded our strategic targets. In short, we did what we said we would do."

Unlike other companies in the industry that have announced across-the-board workforce reductions in response to the price downturn, ConocoPhillips is embarking on a systematic cost structure review. Expected to continue through 2015, the review will further position the company to sustain its growth and prosper in a lower price environment. ■

ConocoPhillips Annual Meeting of Stockholders will take place at the Omni Houston Hotel at Westside, 13210 Katy Freeway, Houston, Texas 77079, on Tuesday, May 12, 2015, at 9 a.m. CDT.

2015 SPIRIT Awards efficiently carry on a time-honored tradition



Every year, the SPIRIT of Performance Awards honor the people who best exemplify ConocoPhillips' highest standards of performance in conducting business, upholding the company's commitment to safety and well-being, and contributing to society.

After careful consideration of more than 80 nominations submitted, the Executive Leadership Team (ELT) selected 28 teams that made the most significant impact by executing projects with a high degree of difficulty. These teams and projects demonstrated accountability and performance by adhering to ConocoPhillips' SPIRIT Values and exhibiting behaviors that set the company apart from its competition.

The ELT also selected three individuals who went above and beyond to save a life in 2014, and two others whose quick and decisive actions safeguarded company operations. Finally, the team selected an Individual Lifetime Achievement Award winner whose long history of service on behalf of the community is both impressive and inspirational.

The demonstration of ConocoPhillips' SPIRIT Values exemplified by these 2015 award winners takes on added meaning as the company addresses current industry conditions. This year, instead of celebrating the SPIRIT Awards at a gala event, ConocoPhillips will conduct a year-long communications campaign to recognize and honor the 2015 winners.

The SPIRIT of Performance Awards continue to be the company's most prestigious global recognition program. Since 2001, the company has recognized nearly 500 teams and more than two dozen individuals with the coveted SPIRIT Award. Over the years, the awards have evolved, with an increasing focus on the company's core SPIRIT Values as well as recognition for employees who act to save lives, intervene to ensure workplace safety and carry out wellness initiatives. ■

Safety

Eagle Ford Construction Management Team – Lower 48

Poland Team

Lost Cabin Gas Plant Operations Improvement Team – Lower 48

Canada Shutdowns

Marine Operations – T&P

People

ABU East Personnel Resourcing – Australia East

Accelerate Program – HR

Interim Learning Center Implementation – HR

Integrity

Bohai Operatorship Transfer – China

Responsibility

Libya's Morning Glory Incident Response

Carbon Scenarios and Strategy Team – Planning

Wingate Closure and Sale Team – Lower 48

Innovation

SRV Pilot – T&P

Mercury Removal System – T&P

Indonesia Water Management

Teamwork

Unconventional Reservoirs Symposium – E&P

Kenai LNG Program Team – Alaska

Extended Bayu-Undan & DLNG Shutdown – ABU West

Subsurface Technology – T&P

MCBU/T&P Water Management Team

Business Excellence

FMV Method of Interest Apportionment – Finance

TEMAX Monetization Team – Commercial

Nigerian Disposition Team – Planning

iOF (integrated operation of the future) – Lower 48

20K Joint Development Frame Agreement – T&P

JOA & Pension – Norway

KBB Development – Malaysia

Wellness

Singapore Wellness Committee

Lifesavers

Belinda Pedraza – Lower 48

Neville Carrington – Australia West

Heath Thompson – Western Canada

Process Safeguards

Jason Kazakoff – Western Canada

Cassidy Whitley – Western Canada

Individual Lifetime Achievement

Steve Moskowitz – Houston

Malaysia workshop focuses on environmental and social issues

ConocoPhillips' commitment to responsible development and operations is fundamental as the company strives to deliver strong business results and be a great neighbor. Addressing environmental and social issues and risks requires participation by all employees. In November 2014, many of the company's environmental and stakeholder engagement experts gathered in Kuala Lumpur, Malaysia, for a regionally focused workshop, while providing global insights to understand past performance and collaborate on plans for future success. This small workshop coincided with a government affairs meeting, optimizing regional participation while minimizing travel costs.

Jointly hosted by the ConocoPhillips Corporate Planning & Development Sustainable Development team, the Health, Safety & Environmental (HSE) Environmental Assurance team and the Malaysia business unit, the three-day workshop included discussions covering:

- Projects to meet the greenhouse gas (GHG) emissions target.
- Water supply and reuse technology solutions.
- Risk-based environmental baseline data.
- Exploration in sensitive environments.
- Tools and processes for reducing environmental and social risks.
- Evolving regulations and stakeholder influence.
- Environmental Strategy Framework for Smart Growth (ESF).

"Asia Pacific growth is essential to a successful future for ConocoPhillips, so it makes sense to focus our two-way learning here," said Sustainable Development Manager Sabrina Watkins. "The Asia Pacific regional workshop is the first step toward a tradition of bringing global attention and expertise to support regional environmental and sustainable development (E&SD) business issues. At the same time, this will deepen global practitioners' understanding of regional best practices."

Sabrina Watkins

The team of experts designed the workshop to facilitate global collaboration, foster functional excellence and support continuous improvement in how businesses include E&SD in strategic decision-making. Participants were able to explore and clarify company direction and expectations, increase awareness on key challenges and put plans in place to address them.

"Our 2014 corporate priorities committed us to strengthening environmental, economic and social performance in projects, operations and technology. This workshop and the ESF that was kicked off in 2014 are examples of ways we're

Imanda Susilo, corporate social responsibility coordinator, ConocoPhillips Indonesia, delivers school supplies to children at a local school in coordination with the MyKasih Foundation, a nonprofit organization that provides food aid, health awareness and financial literacy programs, children's education and skills training programs to less fortunate children.

working toward these priorities," said Environmental Assurance Manager Jennifer Barringer.

The workshop also provided an opportunity for the ConocoPhillips team to meet with representatives from joint venture partner PETRONAS.

Jennifer Barringer

The week ended with participants giving back to local communities. Attendees loaded school supplies, uniforms, raincoats, shoes and lunchboxes into backpacks to be delivered to students at a local school identified by the MyKasih Foundation.

"Our 2014 corporate priorities commit us to strengthening environmental, economic and social performance in projects, operations and technology. This workshop and the ESF that was kicked off in 2014 are examples of ways we're working toward these priorities." —JENNIFER BARRINGER

"What a memorable close to a great week of collaboration," said Australia Pacific LNG Community Relations Manager Rob Gibb.

"We often forget how relatively small things and gestures mean so much to children and families in need. The excitement and gratitude of these children were almost overwhelming and something that will stay with me for a long time. This adds dimension to our SPIRIT Values and to our commitment to the welfare and sustainability of communities.

For more information, please visit the Sustainable Development section on *ConocoPhillips.com*. ■

ABOVE: Workshop participants in Kuala Lumpur, Malaysia; **BELOW:** Iwan Hadikusumo, HSE manager, Malaysia, and Toni Franklin Montes, local content advisor, Australia, share their perspectives during the workshop.

Eldfisk II project nears handover

BY KJELL UNDALL

With the completion of the third and last major project in the current phase of development of the Greater Ekofisk Area, ConocoPhillips Norway's North Sea legacy assets are poised for production until 2050.

The first major event of the year took place in early January, when the Eldfisk II project reached its first oil milestone.

Steinar Vaage

Production started right on cue, with three wells now on stream and a total of 40 to be drilled over the next few years.

"I am proud of the efforts made by our employees and by contributing suppliers to deliver first oil safely and according to our plans," said ConocoPhillips Europe President Steinar Vaage. "Eldfisk II represents an important investment for continued production of the Eldfisk Field and the Greater Ekofisk Area for decades to come. I am convinced that the remaining parts of the project will be performed just as safely and with the same high quality."

David Hendicott

PASSING THE TORCH

The new integrated Eldfisk 2/7 S platform is a key component of the Eldfisk II project. Connected by bridges to the other Eldfisk platforms, the 2/7 S will feature 40 production and water injection wells, wellhead and processing facilities, as well as living quarters with 154 single cabins.

Tor Inge Hansen

"We're looking forward to bringing yet another new platform into full operations in the Greater Ekofisk area," said David Hendicott, manager, Greater Ekofisk operations. "Together, the new Eldfisk 2/7 S platform and extensive upgrades of existing platforms and infrastructure provide a strong foundation for the long-term future of the Eldfisk and Embla fields."

> "I am proud of the efforts made by our employees and by contributing suppliers to deliver first oil safely and according to our plans."
>
> — STEINAR VAAGE

The Eldfisk II project also incorporated extensive upgrades to field infrastructure. Platforms 2/7 A, 2/7 B, 2/7 FTP, 2/7 E and 2/7 D (Embla) have undergone modifications to extend their useful lives. New gas and oil export pipelines connect the platform infrastructure, and power and fiber optic cables can transfer up to 20 megawatts (MW) between Ekofisk 2/4 Z and Eldfisk 2/7 S.

"A project of this magnitude comprises many elements and phases," said General Manager of Projects EMEA Tor Inge Hansen. "Since the topsides were installed last year, we have seen a continuous positive trend offshore with logistics and productivity. The project also has an excellent safety record."

INCREASING OUTPUT

The goals of Eldfisk II are to increase recovery from the Eldfisk Field to extend

Ekofisk facts

The Greater Ekofisk Area consists of four producing fields: Ekofisk, Eldfisk, Tor and Embla. Ekofisk was Norway's first producing oil field and has been developed several times since it began production in 1971.

The latest development projects include:

- Ekofisk South (2013): The wellhead platform Ekofisk 2/4 Z, subsea installation Ekofisk 2/4 VB, umbilical and pipeline for water injection and control/services, with 44 wells in total.
- Ekofisk 2/4 L (2014): Accommodation and field center platform with 552 single-bed cabins.
- Eldfisk II (2015): New integrated accommodations, processing and wellhead platform at Eldfisk 2/7 S, as well as new pipelines and major modifications of existing facilities, with 40 wells.

base production from existing Eldfisk facilities and to continue remotely operating the Embla Field, which is tied into the Eldfisk 2/7 S via a multiphase pipeline.

New seabed infrastructure, including pipelines for transporting oil and gas and the power and fiber optic cables between Ekofisk and Eldfisk, will enhance energy efficiency and flexibility between the Greater Ekofisk Area fields. ■

ABOVE: The Eldfisk II platform complex

BELOW: One of the 154 cabins in the Eldfisk 2/7S platform living quarters

Eldfisk II facts

The Eldfisk Field, second largest in the Greater Ekofisk Area, was discovered in 1972, approved for development in 1975 and began operating in 1979.

- The Norwegian Parliament approved the Eldfisk II development and operations plan on June 11, 2011, the 40th anniversary of Ekofisk first oil.
- The reservoir is located in the southern North Sea approximately 16 kilometers (10 miles) south of Ekofisk at a water depth of less than 70 meters.

ConocoPhillips helps launch African innovations

Twelve entrepreneurs, affiliated with African universities and research institutions, are vying to win the United Kingdom's Africa Prize for Engineering Innovation.

ENCOURAGING ENGINEERS

Supported by ConocoPhillips, the Africa Prize for Engineering Innovation is part of the Royal Academy of Engineering's efforts to foster engineering innovation. The competition covers all engineering disciplines. The winners will be announced in May. The first-prize winner will receive £25,000, and each of the two runners-up will receive £10,000.

In March 2014, the Royal Academy of Engineering selected 12 finalists from seven countries in sub-Saharan Africa. Nigeria is the country most represented with finalists also selected from Kenya, Tanzania, South Africa, Uganda, Zambia and Zimbabwe. Since October, 21 business development and engineering experts have mentored and trained the finalists.

PROMISING TECHNOLOGY

The entrepreneurs' innovations include technology to produce clear banana juice; an environmentally friendly precise fertilizer applicator; systems to improve hygiene in urban sanitation; and a service that allows mobile phone users to switch between multiple mobile networks. Other selected innovations include a mobile payment application that allows merchants and customers to make and receive card payments through their phones; a low-cost sustainable water filter system to provide clean and safe drinking water; and a security alarm system that detects tampering and breaches of perimeter fences.

In addition to ConocoPhillips, the Africa Prize for Engineering Innovation is supported by the Shell Centenary Scholarship Fund, Consolidated Contractors Company and the Mo Ibrahim Foundation. Applications for the 2015-16 engineering competition will open in the spring. ■

ConocoPhillips honored for Chukchi Sea research program

ConocoPhillips has been awarded the Arctic Technology Conference Distinguished Achievement Award for its work on the Chukchi Sea Environmental Studies Program (CSESP). The award, presented during the 2015 Arctic Technology Conference in Denmark, recognizes the co-design and safe operation of CSESP, one of the largest multidisciplinary science programs in the world. The CSESP, operated by Olgoonik-Fairweather and supported by ConocoPhillips, Shell and Statoil, wrapped up its seventh and final season in 2014.

FROM SEABIRDS TO PLANKTON

CSEP, the largest marine science research program of its kind in the Arctic, covers 37,000 square kilometers of the northeastern Chukchi Sea. The environmental studies program focuses on nine disciplines: seabirds, marine mammals, plankton, physical oceanography, sediments, benthic studies, acoustic monitoring, chemical oceanography and fisheries. The program, which was created to understand the ecology of the northeastern Chukchi Sea in the vicinity of an area slated for oil and gas exploration, is known for its outstanding safety record, scope, research publication and data-sharing. ■

As part of the Chukchi Sea Environmental Studies Program, researchers have documented a variety of Arctic wildlife that live in the vicinity of an area slated for oil and gas production, including polar bears, gyrfalcons and walruses.

'Captain for the Day' package offers Aviation insight while assisting United Way

BY DAVID AUSTIN

Richard Hurtig knows all about pitching in for the United Way. During the most recent campaign in Bartlesville, Oklahoma, Hurtig, Information Technology (IT) infrastructure and operations associate, led a Day of Caring project team assisting the local chapter of the Boys & Girls Club. He and his team completed an array of projects, including painting, replacing carpet tiles, window repairs and moving furniture. They even delved into some of Hurtig's areas of expertise by setting up a computer and phone in an employee's office.

"The goal of the flight simulator is to replicate events that — if all goes well — will never occur. It's very realistic. While the industry norm is to train in a flight simulator once a year, ConocoPhillips pilots train every six months." —RICHARD HURTIG

Because of his interest in making a positive impact — and finding some good deals — Hurtig often peruses items in ConocoPhillips' annual eWay auction to benefit the United Way. In the 2014 auction, he happened upon something that piqued his interest: a "Captain for the Day" package offered for the first time by the company's Global Aviation Services (GAS) organization. A travel aficionado with an interest in aviation, Hurting put in a bid. And, lo and behold, he was the high bidder.

"I was very happy to win," says Hurtig, "but I didn't quite know what to expect."

Whatever expectations he had were easily surpassed once his "Captain for the Day" experience began.

On Nov. 6, Hurtig flew from Bartlesville to Houston aboard the OK-TX Air Shuttle. But unlike previous trips, this time he was able to fly in the jump seat, located just behind the pilots in the cockpit.

"It's an interesting dynamic," said Richard. "You get to interact with the pilots and see how they interact with each other."

The OK-TX Air Shuttle, which played a crucial role in making the package possible, makes approximately eight roundtrips per week between Bartlesville and Houston and serves approximately 28,000 passengers per year. ConocoPhillips and Phillips 66 share the service nearly equally.

Once at the Houston hangar, Hurtig met GAS Manager Doug Schwartz, and that evening he enjoyed dinner with other members of the Aviation team, including OK-TX Air Shuttle Assistant Chief Pilot Jeff Fellows and Lead Flight Attendant Amy Nordic, both of whom helped to coordinate the "Captain for the Day" experience.

The following day, Hurtig spent an hour in a full-motion flight simulator, getting a feel for how pilots do some of their training. The simulator offers strikingly detailed and accurate visuals, allowing users to experience several different scenarios, including landing and taking off from specific airports. For his training, Hurtig chose San Francisco International and New York's LaGuardia.

"The goal of the flight simulator is to replicate events that — if all goes well — will never occur," says Hurtig. "It's very realistic. While the industry norm is to train in a flight simulator once a year, ConocoPhillips pilots train every six months."

After his experience in the simulator, Hurtig enjoyed lunch with Aviation team members before flying back to Bartlesville — again in the "jump seat."

"I had the time of my life," says Hurtig of his "Captain for the Day" experience. "It was certainly beyond my expectations and a very generous package offered by the Aviation team. They went above and beyond to make sure that I enjoyed myself while learning more about the important work that they do for the company." ■

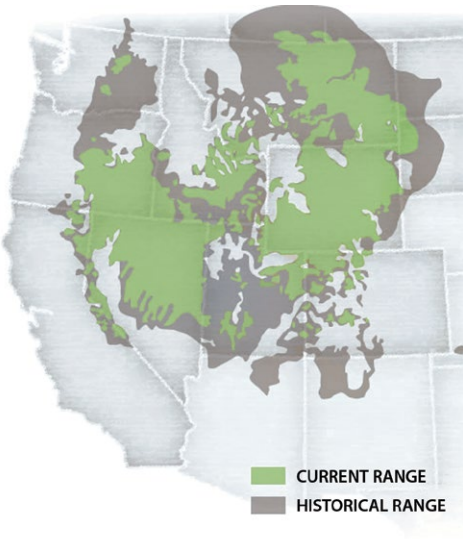
ABOVE: Richard Hurtig, IT infrastructure and operations associate, waves from the shuttle cockpit.

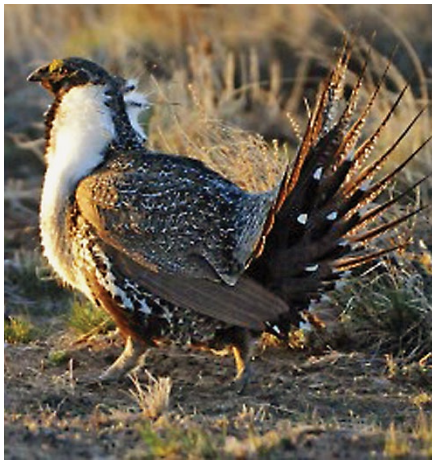
ConocoPhillips supports sage-grouse conservation efforts

ConocoPhillips is providing $1 million to support implementation of the Sage Grouse Initiative, an effort by various stakeholders to keep the sage-grouse off the endangered species list by conserving sage-grouse habitat.

The company will provide $200,000 a year for the next five years to the Intermountain West Joint Venture to support sage-grouse habitat conservation efforts through the Sage Grouse Initiative. The Intermountain West Joint Venture is a partnership of stakeholders working across all or parts of 11 western states to conserve habitats capable of sustaining bird populations at desired levels.

"Conservation of the sage-steppe ecosystem is a critical goal in the western states," said Michael Hatfield, vice president, ConocoPhillips Rockies BU. "We are excited to be a part of the partnership of dedicated conservation professionals who are implementing the Sage Grouse Initiative." ■





Sage-grouse, found in 11 western states and two Canadian provinces, are in decline because of habitat fragmentation. They need intact native rangelands to flourish. Sage-grouse feed heavily on sagebrush and rely on the shrub for nearly every aspect of their existence.

Fast facts on sage-grouse:

Official name: Greater sage-grouse (Centrocercus urophasianus).

Appearance: A large chicken-like bird with a spiky tail that blends in with the sagebrush country. Males are larger than females.

Habitat: Big, open sagebrush and grassland country.

Food: Sagebrush leaves (entirely in winter), other plant leaves, stems and buds; and insects.

Behavior: Males gather to dance and compete with each other in communal areas called leks each spring. Choosy females pick their mates, usually the most dominant males.

Nests and chicks: Hens lay six to 13 eggs in a ground nest hidden under sagebrush. Chicks are downy at birth and ready to run after their mother.

Conservation: Numbers are declining because of the fragmenting of their sagebrush habitat.

Source: Sage Grouse Initiative

COLORADO SCHOOL OF MINES

Empowering the next generation

BY GUS MORGAN

Education center fosters solutions to water, energy challenges

The ConocoPhillips Center for a Sustainable WE²ST — Water-Energy Education, Science and Technology — is a testament to the power of collaboration and innovation.

The center, a partnership between ConocoPhillips and the Colorado School of Mines (CSM), fosters education, research and community outreach associated with sustainable energy production and water resources.

DEVELOPING THE NEXT GENERATION OF ENGINEERS, SCIENTISTS

Education is a key component of the center, which opened in August 2014 and was created with a $3 million investment from ConocoPhillips. It's housed in existing university facilities. The WE²ST center is a training ground for the next generation of water-energy-social scientists and engineers. It's a natural fit for the university, which is known for its expertise in hydrology and water resources, treatment technologies, humanitarian engineering, energy policy and petroleum engineering.

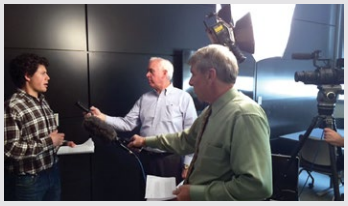
LEADING THE WAY

Corporate Planning & Development Vice President Fran Vallejo, a WE²ST advisory board member, said the company has taken a leadership position in the industry by establishing the first-of-its-kind research and education center focused on the joint sustainability of unconventional energy production and water resources.

"Early impact has been garnered in the form of stakeholder recognition for our sustainable development efforts, and access to high-quality students," Vallejo said. "ConocoPhillips has received public recognition for our efforts, and our profile at CSM and within the industry has been raised."

Serving with Vallejo on the ConocoPhillips advisory board for the WE²ST Center are Samer Adham, manager, Water Solutions, and Sabrina Watkins, manager, Sustainable Development. Kendra Lema, director of unconventional projects engagement, is also providing key support.

Terri Hogue, director of the center, said the research and educational initiatives underway will benefit unconventional energy producers, water-reliant stakeholders and the public. Areas of focus for the center include education; community acceptance, communication and corporate social responsibility research; and integrated water resources assessment research.



RIGHT: During Media Days, a special training program provided by ConocoPhillips, Colorado School of Mines students are instructed by Jim Lowry, director, Lower 48 Communications.

ABOVE: CSM student Austin Roberts practices his interview skills.

CULTIVATING THE BRIGHTEST MINDS IN THE INDUSTRY

ConocoPhillips' investment will provide annual support for faculty members, six to eight graduate fellows and eight to 10 undergraduate scholars. Top-tier current and incoming CSM graduate students are eligible to apply. Undergraduate scholars will gain experience in faculty laboratories and work closely with the energy industry. By fostering this collaborative effort, ConocoPhillips has access to the industry's brightest young minds. This summer, two WE²ST students are scheduled to intern with ConocoPhillips.

Research is another key piece of the WE²ST center, and initial research topics include water-quantity evaluation; surface groundwater and wastewater management; treatment of water that returns to the surface after hydraulic fracturing; and enhanced communication among communities, corporations and governmental organizations. The center's first research symposium is scheduled for April 9.

OFF TO A GREAT START

It was a busy fall semester for WE²ST students, who participated in a ConocoPhillips' media-training session and conducted science labs for Shelton Elementary School students. Additionally, John McCray and Terri Hogue, who are members of CSM's Civil and Environmental Engineering Department, and several colleagues developed and facilitated a 12-presentation session on Joint Sustainability of Water Resources and Petroleum Energy Production at the Geological Society of America's national meeting in Vancouver, British Columbia.

A new space for WE²ST is under construction in Chauvenet Hall and will be ready by the end of March. The center will include a conference room and offices for the assistant director, the administrative assistant and graduate fellows. ■

Alaska sewing circle celebrates cultural diversity

BY MEREDITH KENNY

At ConocoPhillips, knowledge sharing doesn't only happen between business units or departments. It also occurs between workers in company facilities and residents of neighboring communities. ConocoPhillips' Alpine facility, on Alaska's North Slope, is located eight miles north of the Inupiat village of Nuiqsut. Last year, in an effort to learn more about Alaskan Native traditions as well as continue to build positive relationships, Alpine Environmental Coordinator Jodi Smith initiated a kuspuk/atikluk sewing circle to celebrate cultural diversity.

"The crew at Alpine has been very enthusiastic and about this initiative." —JODI SMITH

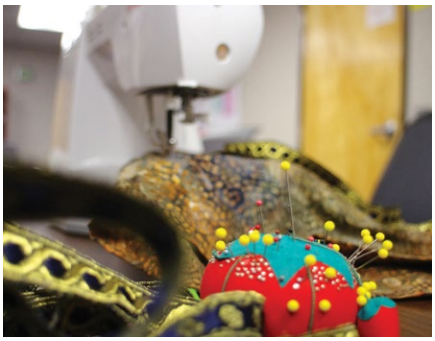
For those who live in Alaska, the kuspuk is familiar fashion. If you don't own one yourself, chances are you have family members, friends or colleagues who do. The kuspuk (kuss-puk), as it's called in the Yup'ik language, or atikluk (uh-tig-look) in Inupiaq, is a native garment originally made from animal skin. It was worn over fur in the winter and as a light outer garment in the summer. Now it's made mostly from colorful cotton fabric and is worn causally or formally, from berry-picking to business attire.

Both Alaska Native and non-native workers come together in the evenings to learn about culture, practice a new skill and listen to traditional Alaska Native drumming. Occupational Health Technician Rose Frisbee, originally from the native village of Point Hope and instrumental in the group's success, kicked things off by teaching participants how to sew kuspuks/atikluks in the traditional manner. Frisbee and other native employees regularly share their experiences of growing up in Alaskan villages with those less familiar with that lifestyle.

"This exercise not only allowed us to make traditional Alaska Native garments, but enabled us to spend time together learning about each other's culture and values," Smith said. "I think we all have a greater respect for the similarities and differences within our cultures and a basic openness to learning more."

Working together, participants have learned to make kuspuks/atikluks for themselves and their families. Material and sewing supplies are provided by ConocoPhillips, and available sewing machines are shared by the group.

"The crew at Alpine has been very enthusiastic about this initiative," Smith said. "We had such an overwhelming interest and participation at the initial event that we made it ongoing throughout the year to accommodate everyone."



ABOVE LEFT: North Slope employees and Alaska sewing circle participants (from left) Vicky Hahn, Jodi Smith, Shellie Colegrove, Todd Tarner, Rose Frisbee and Mike McCarty

ABOVE: Todd Tarner, Rose Frisbee and Jodi Smith collaborate over a Singer sewing machine.

The group is planning to expand into other types of traditional sewing such as animal skin and beading. Additionally, Smith hopes to invite elders from Nuiqsut to work with them and share stories of life in their neighboring village.

Alaska is a state rich in cultural heritage and traditional customs. Members of the sewing circle explore these traditions and share their history. The circle's success brings new meaning to the term "knowledge sharing," providing employees with another way to be involved in their community and truly embodying ConocoPhillips' SPIRIT Values. ■

Wood on the Wing welcomes new member

ConocoPhillips' Houston campus is pleased to introduce a new resident: a life-size replica of a pair of bluebirds. The recent addition to the Wood on the Wing collection of carved wildfowl, "Prairie Summer-Eastern Bluebirds," is the work of Wisconsin-based Todd Wohlt, winner of the 2014 "Best in Gulf South" prize at the annual Louisiana Wildfowl Carvers Festival.

Wohlt likes for his pieces to show natural wood, with the carved birds and habitat emerging from the wood base. "Prairie Summer" features male and female bluebirds perched on the common mullein, often found growing in nesting areas. The female, portrayed lower on the plant's stalk, draws the eye up to the brightly colored male.

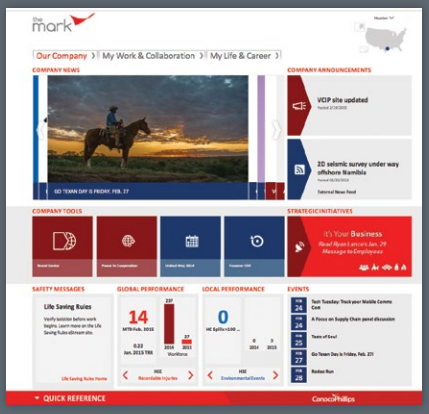
"Prairie Summer-Eastern Bluebirds" is the work of Wisconsin-based Todd Wohlt, winner of the 2014 "Best in Gulf South" prize at the annual Louisiana Wildfowl Carvers Festival.

The base of the carving is American cherry wood. "I chose that color because it goes nicely with the colors in bluebirds," said Wohlt. "The birds are carved out of basswood because I like the detail the wood can hold when texturing. The birds are painted in oil, with many thin glazes to build up color."

Wohlt, who is in remission from stage 4 cancer, is thrilled to have his piece on display in Houston. ■

New training, meeting venue opens in Indonesia

ConocoPhillips Indonesia (COPI) employees have a new training and meeting space at their fingertips. The new venue, called the COPI Competency Development Center, officially opened Jan. 26. It has four training rooms that can accommodate 10 to 25 people. The Operations Competency Excellence team will share the space with other groups, such as Human Resources, Health, Safety & Environment, Development & Relations, Finance and Supply Chain Management. "It was a great idea to turn unused spaces into a venue as valuable as the Competency Development Center," said Erec Isaacson, COPI president and general manager, noting the new venue will minimize the need to use external facilities, thus optimizing operational costs. ■



The Mark earns industry accolade

The Mark has been named one of the "10 Best Intranets of 2015" by the Nielsen Norman Group, a leading research, training and consulting firm. The winning intranets, featured in the firm's 2015 Intranet Design Annual, were chosen based on design and usability. The winners were selected from hundreds of nominations.

Other winners featured in the 2015 Intranet Design Annual include:

Accolade
(The Netherlands)

Adobe
(United States)

Klick Health
(Canada)

Saudi Food & Drug Authority
(Saudi Arabia)

Sprint
(United States)

TAURON
Polska Energia (Poland)

The Foschini Group
(South Africa)

UniCredit S.p.A.
(Italy)

Verizon Communications
(United States)

Archimedes Awards celebrate 'the real energy' behind ConocoPhillips' Knowledge Sharing success

Al Hirshberg

The Knowledge Sharing team recently honored employees and contractors with Archimedes Awards to recognize their valuable Knowledge Sharing efforts.

The Archimedes Awards, named for the Greek mathematician who is credited with discovering the principles underlying the lever, are held each February to honor employees and contractors who have improved the company's efficiency, production or health, safety and environment (HSE) practices.

"While technology is constantly evolving and impacting the way we collaborate, our people are the real energy behind the success of Knowledge Sharing at ConocoPhillips," said Al Hirshberg, executive vice president, Technology & Projects. "It's not just what we do, but it's how we share it with others."

Knowledge sharing is the transfer, reuse and application of others' experience to solve work challenges. Shared knowledge can take the form of best practices or lessons learned. Knowledge sharing results in improvements that benefit the company.

More than 100 Networks of Excellence enable employees and contractors to collaborate and arrive at innovative solutions. And OneWiki, the company's Web-based encyclopedia, adds value by enabling users to collaboratively write documents and quickly find and use reliable information. OneWiki complements the Networks of Excellence and their discussion portals and libraries. Articles in OneWiki describe the background and importance of topics, along with what works, what doesn't work and why.

> "While technology is constantly evolving and impacting the way we collaborate, our people are the real energy behind the success of Knowledge Sharing at ConocoPhillips." —AL HIRSHBERG

The Give, Grab, Gather and Guts Awards, also referred to as the Primary Awards, are given to groups of employees whose success stories originated from a Network of Excellence and/or business unit (BU). Winners of each category must demonstrate the following:

- **Give** — Distributing valuable information to others in the company throughout the year.
- **Grab** — Using knowledge-sharing tools to take and apply the most information.
- **Gather** — Connecting multiple parties across the company to collectively solve a problem or create new knowledge.
- **Guts** — Sharing a painful lesson so others might not make the same mistake.

PRIMARY AWARDS

Give — Western Canada BU for sharing the OE SIP Tool globally.

Grab — Canada for significantly improving the Surmont II ramp-up with vacuum-insulated tubing.

Gather — Alaska for seawater pipeline corrosion control.

Guts — Malaysia GPE, Engineering & Technology for helping the KPOC KBB project team address fabrication yard foundation and wharf issues.

Integration Awards are given to groups of employees who showcase exemplary cases of integration in three categories: between BUs; between functions; and between BUs and functions.

INTEGRATION AWARDS

BU to BU — Alaska and Lower 48 for the Eagle Ford, North Slope Operations & Development (NSOD) and IT Integrated Planning (IP) system development.

Function to Function — Unconventional Reservoirs Excellence (URE) network for developing best practices for unconventional reservoirs.

BU to Function — Alaska for HSE procedures review committee.

BU to Function — Western Canada BU for portfolio risking and look-back reviews.

Network of the Year Awards are given to Networks of Excellence who have documented evidence of increased collaboration, joint problem solving and best practice sharing within a formal network, and documented success stories and business value resulting from the increased collaboration and other measurable results.

NETWORKS OF THE YEAR

- Geology
- Rotating Equipment
- Supply Chain
- URE

OneWiki Awards are given to individuals and teams who contribute, read and drive OneWiki content.

ONEWIKI INDIVIDUAL AWARDS

- Brandon Brunner
- Michael Ahart
- Kenneth Lloyd Martin

ONEWIKI TEAM AWARDS

- Gulf Coast BU
- Subsurface Excellence

"Transmitting ideas about innovative efficiencies and creative cost-reduction solutions can have a global impact," said Juli Hennings, manager, Knowledge Sharing. "And this year's winners certainly made a difference in helping the company meet its goals by tapping into the collective wisdom and knowledge of their colleagues worldwide." ■

Finance announces ReMARKable Performance Award winners

In 2014, Finance rolled out the first awards dedicated to recognizing significant contributions to the function. Nominations took place in November to recognize individuals and teams for outstanding accomplishments in eight categories. Winners were announced in early 2015, and represent 21 project team and individual award recipients.

Individual Award Winners

Outstanding Mentor

Ingeborg Kalberg, Norway BU, Tananger
Brad Schnefke, Lower 48 BU, Houston

Outstanding Community Involvement

Pam Boggins, Treasury, Houston
James Provost, Canada BU, Calgary

Outstanding Service to the Finance Organization

Janice Cooke, Leisa Munoz and Susan Short, Corporate Legal Services, Houston

Team Award Winners

Outstanding Accomplishments in Collaboration

U.S. Bank Realignment Project Team
Nigeria Disposition Team
Tax Interest Apportionment Team
Equity Affiliate Deep Dive Team
Eagle Ford Stabilization Reporting & Measurement Team
Corporate Liquidity Refinancing Team

Outstanding Accomplishments in Innovation

Federal Fuel Reporting Team
Global Credit Advice Template and Approval Process Team

Outstanding Accomplishments around Continuous Improvement

Europe Commercial Efficiency Capture Team
Oil and Gas Disclosures Team
Canada Hierarchy Realignment Team
U.K. G&A Team SLA Process

Outstanding Accomplishments in Analysis

Lower 48 Analyst Day Team
APLNG Funding Mechanism Team

Outstanding Accomplishments in Communication

Amendment Acceleration Project — Canada PRA
Prudhoe Bay Unit Audit Team

2014 FINANCE REMARKABLE PERFORMANCE AWARDS
ConocoPhillips

ConocoPhillips geophysicist Xianhuai Zhu elected to SEG board

Dr. Xianhuai Zhu, team lead and principal research geophysicist, was elected to serve as a director at large by the 2014–2015 Society of Exploration Geophysicists (SEG) board. During his three-year term, he will serve as board liaison to applicable committees and as representative to other applicable entities as appointed by the president.

Dr. Kianhuai Zhu

"It's an honor to serve on the SEG board," said Zhu. "I will use the opportunity to promote geophysical innovation through integration. It's important that the profession work together to solve problems in exploration and production for conventional and unconventional resource plays."

A member of SEG since 1987, Zhu previously served on the SEG Research Committee (1998–2014) and Annual Meeting Technical Program Committee (1993–2014). ■

Svanberg elected to IACCM board

Nils Svanberg, global contracts and services manager, Supply Chain, has been elected to the International Association for Contract & Commercial Management (IACCM) board of directors. During the three-year term, which began on Jan. 1, he will support the growth and success of IACCM by shaping new and innovative approaches for contracting and commercial management relevant to the oil and gas industry. He has been a driving force behind ConocoPhillips receiving IACCM recognition over the years, including winning the Innovation Award for Strategic Direction in 2014. ■

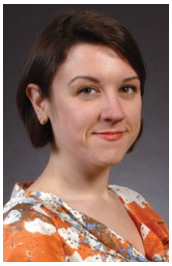
Nils Svanberg

spirit
On Assignment

MARTIN L. VARGAS (THE BIG PICTURE, PAGE 6) has worked with large public companies for almost 20 years, in industries as diverse as mining and consumer goods, capturing indelible images of mines, rigs, fields and everything in between. He approaches photography as a story-telling medium, presenting the story in a passionate and compelling manner. His location work has taken him to the middle of the ocean and deep underground, to mountaintops and deserts. Martin is a partner at 33Visual in Mexico and BrandTales in Houston, both creative visual communication firms working with a wide and diverse clientele. He currently lives in Katy, Texas, with his wife and two daughters.

DAVY KONG (SAN JUAN BUSINESS UNIT, PAGE 10) is marketing communications advisor for Lower 48. She has been with ConocoPhillips since January 2011. In her current role, Davy works with a cross-functional team to develop integrated communications plans and tools to address stakeholder issues, support advocacy positions and contribute to sustaining the company's reputation. A seasoned communications strategist, Davy has implemented communications initiatives for a presidential campaign, a major television network, an international economic development agency and a member of Congress. Davy graduated from Smith College with a bachelor's degree in government.

JENNIFER LEAHY (CRUDE EXPORTS, PAGE 22) works in the Investor Relations & Communications group, specializing in public policy and sustainable development communications. Prior to joining the ConocoPhillips team in 2012, she worked for a variety of publications and corporations. A writer by trade, she is a former journalist who spent countless hours at breaking news scenes around the Houston area. As a direct result, she is incredibly difficult to surprise, scare or offend.



ASHLEY DILLON (WHAT IS ACCOUNTABILITY + PERFORMANCE?, PAGE 34) joined ConocoPhillips more than one year ago to support Brand & Creative Services. She is an expert on the brand's voice and tone and serves as the copy editor for Creative Services materials. She also manages Human Resources creative accounts and is a contributing editor for ***spirit*** *Magazine*. Ashley holds a Bachelor of Arts in English specializing in professional writing.

Frequent contributor **SALVADOR GARZA** is a visual storyteller with 17-plus years of creative professional experience that includes producing, directing, photographing and editing high-profile corporate films, annual reports and major political campaign communications. He is also an Apple Certified Trainer and Adobe Certified Instructor with extensive experience in digital media workflow consulting. In his spare time, Salvador enjoys reading, scuba diving, and spending quality time with his wife and two-year-old son. He can be contacted at *salvador@salvadorgarza.com*.

ConocoPhillips

spirit *Magazine* is published quarterly by ConocoPhillips Investor Relations & Communications.

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spirit *Magazine* is printed at the Phillips 66 Printing Center in Bartlesville, Oklahoma.

BUSINESS PRINTING AND FINISHING: Mike Cranor, Shane Crosthwait, Beth Foster, Jim Himes, Frank Mitchell, Jack Smith and Lee Trevebaugh

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CSH 15-0010

LET'S TALK SAFETY:
8 rules to *live* by!

Troy Cumberland
Manager, Operations Excellence & Operating Integrity,
Western Canada Business Unit
ConocoPhillips Canada

"Verifying that we work by the Life Saving Rules creates a critically important learning opportunity for our organization. We are committed to reacting appropriately when gaps are found and, most importantly, taking what we learn and ensuring that our procedures are effective so that people can safely do their work each and every day."

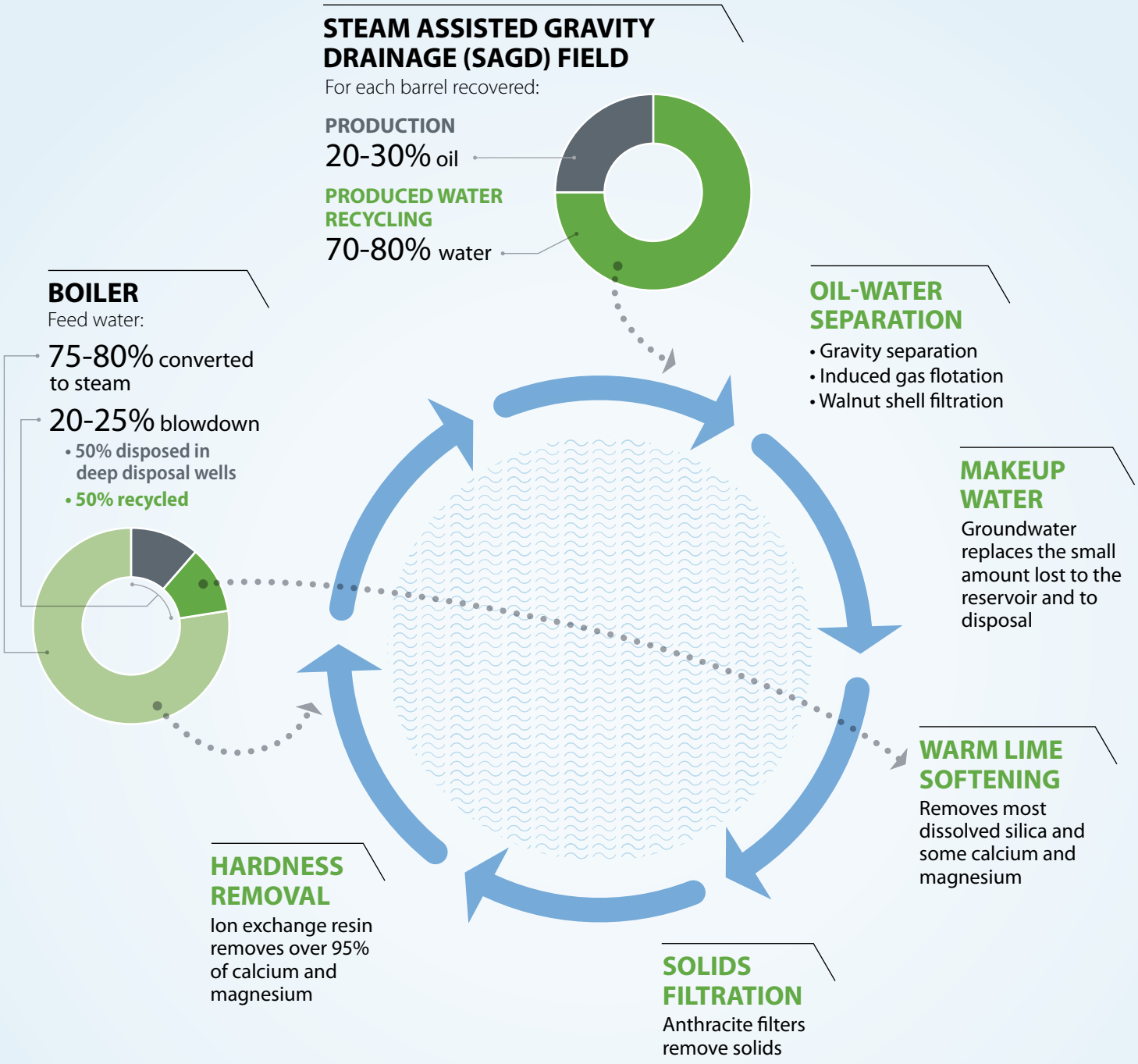
Life Saving Rules

In Canada and across all of our business units, we use the ConocoPhillips Life Saving Rules as prevention tools to check that we are working according to procedure. This helps us prevent incidents and find safer ways to manage our business.

It's not just what we do. It's how we do it.

ConocoPhillips

Produced Water Recycling at Surmont



Environmental Stewardship at Surmont II

- New saline water treatment system reduces fresh groundwater use.
- Volume of open ponds has been reduced by the use of centrifuge technology for sludge dewatering.
- New evaporator for boiler blowdown treatment will reduce groundwater use.

ConocoPhillips