**approved**

**General Director**

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# **\_\_ \_\_\_\_\_ 20\_\_**

**Oil and Gas Production**

1. Policy

This Policy is to regulate the conduct of \_\_\_\_\_ activities in oil and gas production in accordance with the international standards and norms and rules of the Republic of Kazakhstan. The main objective is implementation of the modern technologies, continual improvement of production directed to achievement of minimal cost value of products produced, under the condition of observance of HSE requirements. A consistent observance of the Policy will allow realizing Company strategic goals with maximum efficiency.

In order to achieve these objectives, \_\_\_\_\_ Company employees shall:

* 1. Pay first priority attention to the issues of occupational safety, safety arrangements, blowout and fire safety, protection of health and environment and reserves in the process of production of oil and gas;
  2. Inviolately adhere to all laws, norms and rules in techniques and technologies of oil and gas production;
  3. Operate the gas/oil gathering and treatment systems and water injection systems in accordance with approved production procedures and operating modes;
  4. Use rationally material and technical resources (MTR), fuel and power resources (FPR) and human resources of the Company by maintaining strict control and account of the resources in the process of production of oil and gas;
  5. Continuously develop the production technologies with the purpose to increase the efficiency of operational procedures, reduce industrial emissions and releases in the process of oil and gas production and take measures for avoidance of excess waste formation;
  6. Cooperate actively with respective state institutions for solving of any problems in connection with oil and gas production in timely, reasonable and rational manner;
  7. Attract scientific-research and specialized organizations for conduct of field and other researches;
  8. Basing on the recommendations of scientific and specialized organizations, implement new technologies for conservation of resources and improvement of efficiency of production techniques and technologies;
  9. Reveal in a timely manner the potential hazardous productive factors in the process of oil and gas production and take measures for reduction or elimination of risks;
  10. Adhere to the requirements of respective standards, rules, instructions and instructional guidelines in assembly, operation and repair of oil and gas production facilities;
  11. Develop and implement the training and qualification programs for the field personnel;
  12. Maintain and keep documentation in oil and gas production in accordance with industrial norms, Laws of the Republic of Kazakhstan, the PSA and Company rules.

1. Application

This Policy applies to all production services and departments of the Company, engaged in the process of production of oil and gas, conducted on the \_\_\_\_\_ contract territories.

1. observance

Production manager and field services managers shall develop the respective production procedures to facilitate implementation and adherence to this Policy.

The managers of filed production services shall provide for observance of procedures, rules, orders and instructional guidelines of \_\_\_\_\_, and respective applicable laws of the Republic of Kazakhstan, norms and rules in operation of their facilities, except if such nonobservance was caused by contingency or force-majeure circumstances.

The immediate remedial actions should be taken in regard of every instance of nonobservance, in accordance with the established order. In case it is impossible to take the remedial measures timely, one should get the instructions of its direct manager for the following actions.

1. Exceptions

There are no exceptions applicable to this Policy.

1. Responsibility

The overriding responsibility for observance of the requirements of this Policy is laid on the heads of production departments and field services of the Company within the frames of their functional responsibilities and authorities.

Production manager is responsible to manage development of programs and plans for implementation of this Policy. He also is responsible for provision of instructional and consultancy assistance to the managers of field services in estimation of efficiency of measures directed to implementation of this Policy.

1. Reporting

The requirements for reporting in connection with this Policy shall be determined in the respective production procedures.

1. Effective date

\_\_ \_\_\_\_ 20\_\_

1. Term and revision date

This policy shall be revised every 5 years or earlier according to the decision of the Committee on approval of policies.

1. Supervisor

Operations Director