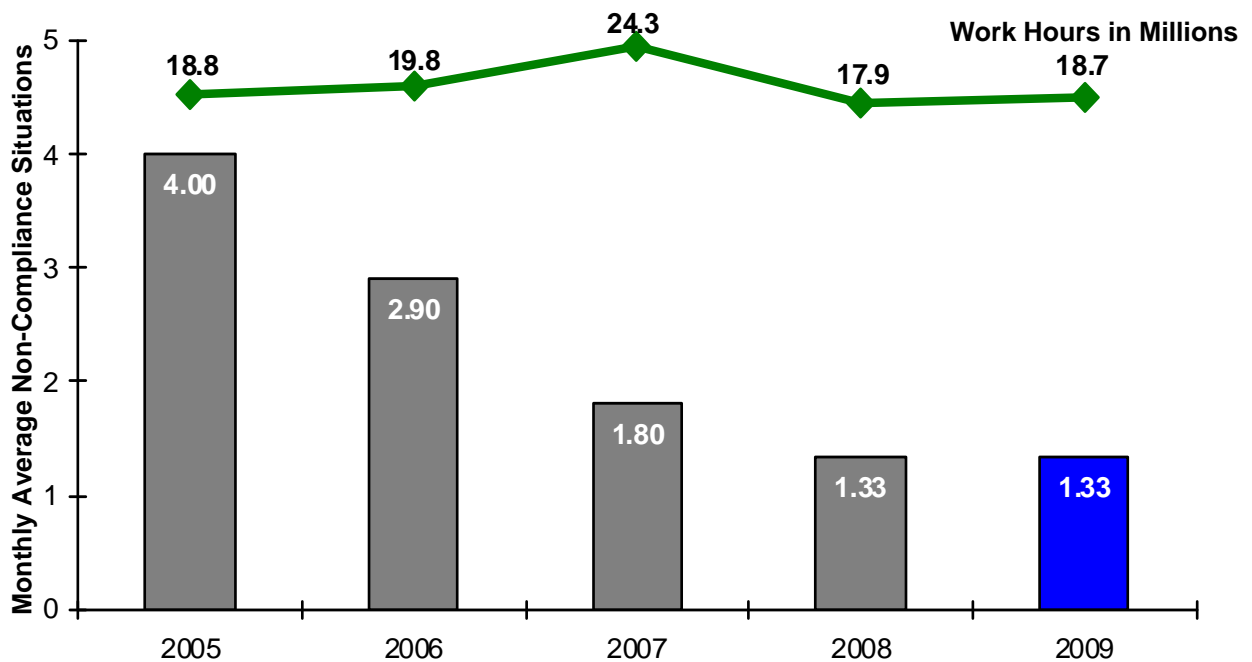


Reportable EMP Situations

The key performance indicator for the project's Environmental Management Plan held steady in 2009. The non-compliance situation rate for the 12 month period was 1.33 per month, equal to the record achieved in 2008.

◀ Non-Compliance Situation Performance



Despite an increase in work activity, as benchmarked by total work hours, the project held its monthly non-compliance rate at 1.33, the same as 2008 and about one-sixth the rate in 2005.

Level II Non-Compliance Situation

6 July 2009: The project maintenance contractor resolved a Level II non-compliance situation by coming into compliance with the Cameroonian labor code. The code requires an employer to obtain endorsements on foreign worker contracts prior to the start of work. A project audit of work permits revealed non-compliance with the local country law which has since been corrected. Compliance was verified in a follow-up audit in the fourth quarter.

Spills

Three recordable spills took place in the second half of 2009. All spills were ten barrels or less and took place in the Komé oilfield. Each one was rapidly and completely cleaned up.

28 July: During excavation of a trench for a new flow line in the Komé oilfield, construction workers noticed an accumulation of oil. A leak had developed in an existing flow line. Operators immediately shut down and isolated the line. The trench contained the oil for clean up and workers used a vacuum truck and other techniques to remove the spill of approximately ten barrels.

16 August: Operators noted oil in a trench near a flow line from an oil well in the Komé oilfield. Operators shut down the line and isolated it from the system. The trench contained the ten barrel spill which was cleaned up according to requirements of the Environmental Management Plan.

28 September: Oil was spotted on the ground near an oil well flow line in the Komé oilfield. Rapid action by the spill response team contained the spill of less than ten barrels to the flow line right of way. The team cleaned up the spill as prescribed by the project's Environmental Management Plan.

Reportables
Tally for 3rd &
4th Quarters

◀ Total Reportable Situations by Country

	3rd Qtr 2009				4th Qtr 2009			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Chad	2	0	0	2	2	0	0	2
Cameroon	4	1	0	5	2	0	0	2
Total	6	1	0	7	4	0	0	4

◀ Non-Compliance Situations by Company

	3rd Qtr 2009				4th Qtr 2009			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Bantou	1	0	0	1	0	0	0	0
COTCO	1	0	0	1	1	0	0	1
Fokou Foberd	1	0	0	1	0	0	0	0
GER Norwest	0	0	0	0	1	0	0	1
GMS-GIE	1	0	0	1	0	0	0	0
PSN	0	1	0	1	2	0	0	2
Senev	1	0	0	1	0	0	0	0
Weatherford	1	0	0	1	0	0	0	0

◀ Non-Compliance Situations by Category

	3rd Qtr 2009				4th Qtr 2009			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Health/Occupational Health	0	0	0	0	1	0	0	1
Labor – Labor Code	0	1	0	1	1	0	0	1
Land – Unapproved Use	0	0	0	0	1	0	0	1
Socioeconomics	3	0	0	3	1	0	0	1
Water Sampling/Testing	1	0	0	1	0	0	0	0
Waste Management – Handling/Transportation	2	0	0	2	0	0	0	0
Total	6	1	0	7	4	0	0	4

Annual Summary: Reportable EMP Situations

◀ 2009 Total Reportable Situations by Country

	<i>Level I</i>	<i>Level II</i>	<i>Level III</i>	<i>Total Non-Compliance Situations</i>	<i>Reportable Spills</i>
Chad	7	1	0	8	3
Cameroon	7	1	0	8	0
Total	14	2	0	16	3

◀ 2009 Total Non-Compliance Situations by Company

	<i>Level I</i>	<i>Level II</i>	<i>Level III</i>	<i>Total</i>
Bantou	1	0	0	1
COTCO	2	0	0	2
Fokou Foberd	1	0	0	1
GMS-GIE	1	0	0	1
PSN	2	1	0	3
EEPCI	0	1	0	1
CIS	1	0	0	1
GER Norwest	1	0	0	1
Geyser	1	0	0	1
Weatherford	2	0	0	2
PSN-GMSC	1	0	0	1
Sotter	1	0	0	1
Total	14	2	0	16

◀ 2009 Total Non-Compliance Situations by Category

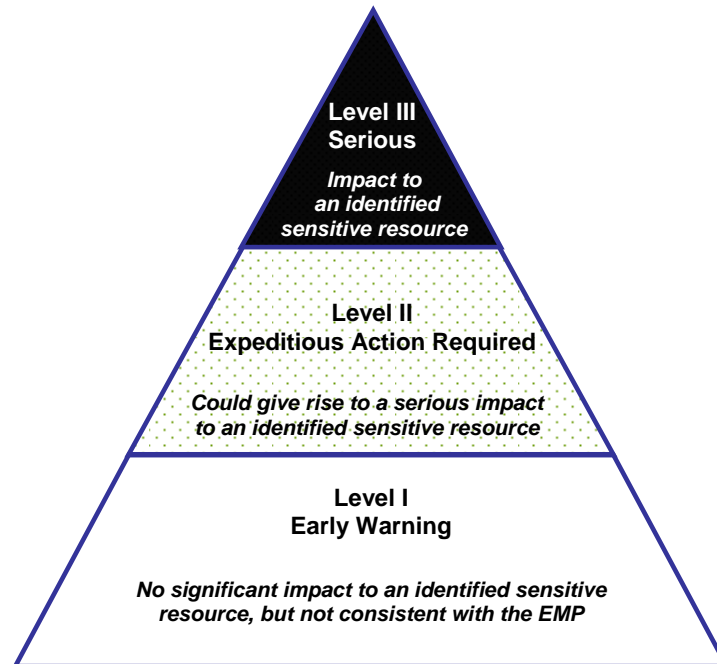
	<i>Level I</i>	<i>Level II</i>	<i>Level III</i>	<i>Total</i>
Food Storage	1	0	0	1
Land Access Management	2	0	0	2
Labor – Labor Code	2	1	0	3
Medical/Occupational Health	2	0	0	2
Socioeconomic	4	0	0	4
Waste Management – Handling/Transportation	1	1	0	2
Waste Water – Discharge	1	0	0	1
Water Sampling/Testing Practices	1	0	0	1
Total	14	2	0	16

Context: The project's Environmental Management Plan includes reporting standards for non-compliance situations and for spills. The standards provide methodical and consistent mechanisms for measuring performance on environmental protections and spill prevention.

Non-Compliance Situations

The project's three-level ranking system for EMP non-compliance situations was designed to provide an early warning mechanism to detect issues and

help correct non-compliant behaviors and practices well before they became serious enough to cause damage.



This pyramid illustrates the project's early warning system approach for identifying and managing EMP non-compliance situations. The first two levels serve to alert the project to potential environmental impacts. Only the top level, Level III, indicates actual serious environmental impact to a defined sensitive resource.

Spills

The Environmental Management Plan requires the reporting of spills of one barrel of oil, 10 barrels of produced water or 100 kilograms of a chemical.