

CONOCOPHILLIPS

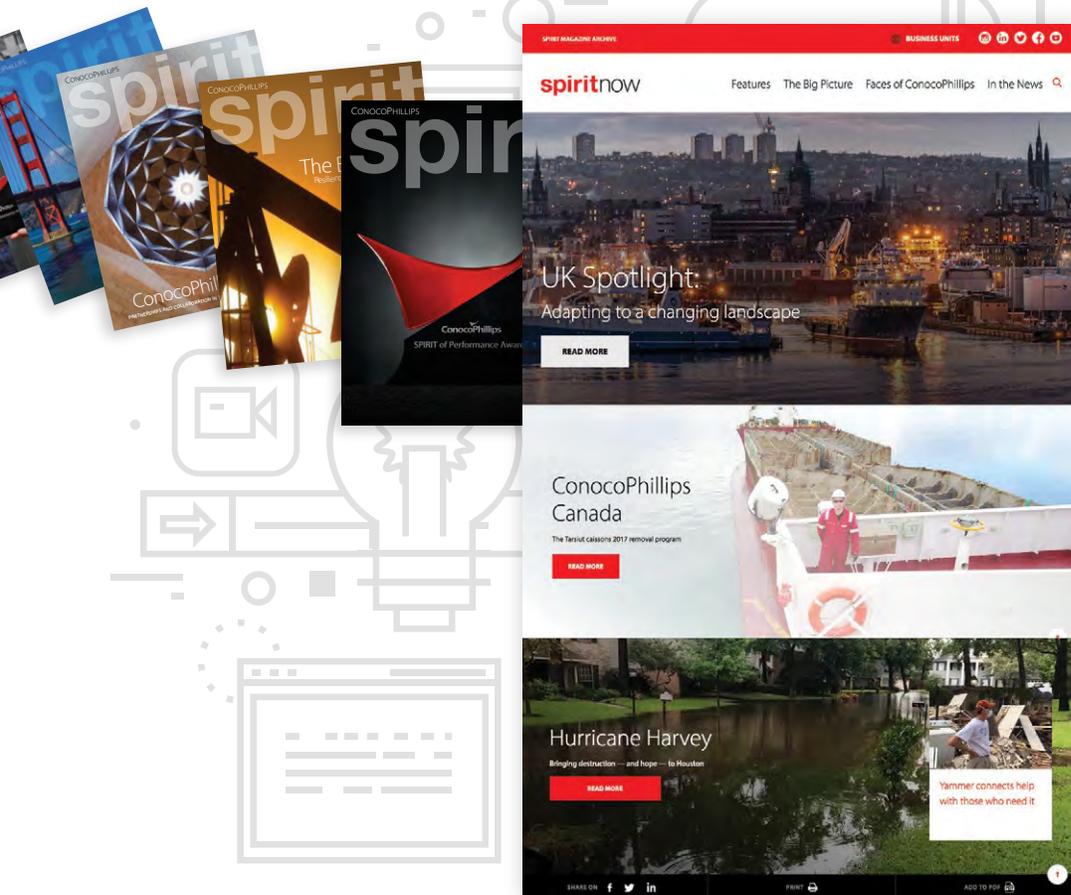
spirit

Fourth Quarter 2017



UK business adapts to a changing landscape

Join us online. Introducing ... **spiritnow**



As we say goodbye to *spirit Magazine* after 11 years and 44 issues, we say hello to *spiritnow*, a digital site devoted to frequent publication of compelling stories. *spiritnow* will take full advantage of its digital format through insightful writing, photography, audio and video content. We hope our stories will continue to engage and inspire all those who follow the work and the people of the world's largest independent oil and gas company.



From the desk of

Terri King, President, ConocoPhillips U.K.

SINCE COMING TO ABERDEEN IN EARLY 2017, I have been struck by the focus and determination of ConocoPhillips' U.K. teams to deliver improvements in safety and environmental performance, unit cost, production reliability and cost of supply.

The cover article of this final print issue of *spirit Magazine* features many of the people who are the essence of this exceptional business unit, working hard and looking out for each other as they go about their day-to-day duties.

The U.K. asset base is a diverse one, with ongoing operations for more than a half century that now encompass the entire oil and gas life cycle, from exploration to rig decommissioning. Each stage has its own unique challenges, but offers opportunities to do things differently, to embrace new technology and to think outside the box as we focus on safe, reliable and efficient delivery on our commitments. To ensure the U.K. business unit realizes its remaining potential, we must keep operating costs low, bring in new investment and maintain a relentless focus on cost of supply.

Working together, our health, safety and environment (HSE) and cost performance has continued to improve. Demonstrating quantitatively that safety and efficiency do go hand in hand, our reportable injury frequency, hydrocarbon release frequency and unit cost recently benchmarked best-in-class ahead of our peers. Many factors have contributed to the HSE side of this accomplishment, including verifying the Life Saving Rules, ensuring effective process safety defenses are in place, and guaranteeing the robustness of our inspection and asset integrity programs. In terms of the unit cost distinction, I credit the business unit's grassroots support for the U.K. Challenge projects to do business better.

I have seen firsthand how the U.K. business is one of the frontrunners in this climate of opportunity. It is not in the nature of the U.K. organization to stand still; learning, evolving and embracing new technology to find quicker, better, safer and more efficient ways of doing things has become the norm. A half century of operations has taught us an important lesson — to embrace change, not fear it, and to be one step ahead of the curve with a keen eye on the future if we are going to compete successfully on a global basis.

I hope you enjoy learning more about our diverse work in the U.K. and the people who continue to deliver outstanding performance. This issue also includes feature articles on Hurricane Harvey, the storm that recently devastated much of Houston and displaced up to 20 percent of ConocoPhillips' local employees; the company's operations in the Permian Basin of west Texas and southeastern New Mexico; and the removal of four caissons in Canada's Beaufort Sea. ■

Editor's Note: Although this is the last printed issue of *spirit Magazine*, you can now find the same stories and photography in *spiritnow* on the ConocoPhillips website. In this new digital format, we'll offer a multi-media experience that includes video and audio content, and we'll be posting our stories continuously through the year. See the ad on the inside front cover of this issue for more details.



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ON THE COVER Aberdeen Harbor is one of the U.K.'s busiest ports and is a world-leading marine support center. It is the principal port for western Europe's energy sector and serves as the main commercial port in the northeast of Scotland. Annually it handles around 8,000 vessel arrivals and approximately five million tonnes (11 million pounds) of cargo and generates in excess of £1.5 billion GVA (gross value added).

PHOTOGRAPHY BY KEN TAYLOR

spirit Magazine 2007–2017

A retrospective in photos

In this final print issue of the magazine, editorial team members share some of their favorite photos, moments and thoughts.

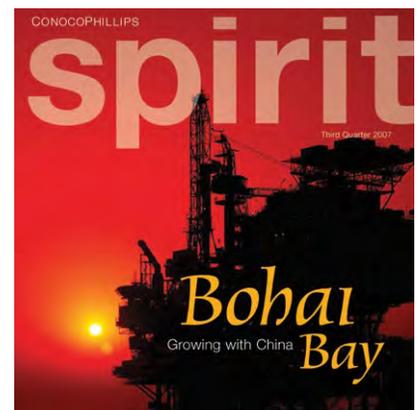
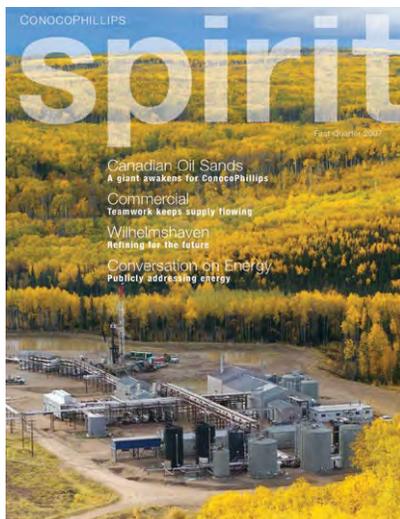
WE CREATED *SPIRIT* MAGAZINE in late 2006 with the expert help of ConocoPhillips Creative Services designers. The CEO had been sending copies of other oil and gas company magazines to the manager of corporate communications with yellow sticky notes that read: “This is nice.” Eventually the manager of corporate communications realized the CEO wanted ConocoPhillips to have its own magazine. I was hired in July 2006 to make that happen.

Over the past 11 years, we’ve produced 44 issues (including this one) with the mission of telling the ongoing story of company operations and people. There are many remarkable aspects of the magazine, but perhaps the most extraordinary is the fact that we did it all in-house with employees and contractors writing, editing, proof-reading, taking photographs and



even printing at our own Bartlesville print shop until the split in 2012. By my estimate, more than 15,000 ConocoPhillips people have been recognized in its pages in one way or another.

The evolution of *spirit* Magazine has been steady and inevitable. From 2007 to



2009, we printed 65,000 copies quarterly and mailed one to the homes of every employee and retiree around the world. After the 2008 financial downturn, we stopped mailing and, as use of our online magazine grew, we reduced printed copies to a mere 2,500.

Saying goodbye to such a labor of love is bittersweet, but the opportunity to use our talents in the limitless, multimedia digital world offers an exciting new beginning.

I hope you'll enjoy this look back at the best of *spirit Magazine* on the following pages, and continue to join us as we transition to *spiritnow*.

Ray Scippa, executive editor



An excerpt from the first Sharing Insights

First Quarter 2007

ConocoPhillips is launching *spirit Magazine* at a critical time in our industry. Energy is a foundation of the world economy, and has helped fuel the great economic strength of dozens of nations. But today, skyrocketing demand worldwide and instability in many energy-producing regions are creating unprecedented competition for resources. With so much at stake, we recognize the need to engage in an open, honest discussion, informed by the facts on how we can best meet rising demand and enhance energy security.

For more than 100 years, ConocoPhillips and its peers have been dedicated to the reliable, efficient and cost-effective production of energy for consumers — a role we'll play for many generations to come. We clearly need more energy in all forms ... We particularly need more oil and natural gas. In the United States, they power 97 percent of our transportation — cars, trucks, trains, planes and ships — and go into 96 percent of all manufactured goods — plastics, medicines, machinery. The list is endless.

spirit Magazine will look closely at every aspect of our business, with particular focus on the people who "make it happen" day in and day out.



I GOT MY FIRST SPIRIT MAGAZINE ASSIGNMENT a few months after I came to ConocoPhillips in 2012. Executive Editor Ray Scippa was in Bartlesville, already on the press, and in need of a last-minute addition to a cover story on the Technology Ventures group. I chased down the people involved and quickly knocked out the copy. It was apparently good enough to earn me a place on the elite magazine team.

I wrote my first cover story in fourth quarter 2012 on the company's Technology group, interviewing the chief technology officer, people in the business units and ConocoPhillips engineers and scientists doing cutting-edge research at the labs in Bartlesville. I was hooked. Little did I know I'd be so interested in complex technical topics, and my greatest challenge remains making these stories comprehensible — and hopefully interesting — to a broader audience.

Over the past five-plus years, I've had an opportunity to visit ConocoPhillips locations and report on innovative projects being executed by talented, committed people. Some of my favorite articles have covered SPIRIT Award recipients, Faces

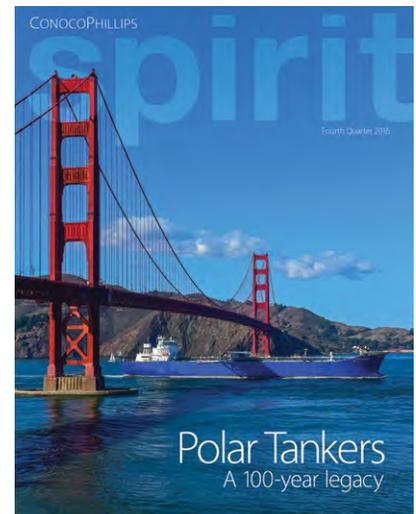
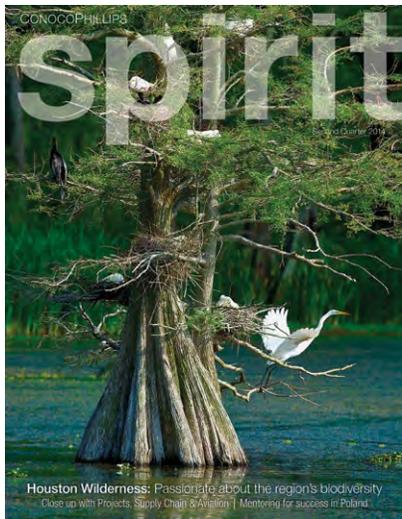


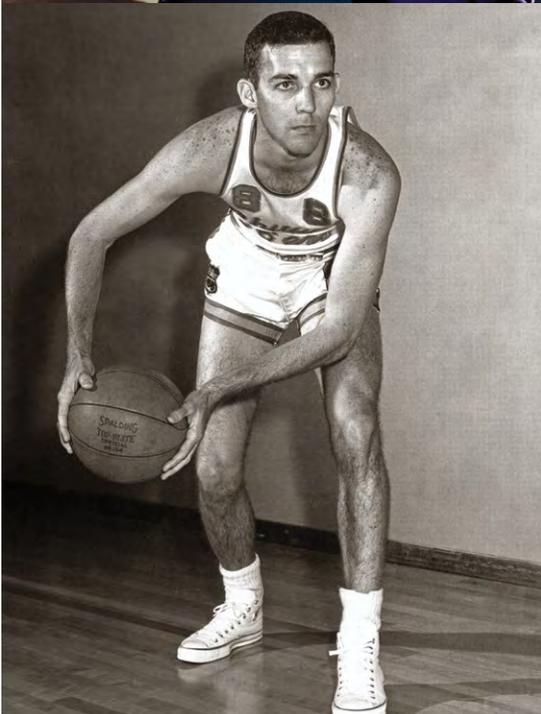
of ConocoPhillips subjects, Polar Tankers and water-related research and pilot projects.

I've heard from friends and associates across the business spectrum that they've never seen a publication that comes close to ours in terms of content, photography and print quality. I will miss the print publication but look forward to moving forward into the digital world.

All in all, it is a pleasure, honor and welcome challenge to cover the people and business of ConocoPhillips.

Jan Hester, assistant editor



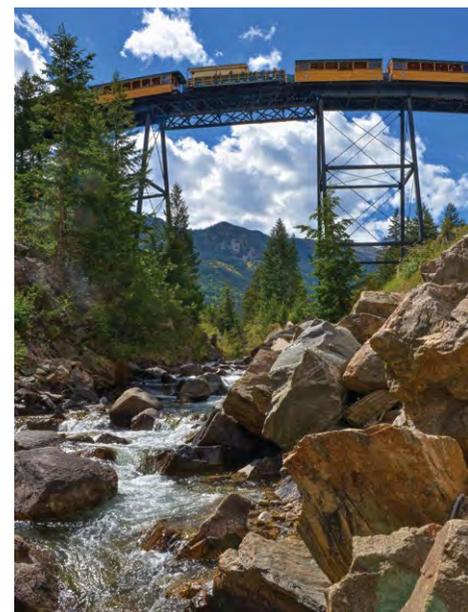


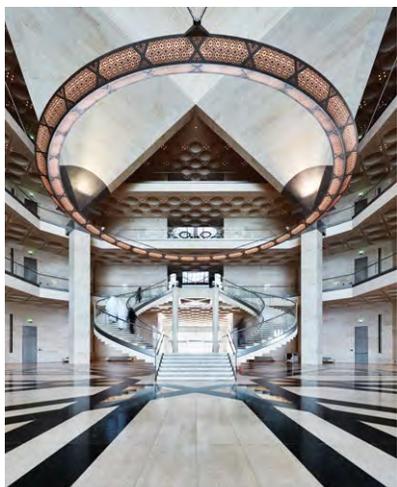
Faces of ConocoPhillips

One of the original feature concepts of *spirit Magazine*, Faces of ConocoPhillips, has profiled just shy of 150 people since 2007, including employees, retirees, contractors, family members and even shareholders. It will live on as an integral part of *spiritnow* on the new website. Pictured here are (clockwise from top left) Jerry Poppenhouse (First Quarter 2014); Jumadil Kubro (Second Quarter 2017); Dean and Karen Davis (First Quarter 2017); Karen Stiles (First Quarter 2015); Rufus Gandhi (First Quarter 2016) and former CEO and Phillips 66ers basketball star Pete Silas.

A legacy of photographic excellence

Over the years, our stunning photography has taken the reader around the world to the places where the people of ConocoPhillips live and work. A heartfelt thanks to our gifted and adventurous photographers: Kjetil Alsvik, Patrick Currey, Salvador Garza, Garth Hannum, Gus Morgan, Rich Ostrem, Hall Puckett, Enrico Sacchetti and Martin Vargas







RIGHT: Aberdeen Harbour Footdee

FAR RIGHT: Aberdeen city overlooking the River Dee. [The Bridge of Dee](#) — or [Brig O' Dee](#) — was the site of a 1639 battle between Royalists and the [Covenanters](#). The bridge features original 16th century piers, coats of arms and passing places.

UK spotlight: Adapting to a changing landscape

BY SANDRA DUNCAN, PHOTOGRAPHY BY KEN TAYLOR



ABERDEEN, THE 'ENERGY CAPITAL OF EUROPE,' IS A PORT CITY IN NORTHEAST SCOTLAND WHERE THE RIVERS DEE AND DON MEET THE NORTH SEA. IT IS ALSO KNOWN AS THE **GRANITE CITY** BECAUSE MANY OF ITS BUILDINGS ARE BUILT FROM THE LOCALLY QUARRIED STONE, WHICH SPARKLES IN THE SUN DUE TO ITS HIGH MICA CONTENT.

RIGHT: Front entrance to Rubislaw House

Despite its reputation as a cold, grey city, Aberdeen has traditionally brought a rich and diverse culture to the northeast, and the oil industry has made it one of just three high-productivity hubs in the U.K. The difficult economic climate of the past few years, with its lower commodity prices, inevitably resulted in job losses to an area where one-third of total employment is dependent on oil and gas. Today, 300,000 jobs are still supported by the U.K. oil and gas sector, and more opportunities are slowly reemerging within the industry.

Although the oil and gas sector has experienced monumental changes, the industry continues to produce around half of the U.K.'s oil and gas that would otherwise have been imported. Maintaining a steady fiscal environment in the U.K. is a vital component to ensuring continued investment confidence, and today's focus has also turned toward maximizing economic recovery (MER),



consistently delivered value across changing political landscapes and fluctuating economic climates.

HOME WITH A VIEW

ConocoPhillips U.K.'s main office is Rubislaw House in Aberdeen, located in the city's west end overlooking the now water-filled 394-foot-wide, 465-foot-deep crater on the site of the old Rubislaw quarry. Europe's largest man-made hole, the quarry produced more than 6 million tons of

Aberdeen facts and figures

Aberdeen, home to ConocoPhillips' U.K. business unit, is the third most populous city in Scotland, with approximately 200,000 inhabitants. The city's first inhabitants settled some 8,000 years ago in villages around the mouths of the rivers Dee and Don.

Today, the city has a long, sandy coastline and a climate of chilly

summers and mild winters. It is home to two universities — [the University of Aberdeen](#), founded in 1495 in a fortified cathedral, and [Robert Gordon University](#) — making it the educational center of northeast Scotland.

The region's most famous castle is [Balmoral](#), the summer residence of Great Britain's royal family. Balmoral was purchased in 1848 by Queen Victoria, who described it as "my dear paradise in the Highlands."

In addition to oil and gas, traditional industries include fishing,

papermaking, shipbuilding and textiles. Among Aberdeen's many distinctions, the city has won the popular [Britain in Bloom](#) gardening competition a record-breaking 10 times. In 2015, Aberdeen was named the world's 57th most livable city, as well as the fourth most livable city in Britain. In 2012, HSBC, a British banking and financial services company, named Aberdeen a leading business hub and one of eight "super cities" spearheading the U.K.'s economy — the only city in Scotland to receive this accolade.

delivering efficiency improvements, building on cost reductions and rationalizing activity. North Sea companies have become more efficient during the downturn, cutting lifting costs by nearly half since 2014 while production overall in the industry has jumped 16 percent.

ConocoPhillips is no stranger to this renewed focus on efficiency. Having operated on the U.K. Continental Shelf for more than 50 years, the company has safely produced oil and gas and

grey muscovite biotite granite for some 230 years before its closure in 1971. This stone forms the centerpiece of many of the U.K.'s famous buildings and monuments, including London's Houses of Parliament and Waterloo Bridge.

Six years before the quarry closed, ConocoPhillips was already operating in the U.K., achieving first flow of gas from the Viking reservoir in the Southern North Sea (SNS) in November 1965. Today, the business includes a variety of offshore



assets in the SNS, Central North Sea including J-Area and Britannia, East Irish Sea and West of Shetlands. These range from old platforms, some of which are now being decommissioned, to new discoveries across different construction types that plot their way through time in the history of the oil and gas industry.

Over the decades, there have been many new developments and improvements in technology, allowing fields previously deemed uneconomic to be tapped for their reserves. One of the latest additions to the U.K. production figures is the partner-operated Alder high pressure/high temperature (HP/HT) field that ties in to the Britannia facility. With this, the U.K. business is now producing around 6 percent of the company's overall total production. Thanks to highly detailed planning, further development opportunities have been unlocked at Finlaggan with a third-party subsea tieback to Britannia, and opportunities are being reviewed that could extend the life of the J-Area hub.

Adding to the complexity of numerous fields in a variety of locations in U.K. waters, ConocoPhillips' onshore support facilities are spread throughout the country. The Europe Commercial

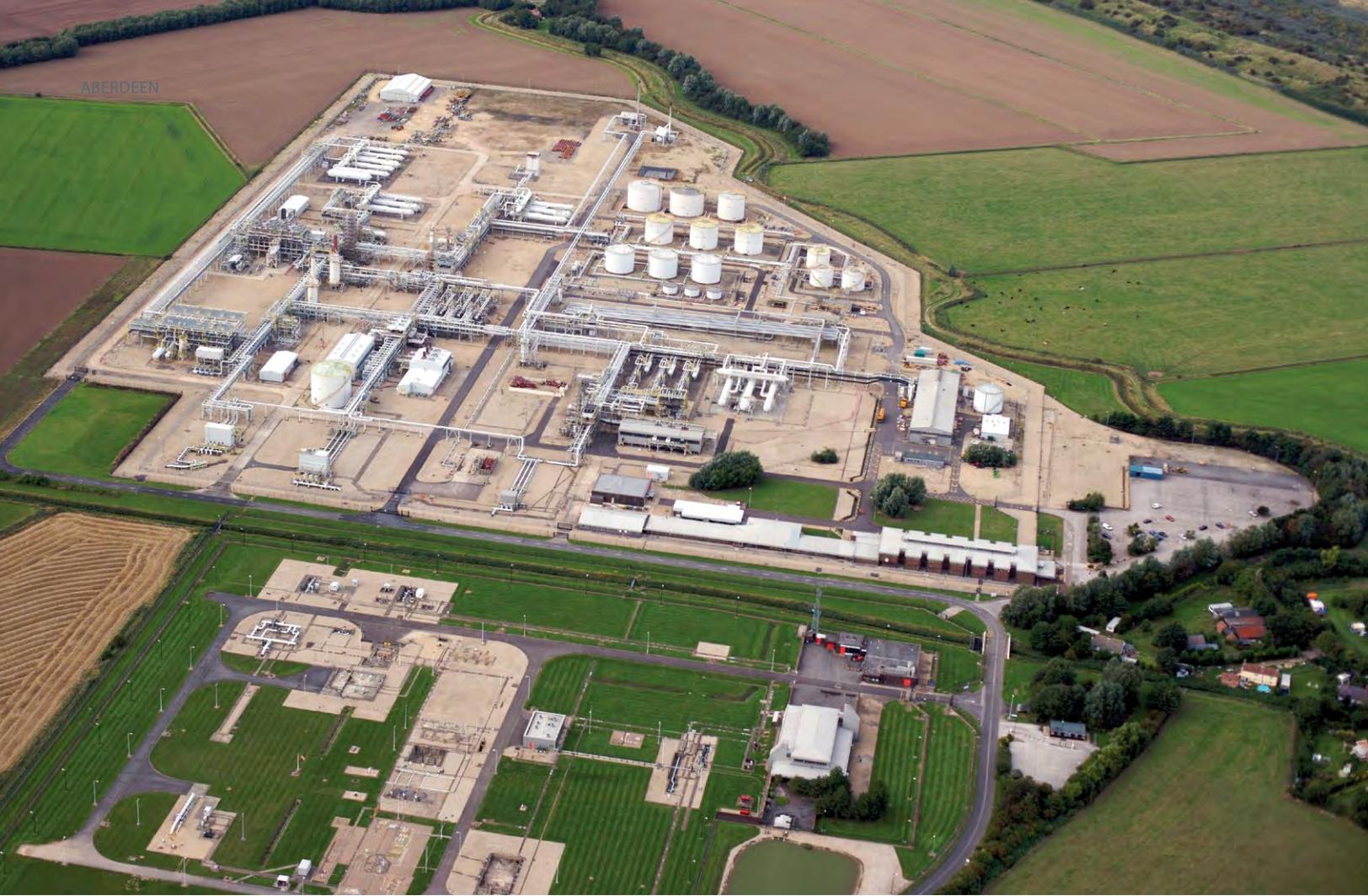


team is based in London, with Pensions, Tax and Insurance nearby in Warwick. The Theddlethorpe Gas Terminal is on the east coast of England, and the Rivers Terminal in the northwest. The operations from the Conoco, Phillips and Burlington backgrounds now blend seamlessly to give strength to an organizational mix that is unique to ConocoPhillips U.K.

There is a great diversity across U.K. operations, with infrastructure-led exploration, production,

ABOVE: An ancient seat of learning — the cloisters at Elphinstone Hall and the chapel at [King's College, University of Aberdeen](#)

TOP: Sunshine over [Rubislaw Quarry](#) in the west end of the City of Aberdeen



Richard Tocher, manager,
Decommissioning U.K.

RIGHT: Vulcan
decommissioning

ABOVE: The Theddlethorpe
gas terminal handles
Southern North Sea
production, which is
scheduled for cessation in
October 2018.



new developments and platforms in the decommissioning and removal phase. There are also wells to drill and complete, wells to plug and abandon, platforms to remove and new third-party business being tied in. In short, the U.K. has ongoing activities throughout the whole of the asset lifecycle.

A CHANGING LANDSCAPE

As some more-mature assets in the U.K. SNS come to the end of their life spans, the business has developed a detailed decommissioning program for plugging and abandoning these assets. “In September, the decommissioning program for Lincolnshire Offshore Gas Gathering System (LOGGS) satellites LDP1 (Vulcan UR/ Vampire OD/Viscount VO) went out for public consultation, which is a key milestone in our U.K. decommissioning program,” said Richard Tocher, manager, Decommissioning.

The decommissioning challenge on the U.K. Continental Shelf is significant, with more than



Viking AR platform decommissioning

250 subsea production systems and approximately 3,650 wells across the industry, all of which must be decommissioned. In accordance with the U.K. Oil and Gas Authority’s (OGA) principles for MER, there is a need to significantly reduce decommissioning costs through increased efficiency and, more importantly, industry transformations.

Removing the old and looking at innovative ways of implementing the new is altering the landscape across the U.K. business. With

A UK industry first: shared plugging and abandonment campaign

As ConocoPhillips extended its decommissioning work across the U.K. Southern North Sea area, it became apparent that significant opportunities existed for cost savings, innovation and efficiency relating to work on one well in particular — the KX, which is owned by ConocoPhillips (50 percent) and BP (50 percent).

Previously in the U.K., the idea of sharing data and activities with another operator was unheard of. Today, smart



Mike Burnett

commercial agreements are being embraced for the greater good, and the implications of this cooperation are far-reaching.

ConocoPhillips led the way on this front with well KX, which was shut in back in 2009 and requires permanent abandonment. It sits within a subsea manifold, which houses the Alison B3 well operated by Centrica. Taking a regional approach to the activities, the teams identified commercial opportunities that led to a smart agreement whereby Centrica would plug and abandon both KX and Alison B3.

The two wells contained synergies, having originally been drilled back in 1995 by the same jack-up drilling rig. As a result, the completions, casing design, well-heads and trees were similar, and the Alison operator was also the owner of specialty tooling interface equipment for these wells.

“Using one jack-up rig to plug and abandon wells on the manifold means significant cost savings can be realized on the rig move, interface and dive support vessel costs,” said Mike Burnett, manager, Strategy & Integration.

“Smart commercial agreements enable us to move the industry forward. The Alison operator had previously performed four subsea well plug and abandonments with the same bespoke tooling, and pulling on their expertise has let us leverage learnings across multiple wells.”



ABOVE: Aberdeen's Onshore Drilling Centre, known as "mission control"

RIGHT: Rubislaw Operations Center (ROC) uses new technology to add value to the business.

this change came the need to update the organization and functions supporting the fields. Three years ago, the U.K. business took the step of changing its operating model to reduce risk, improve efficiency / productivity and reduce cost. An integrated operations (IO) environment was created that encourages collaboration and puts more focus on innovation and technology.

MAXIMIZING NEW TECHNOLOGY

A dedicated Onshore Operating Centre (OOC) forms the heart of IO in Aberdeen. It serves as an inspirational environment delivering sustainable and tangible benefits to the business, including a heightened opportunity for learning and development within a collective, multifaceted team setting. Housing about 15 different functional disciplines supporting the operations in the field, it has enabled new work processes to be implemented with a strong focus on integration and collaboration. After seeing its impact, the



well operations team followed suit and opened an Onshore Drilling Centre at Rubislaw House, known as "mission control."

"The challenge is to continue to maximize the use of new technology to add value to our U.K. North Sea operations as we seek to generate free

cash flow. Getting to where we are today has taken significant change throughout the organization. By combining the U.K. offshore and functional teams to achieve results and embracing the opportunity we had for change at an early stage, costs have been safely reduced and collaboration has increased,” said Brage Sandstad, general manager, Operated Assets.

SAFER TOGETHER

One of the teams at the heart of IO is Health, Safety & Environment (HSE), which has gained efficiency by standardizing and simplifying the way it works by co-location. By reducing

“By collaborating and focusing on reducing risk, safety across our operations has taken a step forward, which is reflected in our results as the safest operating business unit within ConocoPhillips.” — MARK WILSON

bureaucracy, HSE generated opportunities for personnel, strengthened safety processes and improved the sharing of reporting between assets.

“By collaborating and focusing on reducing

risk, safety across our operations has taken a step forward, which is reflected in our results as the safest operating business unit within ConocoPhillips,” said Mark Wilson, manager, HSE Performance & Strategy.

Reflecting on a recent milestone of 10 years without a recordable injury in production operations at the Theddlethorpe Gas Terminal, SNS Operations Manager Maurice Thomson said, “For any of our operations to achieve 10 years without a recordable injury is a significant milestone by any standard. This demonstrates individual safety leadership and its contribution to a positive and inspirational safety culture.”

The foundation has been laid to continue the journey to reduce risk across U.K. operations, and the business is now seeing efficiencies that allow more HSE engagement at the planning stage, which in turn proactively reduces risk across the business.

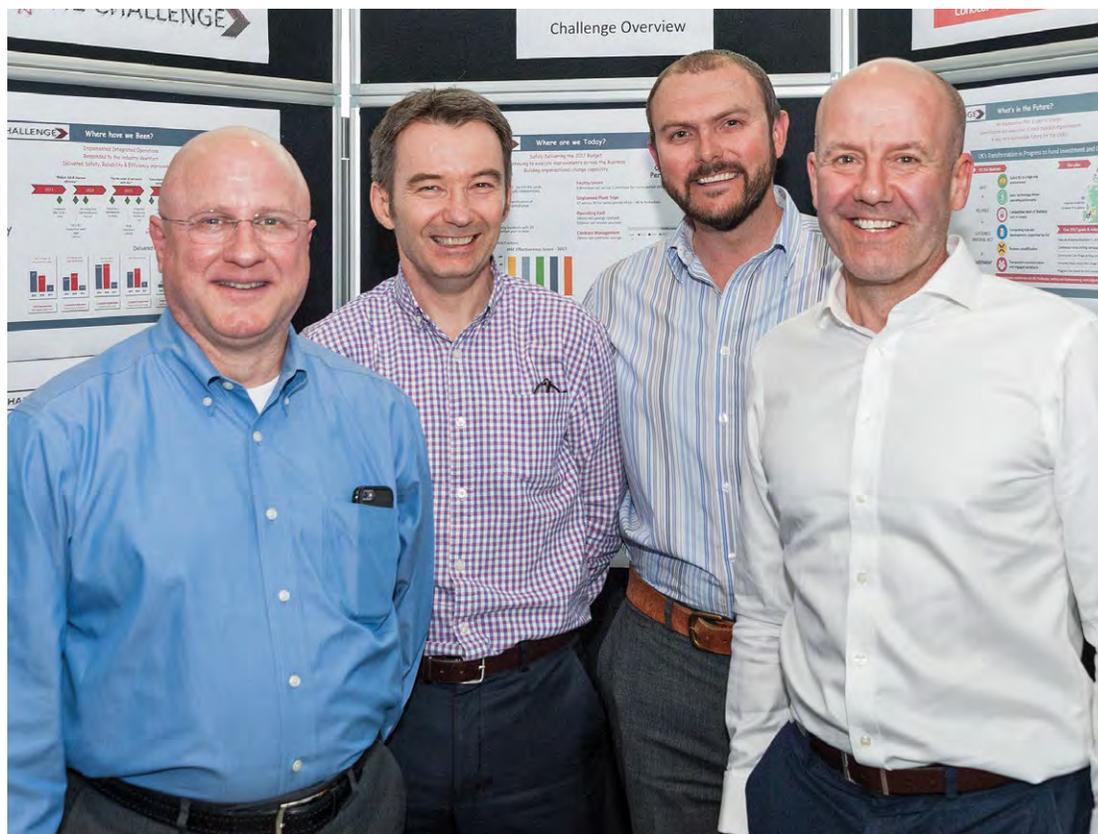
“Finishing 2017 strong and starting 2018 stronger is our safety goal,” said Wilson. “At a recent safety forum, we likened this challenge to the fourth quarter of a 400-meter race, where it is important that we maintain form and concentration and don’t ‘lose it’ at this point. We all have a role to play to ensure our business remains a safety leader. It’s important that we complete our



Brage Sandstad, general manager, Operated Assets



Maurice Thomson, manager, SNS Operations



Wayne Fletcher, U.K. Operations manager; Neil Watson, U.K. Challenge Project manager; Scott Barr, Operations manager, Greater Britannia Asset; and Mark Wilson, manager, HSE Performance & Strategy

Aberdeen Harbour
dominates the
heart of the city.



checks, we don't let complacency creep in, and we are prepared to hold that courageous conversation. Above all, we must never forget that someone's life might depend on our actions."

SEAT OF LEARNING

With a program of continuous learning and development, the U.K. business has grown in strength and is successfully delivering ever-improving operational performance at a time when maximizing economic recovery within the U.K. Continental Shelf is vital. This has led to improvements in the quality of decision-making, communication and knowledge sharing and has accelerated learning in a multiskilled environment.

One example is the Southern Wye Project, where ConocoPhillips U.K., ConocoPhillips Norway and partners effectively collaborated to safely disconnect one field and connect another during a maintenance period. This successful teamwork was recognized for its innovative approach, receiving the 2016 Oil and Gas Authority's MER U.K. Award. The model was highlighted as being transferable across the industry. ConocoPhillips has also been recognized for its role in developing standard industry agreements as well as its leadership role in improving commercial behaviors.

ENSURING ECONOMIC VIABILITY

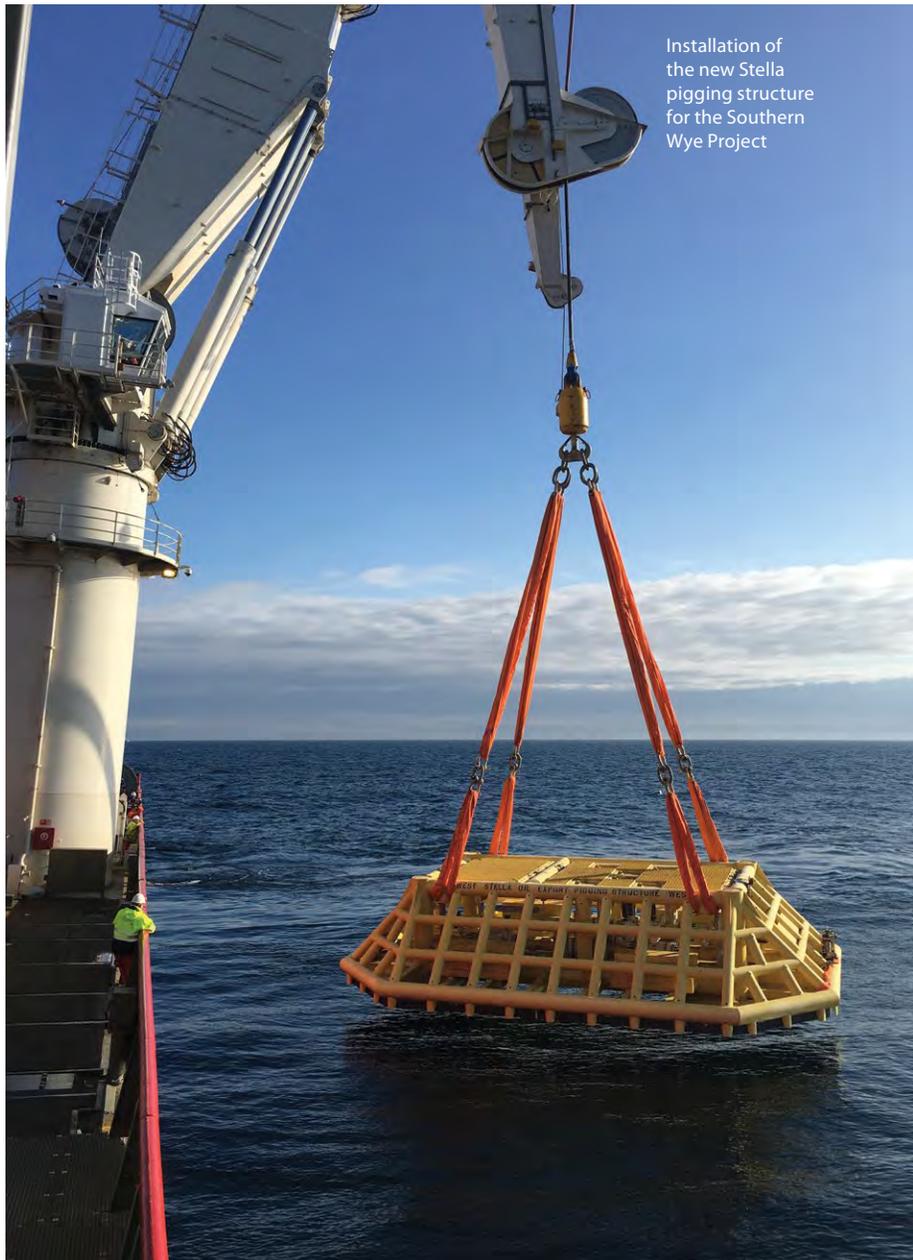
The U.K. business went through its own efficiency program in 2014-2015, made more vital by the collapse of commodity prices. Ben Tier, manager, Business Strategy explained: "Since 2014 the U.K. has been through three change programs focused on reducing risk and improving efficiency. These changes have paid dividends by attracting investment premised on a competitive cost structure that benchmarks at the top of the U.K. oil and gas industry."



Ben Tier, manager, Business Strategy

One such change was the integration of Britannia Operator Limited (BOL) into ConocoPhillips' operations. From 1998 to 2015, the Britannia gas/condensate field, one of the largest and most

significant ever undertaken in the U.K., was operated by BOL, a joint-venture company between ConocoPhillips and Chevron. Much has changed since Britannia's inception, not least the challenges of a maturing asset in a low price environment and the realities of having to safely maintain a competitive and sustainable cost structure. Integrating BOL into the ConocoPhillips organization streamlined the structure, allowing vital efficiencies to be captured.



Installation of the new Stella pigging structure for the Southern Wye Project

Improving efficiency and reducing cost through pipeline flushing

The MER U.K. Forum was set up to maximize economic recovery from the U.K. Continental Shelf and maximize overall value for the U.K. from the oil and gas industry. ConocoPhillips U.K. teams have effectively optimized pipeline flushing and cleaning procedures on 19 gas/methanol pipelines, using a methodology — considered one of the key successes of MER U.K. — developed by challenging industry approaches.

“Over the past two years in the Southern North Sea, ConocoPhillips has worked with a vendor to develop a series of cleaning chemicals and gels,” said Andrew Hood, engineering supervisor, Well Operations/Well Abandonment. “Injecting these into the pipelines has given a transformational solution to flushing and cleaning work scopes. The chemicals have been successfully used to displace process fluids in the pipelines using seawater while minimizing the amount of overflow of seawater and volume of contaminated liquid to be disposed of to reach the desired level of cleanliness.” The process uses cleaning products with the lowest potential environmental impact and



Andrew Hood

minimizes discharges to the marine environment by using downhole reinjection or containment for onshore treatment and disposal as appropriate.

“Designing the pipeline cleaning process in close collaboration with a specialist vendor has enabled U.K. Decommissioning to develop a highly effective program, with full consideration for the environmental sensitivities in the marine-protected areas of operations,” said Paul Hatton, senior environmental scientist.

ConocoPhillips is now collaborating with several operators with producing facilities (satellite platforms and sub-sea manifolds) tied into the Lincolnshire Offshore Gas Gathering System (LOGGS) complex and the Murdoch central hubs to share this knowledge. The first combined operations project was completed successfully with operator Centrica, employing a dive support vessel (DSV) to tie into its subsea Ann manifold and pipeline before pigging and flushing the process fluids toward the LOGGS platform for injection down-hole.

Combined teams operated on the DSV and the LOGGS platforms on a 24-hour basis, leveraging their expertise and ensuring the task was completed safely and successfully within schedule. Approximately 4,500 barrels of fluids were received and disposed of at LOGGS. This successful result will have a significant impact on the management of future third-party pipeline cleaning operations.



Paul Hatton

SEISMIC HIGH GRADES DATA

2017 was an exciting year for the U.K. as a new drilling campaign started in the J-Area after a two-year break.

“We focused on a complete reevaluation and restack of the opportunity portfolio,” said Chief Geophysicist Mark Brown. “Using state-of-the-art seismic data and advanced geological modelling, reservoir simulation and history matching workflows, we developed a compelling portfolio of drill-ready opportunities.”

In July, the *Ensco 120* drilling rig began to work at the Jade platform J10 well. In the fourth quarter, it moved to Jasmine to begin the first well in a two- to three-year program of continuous drilling.



Historic Aberdeen

“The campaign will include infill development wells, step-out appraisals and targets in established reservoirs. It will also seek to appraise and further develop the secondary Josephine Sandstone Triassic reservoir, which was found to be surprisingly prolific in the Jasmine S5z well,” Brown said. “The acquisition of new seismic data has been a key factor in high grading the U.K.’s opportunity portfolio. In 2016, we received the fully processed J-Ridge Ocean



Jasmine

Bottom Node (OBN) dataset, which gives a high-quality, state-of-the-art 3-D dataset across our Judy/Joanne and Jasmine fields. This was acquired using autonomous recording nodes placed directly on the seabed using ropes.”

ConocoPhillips was the first operator in the North Sea to use this rope-deployed OBN technology when it acquired the Jasmine survey in 2011. A 2013 Technology Excellence award commended the team for being the first to carry out this innovation. In 2016, the U.K., Alaska and Norway

“Using state-of-the-art seismic data and advanced geological modelling, reservoir simulation and history matching workflows, we developed a compelling portfolio of drill-ready opportunities.” — MARK BROWN

businesses, with the Geophysical Services group in Houston, received a ConocoPhillips SPIRIT of Achievement Award for collaborative development and adoption of the technology.

The technique has now become mainstream and is rapidly becoming an industry standard for ocean-bottom seismic. The same approach was used for the East J-Ridge survey, with a slight twist. “For this, we used ConocoPhillips’ proprietary compressive seismic imaging (CSI)

technology to deliver high-quality data at lower cost. This allowed us to use two source boats, shooting simultaneously. The wavefields from the two source arrays were separated by the company’s seismic processing group in Houston, using newly available deblending algorithms. Doubling the source effort allowed a shorter cycle time for acquisition, saving cost without sacrificing data quality,” Brown said.

The improved seismic imaging helps by creating more-accurate maps of the subsurface structure, resulting in better portfolio ranking and decision-making. The data has been very impactful. One previously high-ranked opportunity has been downgraded, while others have been high graded or better defined, and some completely new targets have been added.

LATEST GENERATION POTENTIAL

In addition to the OBN acquisition, the U.K. business recently licensed 70 square kilometers of latest-generation, broadband multicient streamer data around the Jade field. This data is providing new insights into the fault structure on the eastern flank and has helped firm up understanding of the complex reservoir structure in this area. The data is being used to refresh opinion on the faulting around the Jade South exploration opportunity and around J-Block, which will help identify potential opportunities for future license-round applications.

“Work has not been solely focused on the



Mark Brown, chief geophysicist



Andrew Leishman, manager, Subsurface



Jenna Harvey,
Commercial advisor



Peter Antao, manager,
Clair Development



Terri King, president, U.K.

J-Area, though,” said Andrew Leishman, manager, Subsurface. “The Britannia Satellites team has also been busy developing infill drilling targets at Brodgar and Callanish, which are progressing through internal maturation, quality control and approval processes as drill candidates for the 2019-2020 timeframe.

“Interpretation of the Callanish structure was ambiguous on the old 1995-vintage seismic data,” said Leishman. “So in 2016, we purchased newly reprocessed prestack depth-migrated, multicient seismic data incorporating improved tomographic velocity modeling and modern deghosting algorithms. This stabilized the reservoir image significantly and reduced uncertainty, resulting in more-robust metrics. Similar data from Brodgar in 2014 has been used to help mature the concept of a Brodgar H4 infill development to the west of existing producers.”

INFRASTRUCTURE NEGOTIATIONS BRING BENEFITS

A large part of the U.K. portfolio is nonoperated, and 2017 was an exceptional year for the ConocoPhillips team in its role as substitute commercial operator (SCO) for the (BP-operated) Clair development. Due to commercial conflicts in the West of Shetland region, ConocoPhillips was authorized by Clair owners to act as SCO.

“We negotiated with infrastructure owners and other field groups to deliver commercial and legal agreements to support Clair operations,” said Commercial Advisor Jenna Harvey.

By delivering a new and reshaped commercial framework for gas processing and hydrogen sulfide removal, the West of Shetland field groups (Clair, Quad and Foinaven) have enabled field investment and provided longevity and security of gas export in addition to preserving West of Shetland value for the U.K.

The Clair asset will reach a significant milestone in 2018 with first production from the Clair Ridge project. Peter Antao, manager, Clair Development, has been seconded to BP to work directly with the Clair Ridge project leadership team. He is seeking to directly affect the work being carried out as they complete drilling and focus on

reliability and start-up of Clair Ridge. The commercial team has enabled several agreements to deliver the project.

“We entered into negotiations with infrastructure owners and amended the gas transportation agreements to reflect the changing needs of the Ridge project. This has reduced costs by around \$6.5 million,” said Harvey. “We are now negotiating a start-up gas agreement to allow the facilities to be commissioned and a new onshore pipeline to be built that will create a long-term export route for gas to the U.K. market. The first construction and tie-in agreement for this was executed in second quarter 2017. As Clair Ridge will start up



before this pipeline is complete, ConocoPhillips, as commercial operator for all Clair fields, is negotiating a short-term gas offtake solution.”

PERFORMANCE DRIVES INVESTMENT

“The last two years have seen significant changes within the business and the operating environment for the U.K. oil and gas industry,” said Terri King, president, U.K. “Commodity prices and political and regulatory issues, including Brexit, have been prominent, but the industry and ConocoPhillips U.K. continue to pursue efficiency improvements and drive change that will have a transformational effect on our operations.

“In a recent 2016 report by Oil and Gas U.K., ConocoPhillips was ranked among the top third



for HSE performance against our peers on the U.K. Continental Shelf for reportable injury and hydrocarbon release frequency. Based on 2016 data and 2017 HSE performance for both reportable injuries and hydrocarbon releases, ConocoPhillips is expected to be best-in-class against our peers when the next report is issued. The OGA also assesses ConocoPhillips as the best-in-class operator in the U.K. in terms of unit cost. In addition to being seen as a leader in commercial behaviors with proven and strong delivery, we are continuing to show a tangible increase in cash flow through our performance across the U.K. business.

“Our successes this year include completing the Britannia and J-Area shutdowns ahead of target, starting the J-Area drilling campaign,

completing stage one of plugging and abandonment at MacCulloch within AFE, and progressing Clair South to approval. We then focused on restarting production at the East Irish Sea with ConocoPhillips personnel seconded to work with the Centrica team at the Rivers Terminal and to safely commission the Clair Ridge drilling and control system, which is on track to complete in the fourth quarter.

“These activities could not have been achieved without the hard work and dedication of the talented teams across the business. They go out of their way to ensure the U.K. remains a positive contributor, safety leader and worthy adversary in the pursuit of investment against competition on a global stage.” ■

ABOVE: [Dunnottar Castle](#), a ruined medieval fortress, sits on a rocky headland on the northeast coast of Scotland near Stonehaven.

OPPOSITE PAGE: William Wallace statue and the Central Library, City of Aberdeen

Hurricane Harvey hits Houston, bringing both destruction and hope

BY GUS MORGAN

HOUSTONIANS ARE FAMILIAR WITH FLOODING. PAST STORMS HAVE SCARRED THIS LOW-LYING CITY: **TROPICAL STORM ALLISON** CREATED A VAST LAKE IN 2001; **HURRICANE IKE** ROARED THROUGH IN 2008; AND LET'S NOT FORGET THE MEMORIAL DAY FLOOD IN 2015 OR THE TAX DAY FLOOD IN 2016, EACH EVENT INFLICTING ITS OWN WOUNDS.

RIGHT: The ConocoPhillips Incident Management Team coordinated the company's response to the storm, ensuring workforce safety and business continuity.

BELOW RIGHT: Across Houston, volunteers showed up to help their neighbors in need.



was epic, so was the response by Houstonians and the ConocoPhillips community.

Across the organization, ConocoPhillips workers displayed leadership and collaboration as they helped their flooded colleagues and ensured business continuity.

Human Resources launched an employee hotline so employees could register their storm status and supervisors could get updates on their teams. The Corporate Communications team

But the flooding caused by Hurricane Harvey as it evolved into a tropical storm and settled over the Houston area was unprecedented. Some areas received more than 50 inches of rain from the slow-moving storm, putting large swaths of the city underwater and flooding thousands of homes.

The ConocoPhillips workforce was hit hard. The flooding caused nearly 20 percent of local employees to be displaced from their homes. In addition, the floodwaters caused the temporary closure of the company's main campus and Energy Center 3. While Harvey's destruction





ConocoPhillips closed Energy Center 3 (EC3) and the main campus on Aug. 28 due to Hurricane Harvey. EC3 remained closed until Sept. 25.

followed by establishing the Hurricane Harvey Employee Resource Site to provide relevant information and resources. Employees and contractors also received notifications about the event from the Global Alert System.

As the disaster unfolded, the company activated its Disaster Assistance Loan Program and Natural Disaster Cash Assistance Program, providing qualified employees with financial support to help them and their families recover from Harvey's impacts. The second prong of the response was support for the impacted Houston community.

The following stories offer a glimpse of the activities that unfolded after the historic storm.

Engineer: 'We got to see humanity at its finest'

Across all levels of the company, ConocoPhillips employees sprang into action to help their colleagues.

Among those was Justin Garner, a drilling and completions coordinator for the Mid-Continent business unit, who anxiously watched as Harvey's floodwaters crept toward his Memorial-area home.

"I'd never seen water get that high on my street," Garner said.

His home was spared, but many of his colleagues weren't so lucky.

TAKING THE INITIATIVE

Eager to help affected coworkers, Garner emailed his work team to see who wanted to help or needed assistance. Next, he forwarded the email to the vice presidents of the Permian and Eagle Ford assets, and they cascaded Garner's message throughout their organizations.

"I ended up having a list of 100 or so people I would send daily updates to," Garner said. "I also accumulated a list of people who needed help."

'THEY INSTANTLY GAVE SUPPORT TO US'

Among the first to respond to Garner's email was Helene Harding, vice president, Gulf Coast business unit, and Seth Crissman, Garner's supervisor and manager of drilling and completions for the Gulf Coast and Mid-Continent business units.

"They instantly gave us support," Garner said. "It was impressive how ConocoPhillips stepped up to assist employees who were impacted and allow those who weren't impacted to help."

Also furthering Lower 48 volunteer efforts were Kyle Hampton, a Mid-Continent and Gulf



Justin Garner, coordinator, Drilling & Completions, Mid-Continent business unit

Coast business unit drilling engineer, and Leo Gallegos, Completions Engineering supervisor for the Rockies business unit. Once Gallegos, who had been separately organizing volunteers, learned of Garner's and Hampton's efforts, he asked to join their email list.

Garner, Hampton and Gallegos, along with Human Resources General Manager Heather Sir-dashney, propelled the coordination efforts. Over 14 days, volunteers provided cleanup assistance at 22 homes.

"We weren't assigning people, just letting them know of the opportunities," Gallegos said. "It worked out well. The response from the community as a whole was inspiring. It makes you proud of Houston and Texas. And it was an example of the good that goes on in this world."

Volunteers proved resilient through harsh

Response by the numbers

ConocoPhillips supported employees throughout the impacted area. Employees stepped up on every front, and the company continues to offer support:

Facilitated short-term housing for

150+
employees.

Processed

80+
employee loans/
immediate cash
assistance.

Donated

\$5.2 million
to relief efforts.

Employees and retirees contributed
\$60,000
via employee match.

ConocoPhillips set up a special Hurricane Harvey Disaster Relief Matching Gift Program so global employees and retirees could have their donations to the American Red Cross and the United Way of Greater Houston matched dollar-for-dollar to support the relief efforts in Houston.

HURRICANE HARVEY

CLOCKWISE FROM TOP:
ConocoPhillips retiree Josh Soybel, far left in the white T-shirt, with Harvey Help Team volunteers; Innovation Manager Dave Mabee removes wet Sheetrock; retiree George Heck removes ruined flooring; Bill Arnold, general manager of Norway operations, during cleanup activities at the home of Global Completions Chief Eric Davis. PHOTOS BY JOSH SOYBEL



conditions. Racing against time and mold, they meticulously rid each home of waterlogged contents. The main goal: allow the houses to dry out. For two weeks, this process repeated itself in the Katy and Memorial areas.

With each house they tackled, volunteers grew more efficient; only the larger, most complex homes required more than a day. During the 14-day cleanup, Hampton said, employees skill-



Kyle Hampton, drilling engineer

fully balanced volunteer activities and work responsibilities.

“We were fortunate that ConocoPhillips was understanding and let us work on this,” said Hampton, who found time to volunteer in between his rig-monitoring duties.



Leo Gallegos, supervisor, Completions Engineering

RETIREES, ALUMNI JOIN THE EFFORT

ConocoPhillips retirees also joined the cleanup effort. George Heck, president of the ConocoPhillips Houston Area Retirees Association, shared messages with other retirees and further expanded the volunteer base.

“The devastation was something you hope to never see again, but we had a glimpse of how good people can be.” — JUSTIN GARNER

“The ConocoPhillips community is very tight,” said retiree Josh Soybel. “It was really cool to see everyone pull together and help each other out.”

The Harvey Help Team mainly worked on homes of ConocoPhillips employees, Garner said, but they also made time to assist others in need,

including a 73-year old widow.

“The devastation was something you hope to never see again,” Garner said, “but we had a glimpse of how good people can be.”

‘THE CORE OF WHO WE ARE’

Innovation Manager Dave Mabee said leadership and collaboration were evident across all levels of the organization.

“So many grassroots support efforts sprang up — and these efforts were nurtured and supported by our management,” Mabee said. “We had central coordination from the Yammer site; HSE support for cleanup gear; management support to take the time we needed to help ourselves and others; and visible executive management financial support to both give and match contributions to the Red Cross and United Way.

“Business did go on, but those first two weeks were also about making sure we got the right support to the right people, and I will never forget that.”

TEAMWORK MAKES THE DIFFERENCE

Collaboration played a key role in helping the ConocoPhillips community weather the storm.

“Not everyone could rescue people from flooded homes or do demolition work,” Mabee said. “But collaboration meant that everyone seemed to do what they could. My wife and her friend went to Memorial City Mall every night, collected the first responders’ dirty clothes, laundered them and delivered them back the next morning. Volunteers delivered gloves, safety glasses and dust masks to the work sites, delivered food and drink, and even helped those displaced find places to live.”

The disaster, Mabee said, renewed his sense of community and fueled his SPIRIT Values.

As the initial cleanup work ended, Garner thanked volunteers in an email on Sept. 17.

“I want to give everyone a big thanks for taking time to help your fellow coworkers,” Garner wrote. “This would not have happened if we didn’t have great people wanting to help the community. I have never been so proud to work at ConocoPhillips.”

HURRICANE HARVEY TIMELINE

August
13

Develops as a tropical wave near Africa

17

Given name and given tropical cyclone potential

19

Downgraded to tropical depression and then tropical wave

23

Regenerates into tropical depression 500 miles off the coast of Texas

24

Upgraded to Category 1 hurricane 300 miles from coast

Upgraded to Category 2 hurricane by day’s end

Coastal communities begin preparing

25

Upgraded to Category 3 hurricane 75 miles from Corpus Christi

Upgraded to Category 4 hurricane with 130 mph winds 45 miles from coast

Makes landfall late in the evening

Data center disaster recovery plan proves successful

BY KATHRYN DONELSON

At the height of the storm, the main complex had been evacuated, except for essential staff who stayed to monitor the security of the facility and its critical equipment. Attention was fixed on the pumps that would be used to remove water from the basement should flooding occur.

Sitting adjacent to the swollen Addicks Reservoir and bordered by its southern earthen dam, the complex was in an area of increasing vulnerability due to the relentless rain and flooding.

On Tuesday, Aug. 29, due to worsening conditions, Real Estate & Facilities Services (REFS) contacted Information Technology (IT) to discuss pulling critical staff from the building. With no line of sight to the water levels or pumps, the



Derek Davis

electrical system would be at risk — as well as the data center it supplies.

"We couldn't take chances," said Derek Davis, IT Infrastructure & Operations manager. "It

was clear we'd need to initiate our data center disaster recovery (DR) plan, which in effect relocates much of our Houston data center operation to our backup facility in our Bartlesville, Okla. offices."

Davis' teams had been huddling for days to discuss contingency plans and identify critical points of contact. This planning proved key when it came time to execute the plan.

Preparation also came into play in other important ways.

"Our DR plan makes provisions for the most critical set of systems to be recovered in Bartlesville, but it doesn't cover everything," said Darren McInturff,

Unix-Linux Server Operations supervisor.

However, the team had recently installed new storage and hadn't yet retired the old storage, so they had additional capacity available. Also, the team had recently wrapped up a two-year effort to modernize the data center and transition some of the computing environment to the cloud, creating additional capacity.



Darren McInturff

"Combined, this gave us the ability to implement not only our DR plan, but also a full data center rescue — 658 servers housing 1.6 petabytes of data, to be exact," said McInturff.

"That we were able to move this massive amount of data in such a short time — with virtually no disruption — was truly remarkable."

— LEE ROBERTS

McInturff was tapped to lead the transition, pinch-hitting for Todd Fink, supervisor, Data Center & Backup Operations, who was out of commission due to mandatory evacuation of his neighborhood.

With minimal exceptions, the team planned to transition all data and computing to Bartlesville.

The full transition took about 10 hours — an impressive hustle given the vast amount of data moved.

Weeks later, following a complex partial restore of the systems that support Geology, Geophysics & Reservoir Engineering, the team began discussions with the business to determine a date for the full data center restore back to Houston, as well as the hours of testing required to ensure a successful transition.

On Saturday, Sept. 30, over a period of 12 hours and with all hands on deck, the data center transition was completed.

"It helped that we were able to do much of this work remotely and from our offices in Bartlesville," said Lee Roberts, director, Monitoring, Analysis & Production Services. "This relieved pressure on our colleagues in Houston who were attending to their families and homes. That we were able to move this massive amount of data in such a short time — with virtually no disruption — was truly remarkable."

All told, approximately 100 people were involved in the Herculean effort of moving the Houston Data Center operation to Bartlesville and back again.

"Most of us in IT work our entire careers without ever having to execute a full DR plan — let alone a full data center rescue," said Davis. "This was a first for me.

We certainly prepare for and practice disaster recovery plans, but we've never had to execute an entire event. For it to have gone so smoothly is important confirmation of the team's excellent preparation, collaboration and dedication to quality. I couldn't be prouder of them."



Todd Fink



Lee Roberts

Employee contracts flesh-eating bacteria from floodwaters

'YOU CAN'T REFUSE TO HELP PEOPLE JUST BECAUSE OF FEAR'

J.R. Atkins, senior analyst, Automation & Supply Chain Integrated Visibility, remembers the moment his left hand dipped into Harvey's floodwaters.

He was kayaking down the flooded streets of his neighborhood in Missouri City, Texas, a suburb of Houston, checking on his neighbors in the wake of the storm.

While making a turn, his oar and left hand became submerged in the floodwaters for only a second. But doctors believe that was all it took for Atkins to contract necrotizing fasciitis, also known as flesh-eating bacteria, through a mosquito bite on his wrist.

As a former firefighter and paramedic, Atkins was aware of the threats posed by bacteria in floodwaters. Before he went out that morning, he donned boots and waders and taped them down to protect himself. But he didn't wear gloves.

That afternoon, Atkins noticed a bump on his left wrist about the size of a nickel, resembling a

mosquito bite. By the next morning, the inflammation had spread. He outlined the spot with a marker and went about his day.

Soon the inflammation moved down into his hand. The pain intensified, and heat radiated from the swollen area.

From his medical training, Atkins knew that when an infection or swelling moves across a joint, it's time to seek immediate medical help. He went

"I was hot and cold, hot and cold and very lethargic. Then I noticed I couldn't feel my pinky finger." — J.R. ATKINS

to an urgent care clinic.

Atkins was running a high fever and was told to get to a hospital immediately. He went straight to the only one in the area not closed due to flooding.

There were about 80 people in line in the emergency room (ER). Atkins was told to wait and found a comfortable spot on the floor. His wife, Cori, put blankets on him.

"We waited in the ER waiting room for six hours," he said. "By then, I felt like I had the flu. I was hot and cold, hot and cold and very lethargic.

J.R. Atkins shows off his left hand, which became infected with necrotizing fasciitis, also known as flesh-eating bacteria, after being exposed to Harvey's floodwaters in his Missouri City neighborhood.



26

Downgraded to a Category 3 as it moves inland toward Houston

Later downgraded to a Category 1 and then a tropical storm

Circles back into the Gulf and gains more strength

Second wave hits

27

Hovers over Houston, bringing more than 50 inches of rain to some areas of the city

Rescues begin in Houston

28

Reservoirs are opened to avoid dam failure, causing more flooding

29

Flooding expands into eastern Texas

30

Cleanup efforts in Texas begin

Makes third landfall near Cameron, Louisiana

Causes flooding in far east Texas and western Louisiana

31

Sends tornadoes, thunderstorms and flooding into parts of Louisiana, Mississippi, Alabama, Tennessee and Georgia

National Hurricane Center stops tracking remnants

Then I noticed I couldn't feel my pinky finger."

He approached the triage desk again to plead his case, and the staff took Atkins into the ER. In less than an hour, doctors had a diagnosis: necrotizing fasciitis, the technical term for flesh-eating bacteria.

Atkins was admitted to the hospital and told he would need several surgeries. That night, after his wife had gone home, he was watching a documentary on television.

"All of a sudden I couldn't hear the film."

Atkins hit the call button, and a nurse came immediately. His blood pressure had plummeted, and he was going into shock. The infection had moved into his bloodstream, attacking his blood.

He heard someone mention septic shock, which he knew was associated with a high mortality rate.

"I had worked with septic shock before," he said, "And I didn't remember a positive outcome."

A large scar marks the underside of J.R. Atkins' left arm where doctors cut it open to help drain the infected area.



Atkins was transferred to the intensive care unit (ICU). As his blood pressure continued to decrease, he remembers thinking, "This is not a good situation to be in."

Atkins lost consciousness. When he awoke hours later, his blood pressure had stabilized. The worst

was over, but he said that night was the scariest.

He was in the hospital for 11 days, five of them in ICU. During that time, he contracted pneumonia and underwent three surgeries to clean and drain the infected area. Although doctors expect him to make a full recovery, it will take months of physical therapy to strengthen his hand, wrist and arm.

The experience has not dampened his passion for helping others.

Geologist: 'We thought we were off the hook'

Flooding from Hurricane Harvey damaged the homes of many ConocoPhillips employees in Houston, including Nick Fryer, principal geologist in the New Venture Projects group.

On Sunday, Aug. 27, Fryer and his wife, Christine, watched as floodwaters crept toward their front door. Although the water receded that afternoon, it was a close call. Fryer and his wife went to sleep that night thinking their house, located about a mile from Energy Center 3 in west Houston, would escape the floodwaters.

"We thought we were off the hook," Fryer said. "We thought we had survived the worst."

"We thought we could raise things enough to avoid the flooding. It quickly became evident that wasn't going to cut it." —NICK FRYER

But when the U.S. Army Corps of Engineers began releasing water from the Addicks and Barker reservoirs on Monday morning, the water in Fryer's neighborhood started rising. The Fryers' home, located near the confluence of the reservoirs' spillways, was in an unenviable location. In a flash, the situation took a turn for the worse.

Around 7 a.m., water started coming into the house. By 9 a.m., it was over their ankles. The couple scrambled to save their possessions, putting tin cans under their furniture and raising their vehicles several inches.

"We thought we could raise things enough to avoid the flooding," Fryer said. "It quickly became evident that wasn't going to cut it."



The couple managed to get most of their furniture and sentimental possessions upstairs. But when the water reached their electrical outlets, they knew it was time to get out.

Earlier, the couple had noticed a man in a red inflatable boat with an outboard motor ferrying people out of their neighborhood. The Fryers flagged him down. A short time later, he ferried the couple to safety, carrying just their passports, vital documents and a change of clothes.

Fryer asked the man whether he was with FEMA or the Red Cross.

The man replied: “No. I live in the Heights. Since



ABOVE: Debris piles on Fryer’s street

LEFT: Fryer during cleanup activities at his home

BELOW LEFT: Volunteers at Fryer’s house



I had a boat, I wanted to help. I’m just a volunteer.”

Those words illustrated the massive effort that played out during and after the storm. When the water finally subsided, nearly two weeks later, a crew of ConocoPhillips volunteers, mainly from Fryer’s group, assisted them with the cleanup and demolition work.

Like army ants devouring an elephant carcass, the volunteers stripped the Fryers’ house to its bones,

removing Sheetrock and carrying damaged items, furniture and knickknacks onto the front lawn.

“I couldn’t believe it,” Fryer said. “They ripped out the floors and took the walls down to the studs, all in one day. Then they started drying out the house with fans and dehumidifiers.”

Fryer said it was a huge relief to know the company supported him during his time of need, allowing him to focus on recovering from the disaster without worrying about having to return to work right away.

“It was really comforting to know that,” he said. “It’s truly staggering the support that ConocoPhillips has put together for us. Having the company’s support was another positive in this experience, and it has been much appreciated.”



ABOVE: Nick Fryer’s house in West Houston

Despite all the destruction and the long recovery ahead, Fryer remains optimistic.

“With disaster there is opportunity,” he said. “We think it will take us about a year to get ourselves back to normal again. We’re going to make some modifications to the downstairs that we’ve talked about in the past. Now that we’re down to the studs, we can consider that. There’s definitely a silver lining to all of this at the end of the day. You have to be positive, otherwise it will be a long year.” ■

A lifeline, just in time

Yammer connects help with those who need it

BY KATHRYN DONELSON



In the storm’s early days, emails flew between Human Resources (HR), Information Technology (IT),

Real Estate & Facilities Services (REFS) and Corporate Communications.

“We knew employees and retirees had been impacted and were willing to help,” said Heather Sirdashney, HR general manager. “The question was, ‘how can we identify the needs, and what’s the best way to get help to those who need it?’”



Heather Sirdashney

“We needed a way for people to connect

with each other in real time,” said Emily Knippel, Leadership Development director. “And we needed it quickly.”



Emily Knippel

After some discussion on which tool to use, Yammer rose to the top of the list.

“We’ve used Yammer groups to connect people around specific topics like *Energy in Action!* and *Office 365*,” said Christy Clark, Digital Workplace director. “It’s similar to other familiar tools and doesn’t have a big learning curve. Connecting people is what Yammer does best.”

Within a week of its launch, the *Hurricane Harvey Help* group had 137 posts and more than 450 replies.



Christy Clark

One of the first to join was Doug Ereon, IT business partner, whose garage was submerged.

“By the time I reached my house to assess



LEFT: Brenda Blair, Sourcing & Supplier Management lead, left, coordinated a group of friends to meet at her house and cook homemade meals for families in need. The group delivered approximately 250 meals and fed more than 1,000 people.

the situation, 80 people were lined up to help. It was a huge relief to have all that support," said Ereon. "The volunteers helped identify my needs so I could update Yammer. Every day, I had the resources I needed. It was truly amazing."

"The Yammer group was very effective," said Sirdashney. "The technology allowed people to connect organically, faster, efficiently and personally."



Doug Ereon

After Global Completions Chief Eric Davis returned from Perth to help with his flooded home, a colleague referred him to the group.

"Instead of sending multiple emails, I could just update Yammer each day," said Davis.

Each update was met with additional offers of help, from meals and housing to help with the kids. Some days so many

people showed up, the groups had to be split and deployed to other homes.

"People were incredibly generous," Davis said. "I felt like we could have put anything we needed out there, and somebody would have provided it."

While waiting for access to his home, Lower 48 Senior Counsel Jeff Hanrahan followed the group discussions from his iPad and learned who to tap for help when the time came.

"After posting to Yammer about finally being able to get into our home, we were welcomed by an army of ConocoPhillips helpers — retirees and employees, including a crew from the Legal department," said Hanrahan. "They began carrying out furniture and just doing what was needed. We never could have accomplished all that work on our own."



Jeff Hanrahan

"In difficult times, sometimes we struggle with feeling powerless," said Melissa Hoffman, HR business partner.

"The Yammer group empowered people to contribute and participate."

For Brenda Blair, Sourcing & Supplier Management lead, service starts in the kitchen. Blair coordinated a group of friends to cook homemade meals for families in need.

"We delivered about 250 meals and fed more than 1,000 people," said Blair. "It's been such a blessing to help others."

"The Yammer group's quick uptake and broad reach was astonishing," said Clark. "We had over 500 people engaging from 13 countries, across all levels of the organization."

With more than 64,000 reads, the group's activity level has slowed, and the team is considering other ways Yammer could be used to connect people.

"When another need arises, we know we have this tool we can rely on," said Hoffman. "This experience, while difficult, brought us together. It reinvigorated us and reminded us why this is an amazing place to work."

"This event instilled in all of us a sense of community," said Knippel. "Yammer helped connect us, but at the end of the day it was still people wanting to help other people. To me, that's the spirit of ConocoPhillips."



Melissa Hoffman



LEFT: Global Completions Chief Eric Davis assesses the flood damage to his home.

ConocoPhillips in the Permian Basin: Competitive now, poised for growth

BY JAN HESTER, PHOTOGRAPHY BY PATRICK CURREY



Nick Olds, vice president, Mid-Continent business unit



Josh Viets, manager, Permian Development

ALTHOUGH GLOBAL OIL AND GAS PRICES REMAIN LOW, YOU'D NEVER KNOW IT IN MIDLAND, TEXAS. IT'S CLEAR FROM A VISIT TO THE BOOM-AND-BUST CITY THAT THE PERMIAN BASIN REGION OF WEST TEXAS AND SOUTHEASTERN NEW MEXICO IS BACK.

Since the early 1920s, when the Santa Rita discovery attracted wildcatters to the area, the basin has produced 29 billion barrels of oil. Yet experts believe the region's best days could lie ahead, thanks to new extraction techniques that enable companies to unlock oil and gas trapped within its unique geology — stacked layers of hydrocarbon-bearing rock formations. According to a July 2016 analysis by research firm Rystad Energy, the “U.S. now holds more oil reserves than Saudi Arabia,” thanks in part to the Permian.

The Permian has long been a steady producer for ConocoPhillips and, because of its stacked geology, it offers tremendous opportunity for future large-scale growth.

The company currently holds approximately 1 million net acres in the Permian basin, including 75,000 in the resource-rich Delaware Basin and 48,500 in the Midland Basin.

Net production for the Permian in 2016 was 64,000 barrels of oil per day (BOED), including 15,000 BOED in unconventional production. Current production as of October 2017 was roughly 65,000 BOED, including 23,000 BOED operated

and nonoperated unconventional.

Most development is focused on new unconventional plays, where appraisal drilling results are meeting expectations and development wells are targeting the most prolific and lower cost-of-supply zones. The company's Mid-Continent business unit is also working to maximize base production by utilizing various technologies to improve recovery and value from older, conventional fields such as the Goldsmith, which began producing in the 1950s.



“The Permian holds so much potential in terms of new reserves and increased production,” said Nick Olds, vice president, Mid-Continent business unit. “Over the last several years, we’ve laid a solid, cost-effective foundation in the form of a new development, infrastructure and contracting strategy that is yielding results and will generate positive returns below \$40 per barrel.”

Drilling rig at the Mockingbird well pad, located near the Mockingbird Central Facility

ConocoPhillips in the Delaware Basin

Zia Hills, New Mexico

- 37** producers, all unconventional
- 3** injection wells
- 9** central tank batteries

China Draw, Texas

- 29** unconventional producers
- 13** conventional producers (none reworked)
- 1** injection well
- 2** water transfer facilities
- 19** unconventional central tank batteries

'PRUDENT DEVELOPMENT' IN DELAWARE UNCONVENTIONALS

"If I were to describe the Permian Basin, I would start with Delaware, a large strategic play for the company," said Permian Development Manager Josh Viets.

ConocoPhillips' unconventional history in the Permian began in 2012, when it acquired acreage in the southern portion of the Midland Basin and the western side of the Delaware. In 2017, the business increased its drilling activity in the area.

"We're on a large growth trajectory," Olds said. "We currently have three rigs operating, and for a time we'll have four — three in the Delaware and one chasing our conventional plays. As we look forward to Q4 2018, we'll have three dedicated to the Delaware at China Draw and Zia Hills (formerly Red Hills). We feel that three is the

minimum optimum level where we can have one continuous frack crew to improve efficiency and reduce cost of supply."

In China Draw, located in Texas, the Permian team recently completed its first 80-acre high-low spacing test. At Zia Hills, in New Mexico, the team completed its first 20-foot cluster spacing pilot test.

"To date, the results are encouraging," Olds said. "Production rates look good, and we're evaluating full field application."

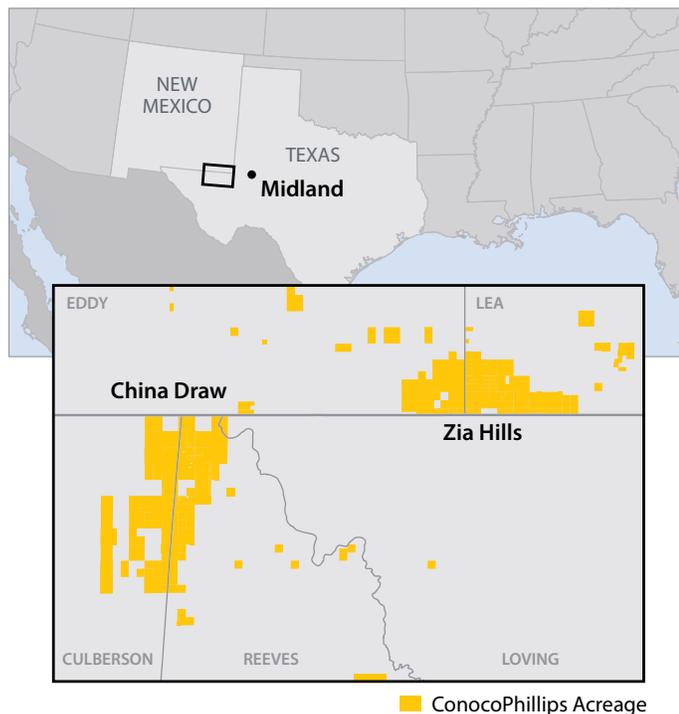
The company is also "coring up" acreage, acquiring adjacent areas to enable longer lateral well development.

"We've made a significant effort to core up our land position, allowing us to drill laterals up to 10,000 feet," Olds said. "This will enable us to lower cost of supply and improve the recovery rate."

To support development efforts, during the first

Construction Manager Todd Rapp explains the role of the bulk test separator at the Great White well pad.





half of 2018, the team will shoot proprietary seismic in the region and will have the processed data in 2019.

“This is our first time using compressive seismic imaging (CSI) in an unconventional reservoir,” said Viets. “We hope to improve reservoir imaging, as well as have the ability to extract rock properties to better optimize development plans using well stacking in multiple intervals.”

After going down to zero operations during the period of lowest prices, ConocoPhillips’ Permian business unit returned to an active program in February 2017. To leverage spend and protect the company as it reentered the market, the business unit implemented a new contracting strategy.

“Given the popularity of the area, our procurement and supply chain people look for ways to mitigate exposure in the event of price inflation,” said Seth Crissman, manager, Drilling & Completions GCBU/ MCBU (Gulf Coast business unit/ Mid-Continent



Seth Crissman, manager,
Drilling & Completions
GCBU/MCBU

Permian Facts and Figures

Located in western Texas and southeastern New Mexico, the Permian Basin covers a region roughly 250 miles wide and 300 miles long. Within the Permian are three large subbasins: the Midland, the Delaware and the Central Basin Platform.

The first commercial well in the Permian was the Santa Rita No. 1, completed in 1923. Several major fields discovered in the 1930s remain in production and are still ranked among the top 20 in the U.S. for remaining proved reserves (Energy Information Administration).

With production of around 2.7 million barrels of oil per day, the Permian accounts for over 20 percent of the country’s crude production and is the second largest oil field in the world, after Saudi Arabia’s legendary Ghawar field (Energy Information Administration, Forbes).

The Permian Basin is estimated by industry experts to still contain recoverable oil and natural gas resources exceeding what has been produced over the last 90 years (Texas Railroad Commission).

In terms of the hydrocarbon-producing zone, the Permian offers formations that are 1,300 to 1,800 feet thick, 12 times the Bakken thickness of 10 to 120 feet. Eagle Ford formations are 150 to 300 feet thick.



Lorena Van Metre, supervisor, Development Engineering

business unit). “For example, they worked with Schlumberger to enter into a contract that incentivized and penalized according to performance, and we got constant pricing.”

INTEGRATED INFRASTRUCTURE: THE MOCKINGBIRD CENTRAL FACILITY

With increased interest in developing the area but limited capital, the team needed a full field development philosophy that aligned subsurface needs with infrastructure while limiting capital spend. The result was an innovative integrated approach.

“We were used to working in silos, and we have missed opportunities. In 2016, we decided to find the right balance among functions and come up with a solution that brought the highest value to the asset,” said Lorena Van Metre, supervisor, Development Engineering.

The result was an infrastructure plan that included transporting production to a central processing facility. This minimizes equipment and processing at each well pad and therefore cost. The first central facility, Mockingbird, is noteworthy for its use of stabilization, a simplified process that heats the oil and removes gas, for a more-balanced output.

In the first quarter of 2018 the team will bring 12 new wells from three quad pads into the new facility, with an additional 16 by the end of the year.

“Currently, every well has its own individual

separator, where product is divided into oil, gas and water streams,” said Operations Superintendent Mike Neuschafer. “Now the initial separation will be done on the well pad prior to being delivered to the Mockingbird facility. Equipment at Mockingbird will process water, skim any residual oil and stabilize the oil.”

Ted Westerman, manager, MCBU Capital Projects, noted the project’s successes.

“What Lorena’s team has been able to do





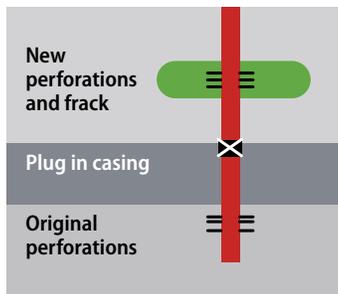
El Capitan in the Guadalupe Mountains, just west of the Permian Basin

RIGHT: Mike Neuschafer, Operations superintendent

through integration with other functions has cut our estimated development costs by 30 percent over two years and lowered our cost of supply by \$2/barrel,” Westerman said. “We have proof that integration adds value.”

REVIVING CONVENTIONAL PRODUCTION

Some experts believed there wasn’t much left in the Permian’s conventional reservoirs, but this was not the case for ConocoPhillips. Thanks to various technologies and learnings from unconventional plays, production from conventional reservoirs is up once again.



In the Central Basin Platform (CBP), located between the Midland and Delaware basins, the Permian team is using unconventional technology and fracking to improve production from older, conventional reservoirs. The work is producing significant returns. The unconventional team is applying the same technology in the Northwest Shelf of the New Mexico Yeso formation, also a conventional play.

“Many of these wells have been producing for over 100 years, so all the high-porosity rock has been exploited,” said Viets. “We’ve been able to use unconventional technology such as extended

laterals and multistage fracturing to develop poorer-quality rocks in both the CBP and Northwest Shelf.”

Viets explained the process. “We take an existing vertical well and essentially abandon it by setting a plug just above the producing interval. Then we perforate the existing casing and hydraulic fracture those new perforations. From a single data set, we can develop a reservoir simulation model that helps us better understand how a horizontal well would perform in that

Permian Basin development driven by integrated study and data analytics

BY JOSH VIETS

Accurately capturing the economic potential of acreage is critical to lowering cost of supply and identifying growth opportunities. The Permian Development organization has developed an efficient workflow for mapping the value of acreage built on comprehensive geological characterization, multidisciplinary data integration and

advanced data analytics.

Data mining and machine learning are the core engines of this workflow. Reservoir characterization parameters, well spatial data, completion strategies and production measures are integrated into a common platform. A learning model quickly generates type curves from existing wells to establish views of ultimate recovery for wells with limited production histories. Then, multivariable analysis is used to identify performance drivers and quantify the impact of development strategies such as spacing, stacking and completion designs.

Results are tied in with well cost

assumptions and development plans to generate a value map which assesses the net present value per acre across the area of interest. This workflow has been adopted across the Delaware and Midland basins.

“The work done by our staff has been invaluable. As we look for opportunities for growth, we know where we want to be within a given basin. I feel like we’re only scratching the surface with this. We’re in the process of expanding this workflow to our conventional assets as we look for opportunities to increase our horizontal well inventory on the Central Basin Platform.”



environment. It's looking really good."

Permian Engineering Manager Jon Philley oversees the team responsible for optimizing base production from legacy conventional assets at Waddell, Goldsmith, Southeast New Mexico and Greater West Texas, while supporting production growth in the unconventionals.

"A significant part of our optimization is through water and CO₂ flood management," said Philley. "Flood management consists mostly of engineering time and is typically not capital-intensive, so

you get a lot of bang for your buck.

"We operate 15 floods, with surface holding tanks and water-handling facilities that clean the produced water and reinject it. Of the four main floods, three are purely water and one is water alternating gas, or WAG. Flooding with water and/or CO₂ maximizes recovery from the reservoir."

A multidisciplinary team made up of Operations, Development and Engineering staff reevaluated high-value floods, leading to new management plans that optimize where and how

ABOVE: Mockingbird Central Facility under construction

BELOW LEFT: Left to right, Jon Philley, manager, Permian Engineering; Johnny Golden, manager, MCBU Operations; and Ted Westerman, manager, MCBU Capital Projects





ABOVE: Members of the Permian construction team survey progress at the Mockingbird Central Facility. From left: Bruce Yates, Construction/Mechanical supervisor; Brandon Davis, specialist, MCBU HSE Construction; Todd Rapp, Construction manager; and Paul King, commissioning lead

RIGHT: War Hammer Central Tank Battery

much water/CO₂ is injected to maximize oil production.

Before implementing the flood management plans, the company's Gandu oil production in the Goldsmith area was on a 15 percent decline curve. Since mid-2016, when it changed its approach, the team has arrested base decline to 10 percent.

"The Permian is one of the brightest jewels in the company's portfolio," said Johnny Golden, manager, MCBU Operations, "despite being written off three or four times in the industry's history. It's exciting to operate assets that range from the 1930s to some of the company's newest developments and to use unconventional technology to open new possibilities in the company's legacy assets."

MANAGING WATER

One of the Permian team's 2018 objectives is to continue to evolve the business unit's water strategy to reduce sourcing and disposal costs associated with field development.



While surface water is not abundant in the basin, wells produce more water than hydrocarbons. In China Draw, there are limited options from a water resource and landowner perspective.

“Before we can implement any technology involving water, we must figure out how to source it, move it, store it and use it,” said Jeff Murray, water management lead, GCBU/MCBU Completions Engineering. “We’ve worked with land-

“We’re now fracking with surface water,” Murray said. “Moving forward with using treated produced water in 2018, we will use temporary storage provided by a third party. By the third quarter, we will have our own engineered produced water storage ponds. We’re calling the installation Two-Face.”

With Mockingbird coming online in 2018 to handle the new wells, the group will expand the



Fracking operations at Great White, located near the Mockingbird Central Facility

owners to provide near-term services, and we’re planning a treatment strategy with third-party vendors while working with Projects to develop a distribution and storage system to move water throughout China Draw.”

One way to manage produced water is to recycle and reuse it. The Permian team will start using treated produced water for fracking in the first quarter of 2018 and will ramp up to using 90 percent treated produced water in all completions activity in China Draw.

“The other 10 percent will be supplemented with surface water,” Murray said. “Our main challenge is the amount of water that our wells produce. As production increases, we will have more water to deal with.”

To support the produced water reuse strategy, the team has created the Batman Pit, Conoco-Phillips’ largest-ever surface water storage pit. Located in central China Draw, the pit stores water diverted through pipelines from the Red Bluff Reservoir. The reservoir, located between China Draw and Zia Hills, is fed by the Pecos River.



Jeff Murray, water management lead, GCBU/MCBU Completions Engineering

South China Draw and North China Draw water transfer facilities.

“We want to ensure that as much of our produced water as possible is sent by pipe to third-party disposal or to the completions group for treatment and reuse,” said Delaware Operations Superintendent Mike Neuschafer.

“There is a huge cost if water is trucked versus piped, up to \$200,000 a week. This will only increase as the field grows.”

“The MCBU has a very broad and diverse set of assets,” said Olds. “It’s old and new, and a cash and growth engine for the company. This has been a key year for us to accomplish strategic milestones that have set us up for the growth to come. I can’t wait to see how we perform as we accomplish our growth objectives over the next three years.” ■

ConocoPhillips Canada: Operating responsibly in the Arctic

The Tarsiut caissons 2017 removal program

BY KATHERINE SPRINGALL

REO SPEEDWAGON AND MICHAEL JACKSON DOMINATED THE AIRWAVES; BOTH THE U.S. AND CANADA HAD CHARISMATIC LEADERS IN RONALD REAGAN AND PIERRE ELLIOT TRUDEAU; AND IN THE ARCTIC, GULF CANADA, A PREDECESSOR COMPANY OF CONOCOPHILLIPS, WAS TESTING THE FIRST MAN-MADE REINFORCED DRILLING ISLAND IN THE BEAUFORT SEA.

Tarsiut Island was built in the early 1980s for drilling exploration wells in the extremely harsh environment off Canada's northern shores. To support year-round drilling in ice-infested waters, the island was reinforced with four massive, 5,500-ton concrete caissons measuring 226 feet (69 m) long and 49 feet (15 m) wide. In Arctic waters, caissons surround equipment below the waterline, protecting it from damage caused by drifting ice. Built in Vancouver, the caissons could be floated and towed offshore and

then secured with sand ballast.

Gulf Canada drilled two wells from the location in 1981–1982, with as many as 131 people onsite at a time. But despite the innovative approach, Tarsiut Island couldn't withstand severe Arctic storms. The platform was decommissioned in 1984 and the caissons towed to Thetis Bay, offshore Herschel Island in the Yukon province.

Since then, ConocoPhillips has explored many options for the caissons, including repurposing them, leaving them in place, sinking them or disposing of them.

The final decision to remove the caissons was made by starting with the basics: ConocoPhillips' SPIRIT Values.

"We have the expectation that we will be accountable for our actions and behave responsibly in everything we do, including managing our historic operations," said Michael Hatfield, president, ConocoPhillips Canada (CPC). "We knew we had to do the right thing with the caissons. We were also very confident we had the right team working on how to do it well. And we weren't disappointed."

The right thing to do started with turning to stakeholders situated near the caissons.

LISTENING TO THE COMMUNITY

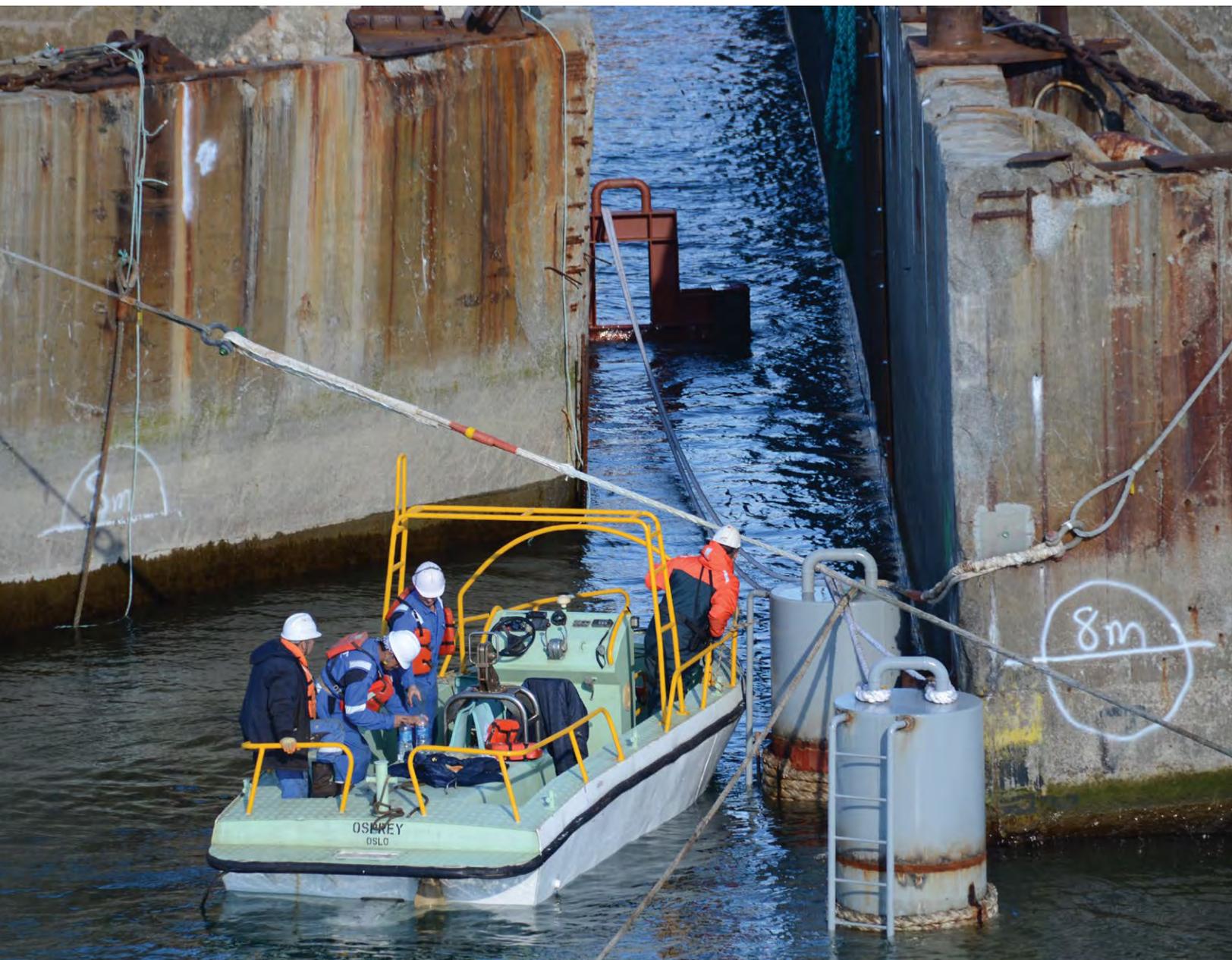
Many eyes were on ConocoPhillips as it developed plans for the caissons. Community members shared an interest in finding a safe and responsible solution.

"While the caissons were not doing any harm to the environment, they were considered an eyesore, particularly with their proximity to nearby national and territorial parks," said Kim Clarke, ConocoPhillips Canada's Arctic project integration manager. "Most indigenous and community groups we talked to wanted them moved, which was a very important factor in our decision-making."

The caissons were parked in a location that is part of the Inuvialuit Settlement Region, an area



Michael Hatfield, president, ConocoPhillips Canada



in the Northwest Territories (NWT) and Yukon traditionally used by the Inuvialuit people. Nearby communities use the land and shorelines year-round for traditional activities, including hunting.

“Through many years of consultation, the strong connection between the people and the environment was very evident,” said Chantale Campbell, senior coordinator, Stakeholder Engagement. “When we were looking at repurposing or retiring the caissons, it was important

for us to respect that relationship and find a mutual win.”

One of the most promising options for delivering local benefits was to use the caissons as a breakwater for the town of Tuktoyaktuk, NWT, to protect the shoreline from erosion. But when that proved economically and technically unfeasible, CPC shared the final scientific studies with the town so that alternate erosion control methods could be pursued.

The heavy-lift vessel's line boat helps guide operations and manage the winch lines used to maneuver the caissons into place. PHOTO CREDIT: RYAN ROBERTSON

BELOW, TOP: Work barges use two 50-ton cranes to lower water pumps to drain and refloat the caissons.

BELOW, BOTTOM: Crews and resources mobilizing in Inuvik, including a camp barge with a helicopter landing pad for use in personnel transfers during operations. PHOTO CREDIT: RYAN ROBERTSON

“When we ran out of practical options for repurposing the caissons, the community members were honest and open with us about their preference to have the caissons removed, and they were very understanding as we worked through how to do so responsibly,” said Campbell.

On Aug. 6, 2017, more than 30 years after they were retired from service, the four caissons were loaded up and on their way south to a disposal yard in Mexico.

But getting to that point was no easy feat.

THE CHALLENGE

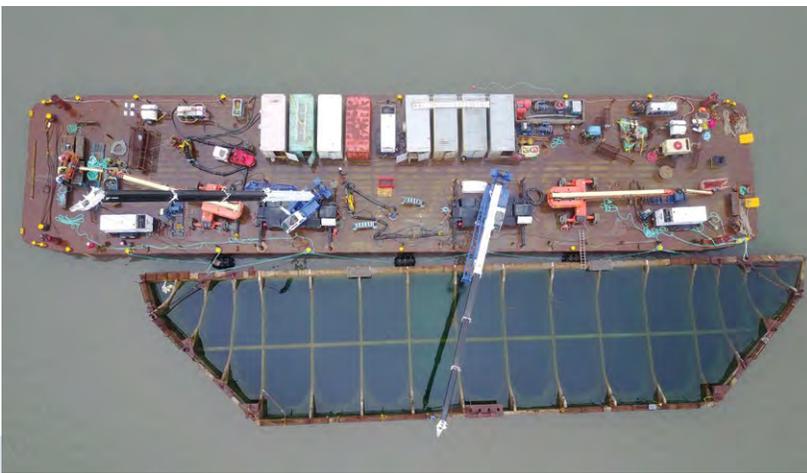
Location, location, location. That may be the mantra of real estate developers, but it also points to many of the challenges faced by the Tarsiut caissons removal team.

First, people and equipment had to be moved into the area. The caissons were located two hours by helicopter and 36 hours by boat from the town of Inuvik, NWT, where equipment and workers were mobilized. Inuvik itself is remote, with limited services and intermittent road access.

“Once you’re up there, it takes days to get anything in or out,” said Darryl Faye, a 30-year veteran of heavy haul and logistics, which has included work in the Beaufort and Central Mackenzie Valley. He shared responsibility as operations lead on the caissons project with Bill Pepper of Geo-Link Consulting Inc.

“You have to manage the comings and goings of people and make sure they have what they need to be out there for an extended period. That means everything from fresh vegetables to redundancy in your equipment and backup for your workers.”

Mobilization also occurred by water, with





supplies and equipment sent by river and sea from Inuvik to Herschel Island. Ultimately, the caissons were loaded onto a heavy-lift vessel (HLV). The HLV travelled from the Middle East, was refitted in Singapore, then sailed north around Alaska to Point Barrow, and, when the water was clear of ice, to the site of the caissons.

There are limited windows of time during which this is possible, as ice and weather

conditions can make these routes impassable; a 2015 plan to move the caissons was canceled for that very reason.

The route had to be planned meticulously and monitored constantly, not only for ice and weather, but to consider marine mammal migration routes and fishing areas.

“Moving caissons out of the Arctic isn’t an everyday activity,” said Derrick Laskowski, senior ocean engineer, Global Marine. Laskowski coordinated a team of ConocoPhillips experts in Houston and marine contractors who supported the Canadian effort.

“It was a unique project, so there were no historical benchmarks to reference for planning and decision-making. But we had the benefit of a lot of embedded knowledge within the organization from working in the Arctic,” Laskowski said.

“It was a unique project, so there were no historical benchmarks to reference for planning and decision-making.”

— DERRICK LASKOWSKI

ABOVE: Drilling Engineer Ryan Robertson, Frank Roberts, Arctic project integration manager Kim Clarke and Heavy Haul & Logistics lead Darryl Faye, some of the key Canadian members of the Tarsiut Caissons Removal Program, on location in Northern Canada. PHOTO CREDIT: DANNY DUZICH



REGIONAL CHALLENGE, GLOBAL RESPONSE

Although the caissons were moored in northern Canada, the team that planned and executed their removal came from around the world.

In Canada, experts in project management, safety, engineering, logistics, heavy hauling and community engagement were called into service. They drew on ConocoPhillips Canada’s extensive experience and lessons learned in the Canadian Arctic through previous work with these caissons

LEFT: Senior Ocean Engineer Derrick Laskowski, marine lead and offshore site representative, positioned next to the second caisson. PHOTO CREDIT RYAN ROBERTSON

RIGHT: After the four caissons were loaded onto the heavy lift vehicle, it took six to seven days to secure them, including welding them into position so they would not shift should the vessel face rough waters.

BELOW: Helicopters were used a few times a week for personnel changes. Fire response staff were on site to respond to any potential concerns during refueling.



and arctic drilling programs in the Beaufort Sea and Mackenzie Delta.

“I never would have expected to return to Canada to work on a marine project,” said Ryan Robertson, a drilling engineer from Calgary, Alberta, who was project manager for the caissons removal program. His career has taken him everywhere from Alaska to Australia. “This was the perfect opportunity to learn more from my colleagues in Canada and Houston.”

Assisting the Canadian contingent with planning and execution were experts from ConocoPhillips’ Global Marine and Global Projects teams, as well as experts from around the world in ice and metocean (meteorology and oceanography), naval architecture, offshore vetting and

marine operations.

Houston weather and ice experts helped pick the ideal time to start the removal project, and monitored the status of the ice and weather before and during the operation. This included poring over 10 years of historical satellite data and daily weather reports.

“We had the best team imaginable,” said Clarke. “Everyone was engaged and took ownership of their role in the project. I couldn’t have been prouder to work with them.”

Outside of ConocoPhillips, expertise and support was provided by partners and contractors. Approximately 40 percent of Beaufort operations contract services were based in the NWT. That included marine mammal and wildlife observers,



who helped protect people at the site from encounters with wildlife and marine life from encounters with vessels and divers.

Creating the plan for the caissons' removal required months of detailed work. The Conoco-Phillips team created a strategy, developed planning and execution schedules, obtained numerous regulatory approvals and produced and negotiated dozens of contracts. Throughout this process, more than 100 project risks were evaluated and addressed, including safety hazards; detailed requirements, work programs, equipment and material lists were developed.

"We had the best team imaginable. Everyone was engaged and took ownership of their role in the project."

— KIM CLARKE

The team spent weeks inspecting and testing the marine vessels to ensure all systems were operational. When the team was ready to mobilize, checks had to be performed to make sure everyone had the proper training for the area,

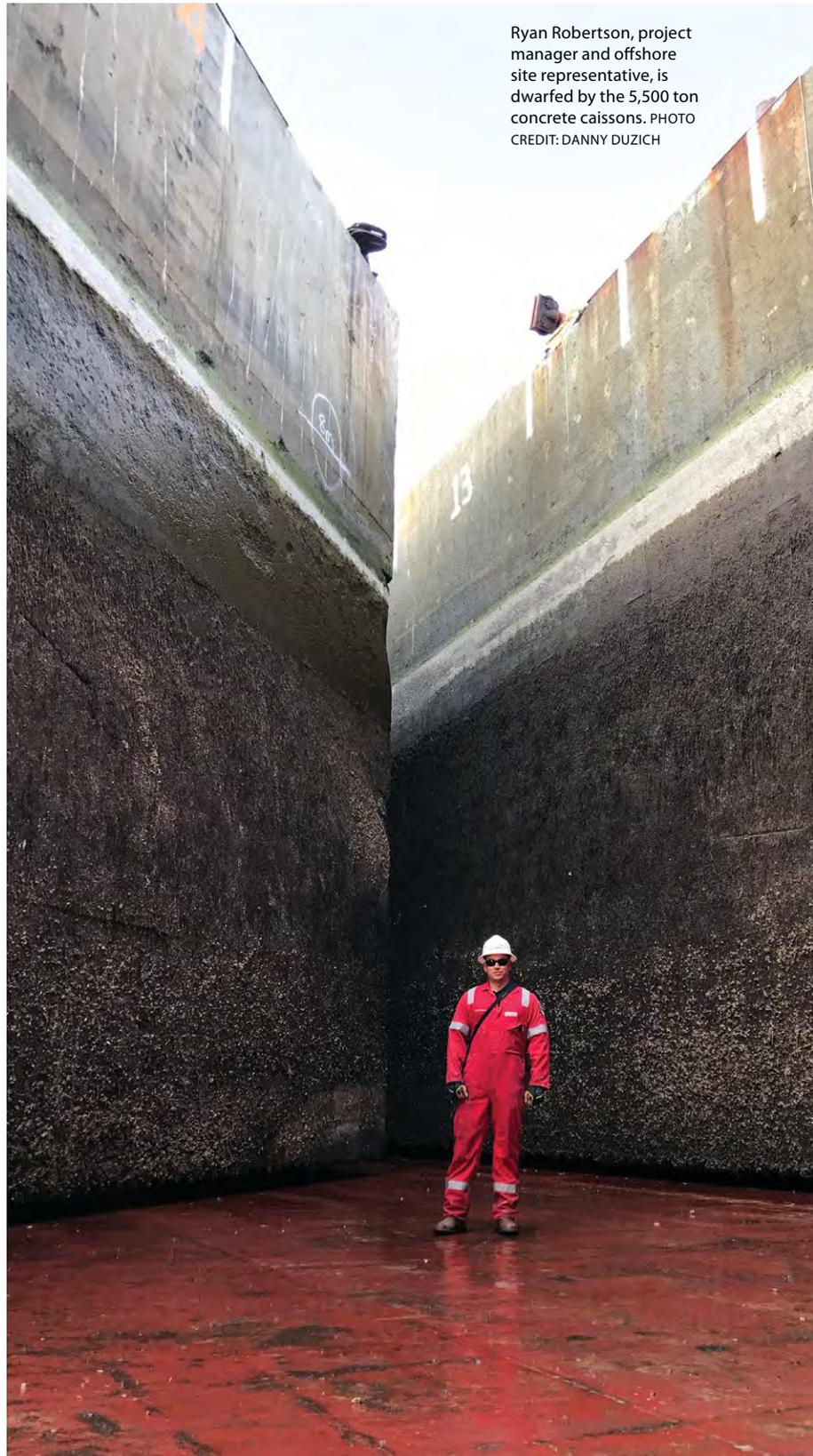
equipment was tested, and emergency helicopter backup was available 24/7 to assist in case of emergency.

"Everyone who contributed to this project was key to its success," said Laskowski. "Small things could have derailed us, but we had the people we needed to get the job done."

EXECUTING THE PLAN

With community consultation and planning complete, in late June 2017, a convoy of 35 trucks traveled more than 1,600 miles (2,700 km) from Grande Prairie, Alberta, up the Dempster Highway to Inuvik. There, over the course of two weeks, the truck contents were checked and loaded onto a 40-person camp barge, two transport barges and four tugboats. The camp barge would serve as the operations center, main crew quarters and the landing base for helicopters in case of emergency.

To make sure the team was cohesive and responsibilities were clear before activities began, a one-day orientation was held in Inuvik for



Ryan Robertson, project manager and offshore site representative, is dwarfed by the 5,500 ton concrete caissons. PHOTO CREDIT: DANNY DUZICH



The caissons are unloaded from the semisubmersible heavy-lift vessel for disposal.





team members to study the plan and understand exactly how they would work together to execute the project safely. In addition, indigenous cultural awareness training helped ensure local culture and environmental values were respected.

Finally, the team was ready to board the vessels. Over the course of two days in cramped quarters, they made their way north on the Mackenzie River and then west along the coast to Herschel Island, traveling more than 1,000 miles (1,700 km) to the site and arriving on July 19.

Over the next two weeks, the team refloated the massive caissons from their 30-year resting place by pumping out the seawater, rocking them loose from the sea floor and staging them in preparation for loading. Sonar was used to scan the seabed to ensure nothing was missed, and divers ensured no caisson-related debris remained behind.

The 54,000 metric ton semisubmersible HLV arrived July 30, and the four caissons were safely maneuvered onto the vessel and secured.

At the peak of the refloating and removal operations, up to 100 people were onsite, including safety coordinators, wildlife management experts and marine mammal observers, vessel crews, medics, a salvage and diving team, environmental sampling crew and three operations supervisors.

On Aug. 6, the HLV, with the four caissons aboard, departed for its destination in Mexico.

For many of the people, who put in hundreds of hours, seeing the caissons safely on their way was “the highlight of their career.”

But the work wasn’t done yet.

“With the caissons loaded, we faced something that could have been a greater challenge: staying focused on demobilization. When there’s a mass exodus, and all the confusion that can go with it, that’s when incidents can happen,” said Faye.

With that in mind, after the HLV’s departure and the fleet’s return to Inuvik, workers were given 24 hours off to spend some time on shore and refocus. Then the equipment, materials and waste were offloaded and organized, reloaded onto trucks and sent south.

On Aug. 21, the caissons arrived safely at the disposal yard, were offloaded, and the 30-year project was complete.

“We finished under budget and without injuries,” said Robertson. “I believe we’ll look back on this in another 30 years and be proud that we did the right thing.”

The caissons removal project is a great example of how ConocoPhillips’ global expertise can act as a competitive advantage in managing regional issues.

“By combining a terrific team from Canada with expertise from other ConocoPhillips business units and our corporate office, as well as experts from the global contractor community, we safely and successfully planned and executed a complex, unique, world-class project,” said Hatfield. “I couldn’t be prouder of this team.” ■

An international team of over 150 people contributed to the success of the caissons removal program.

“We finished under budget and without injuries. I believe we’ll look back on this in another 30 years and be proud that we did the right thing.”

— RYAN ROBERTSON

Brace for impact: Adapting to a digitally disruptive world

BY BRIAN SANDERS AND KOLE CONNOR

PEOPLE DEAL WITH UNEXPECTED CHANGES EVERY DAY — A TRAFFIC JAM, A SICK CHILD, A FLAT TIRE. CHANGE ALSO SHOWS UP AT WORK IN THE FORM OF A LAST-MINUTE PRESENTATION, A CONFERENCE ROOM CHANGE OR AN UNEXPECTED MEETING. INDIVIDUALS DECIDE NOT ONLY HOW THEY WILL RESPOND TO CHANGE, BUT ALSO WHAT THEIR ATTITUDE WILL BE, WHETHER RESISTANT, HESITANT OR ACCEPTING.

Christy Clark, director,
Digital Workplace



ConocoPhillips has seen its share of change. From the 2012 repositioning to recent rightsizing for industry volatility, change is here to stay.

Perhaps nowhere is change more on display than in the field of technology. Evolving more rapidly than ever, technology is transforming the way people access and process information at home, in the office and on the go.

“We’re all accustomed to changing technology in our personal lives, without the conscious effort of adoption,” said Christy Clark, director, Digital Workplace. “Just a few years ago I couldn’t change the TV channel with my voice or activate my alarm system from my cell phone. Today, I can. As consumers, we tolerate

“THOSE WHO
CANNOT CHANGE
THEIR MINDS
CANNOT CHANGE
ANYTHING.”

— George Bernard Shaw



— and even expect — constant change. We adapt because we want to be able to do those things that technology enables. That’s the kind of attitude we want to foster at work.”

Survival in the business world depends on adopting technology. That’s especially true in the energy industry, where technology and innovation can significantly lower cost of supply and set

a company apart from its peers.

At Conoco-Phillips, an important shift is underway — one that will position the company to succeed in a changing world.

This technological shift is part of the journey toward becoming a more-advanced digital enterprise. By inte-

grating information, processes, work and people, the organization can collaborate more effectively.

The journey began with the introduction of Office 365 as the company’s new productivity platform. Office 365 brought new tools and new ways of working. This cloud-based approach lays the foundation for future innovations.

Other important changes are also underway, such as a modernized fleet of hardware

“LIFE IS TEN PERCENT WHAT HAPPENS TO YOU AND NINETY PERCENT HOW YOU RESPOND TO IT.”

— Lou Holtz



“CHANGE IS THE LAW OF LIFE AND THOSE WHO LOOK ONLY TO THE PAST OR PRESENT ARE CERTAIN TO MISS THE FUTURE.”

— John F. Kennedy



New hardware is so ... refreshing

With an average age of over five years, the company’s fleet of more than 20,000 PCs was due for an upgrade.

In early 2017, IT began to refresh hardware, replacing company computers from oldest to newest. The goal for 2018 is to upgrade or replace some 19,000 machines running Windows 7. All new PCs will have Windows 10 preinstalled.



Kathy Brant, supervisor, Service Desk

Recipients of the new computers experience exciting improvements such as additional memory, larger hard drives, faster processors, extended battery life and even touchscreen capabilities. Additionally, the laptops come with a simplified docking station that connects all monitors and other peripherals through a single connection.

Hardware standardization also ensures consistent, high-quality IT support.

“We strive to help our customers get what they need when they need it,” said Kathy Brant, supervisor, Service Desk. “When we are working with a consistent set of variables, troubleshooting and supporting hardware and software issues is simplified. This lets us spend more time focusing on delivering superior customer service and less time trying to learn the nuances of different configurations.”

It’s easy to see how standardizing will create efficiencies, making office moves

easier and simplifying large-scale organizational moves like the headquarters relocation to Energy Center 4. Having a consistent hardware platform lowers the complexity of these efforts, enabling faster moves using fewer resources.

“Putting modern machines in the hands of our workforce is gratifying, because we know how invigorating it can be to have a new computer,” said Jeff Engman, director, Client Computing. “Coupling the hardware refresh with the Windows 10 upgrade equips us with the latest tools and capabilities to help us work at the top of our game.”



“IF THE RATE OF CHANGE ON THE OUTSIDE EXCEEDS THE RATE OF CHANGE ON THE INSIDE, THE END IS NEAR.”

— Jack Welch



and a company-wide upgrade to the Windows 10 operating system.

“Technology is reshaping the world at a breakneck pace,” said Mike Pfister, chief information officer. “As a company, and as individuals, we can’t afford to lag behind. We need to keep pace to remain competitive.”

Strengthening as a digital enterprise also prepares the company to take advantage of emerging technologies such as virtual reality, machine learning and artificial intelligence.

“We’re already seeing several ways artificial intelligence is being used to gain insights in the oil and gas business, and we can expect more to come,” said Pfister.

Core business processes are changing. In 2018, Information Technology (IT) and Finance will test the use of robots for select routine processes,

freeing up people to focus on higher-value efforts.

While digital disruption can prove challenging for some, workers who readily accept and adapt to rapid change are more nimble, flexible and prepared



Mike Pfister, chief information officer



FROM LEFT: Jeff Engman, director, Client Computing and Steve Holson, senior analyst, Client Computing

1 ... 2 ... Windows 10

Rapidly making its way across the organization, Microsoft’s newest operating system brings a host of new productivity features: faster startup times, increased security and customizable features.

But perhaps the biggest change with Windows 10 is the way it introduces change.

In the past, updating the operating system on company PCs was a large-scale effort — so big it could only occur every few years. Updates were protracted, expensive and could be disruptive.

Windows 10 offers a new strategy that delivers more-frequent but significantly smaller updates. These updates will generally offer bug fixes, security enhancements and other minor changes that may even go unnoticed. Additionally, twice a year, Microsoft will release two

"IT IS NOT THE STRONGEST OR THE MOST INTELLIGENT WHO WILL SURVIVE BUT THOSE WHO CAN BEST MANAGE CHANGE."

— Charles Darwin

to embrace the advantages innovation brings.

"With technology advancing so fast, it's hard to predict what's next, which makes it even more important to be prepared," said Pfister. "With a digitized productivity platform and a workforce that can rapidly adapt to new technology, we'll be ready for the exciting innovations to come." ■



Jim Stanley, supervisor, Global Desktop & Print Management

larger "feature updates" that will offer additional enhancements.

"Feature updates are part of keeping Windows 10 fresh," said Jim Stanley, supervisor, Global Desktop & Print Management. "It's important that we embrace this change and prepare for it. Everyone in the company is encouraged to join one

of the pilot testing groups."

These more frequent, incremental updates should make it easier for people new to Windows 10 to adjust to the changes.

"Windows 10 brings exciting new capabilities and features, and this will continue over time. This keeps our colleagues on the latest technology," said Steve Holson, senior analyst, Client Computing. "It's the gift that keeps on giving."

Cloudy with a chance of updates

No discussion about technology change would be complete without the benefits cloud technology brings.

Beginning in 2014, Office 365 made its debut across the company.

With Office 365, updates come faster. This approach comes by way of the cloud, which enables the rapid delivery of new features and capabilities. Just like

Windows 10, the days of large-scale upgrades are gone. Here to stay are small, bite-sized installments that allow workers to stay current without major upheaval.

These changes bring big productivity enhancements. Files can be shared rather than attached, ensuring that everyone is working on the same file.

"When a person works on a document, it's a very personal thing," said Clark. "That individual has a certain way of doing things — where to save files, how to send a file and even how to collaborate with coworkers. Office 365 introduces a new way of working and requires some changes in service to ensure a more productive future."

There are many new ways to work with Office 365. For example, collaborating with coworkers isn't just sending group emails anymore; it could be utilizing an Outlook group, Microsoft team, Skype chat, Delve search or Yammer group. Office 365 delivers a level of self-service that may take some time to fully understand, adapt to and embrace.

"Not everyone is going to use every tool or feature, but we're trying to help people understand the possibilities that Office 365 brings," said Clark. "We will all use some core applications, but with others it will be more cafeteria style, where people choose the applications and services that are useful to them."

Through training, ongoing engagement with the business units and its Fueling Productivity newsletter, the Digital Workplace team is guiding the organization through this technological evolution.

"We can introduce any number of tools, but if no one understands or is willing to accept them, we miss out on a higher level of productivity and effectiveness," said Clark. "That's why it's critical that change management is happening, helping people understand the technology and how to use it to improve the way they work."





Casey Hirschmann

A champion of diversity and inclusion

TEXT AND PHOTOGRAPHY BY GUS MORGAN

AS AN OPTIMIZATION ENGINEER AT CONOCOPHILLIPS, Casey Hirschmann works to decrease costs and drive consistency in the Bakken rig fleet. She also creates Spotfire visualizations for her fellow engineers. But when her workday is done, Casey's collaborative nature and SPIRIT Values don't stop, they shift into overdrive.

An advocate of inclusion, Casey is passionate about Houston, America's most diverse metropoli-

tan area. And as a social crusader, she's working to make it even better.

"Houston is what America is going to look like 20 and 30 years down the road," she said, "where the minority is the majority."

But urban sprawl, Casey said, has reduced Houstonians' interactions with each other, leading residents to often stay

within their own immediate neighborhoods, workplaces and circle of friends. This silo effect, she said, hinders synergy and collaboration.

"This causes us to miss out on a lot of opportunities to get to know other people," she said. "Houston has every culture you can imagine. It's just a matter of accessing that interaction."

To increase cultural interaction in Houston, in late 2016 Casey founded Culture & Cuisine. The social hub, designed to encourage people to learn about the cultures that make up the community, has blossomed since its inception.

Each month, participants gather at a Houston restaurant to dine on authentic cuisine and socialize with guest speakers who share their cultural knowledge and experiences. It's like going on a minivacation to an exotic land, minus the airfare. A list of previous gatherings reads like a world

tour: Venezuela, Italy, Japan, Mexico, China, Iran and Vietnam.

After Hurricane Harvey's floodwaters devastated Houston, the group hosted an "Appreciation of Houston" to thank some of Houston's first responders. The event, which raised money for hurricane relief efforts, epitomized Casey's vision of a culturally unified community, a city worthy of the slogan "Houston Strong."

"We're all human at the core," Casey said, "worried about supporting our family, being happy, surviving. Cultures and beliefs are just different expressions of that endeavor. We often don't understand people who aren't like us. That's why it's important for people to experience different cultures."

Highlighting this point is the story of Casey's grandmother, Maria Anne Hirschmann, who was a member of the Hitler Youth. Casey said "Grandma Hansi" initially viewed Adolf Hitler as a visionary and savior for the German people. But after being captured and imprisoned in a Russian concentration camp, Hirschmann escaped, only to be rescued by American soldiers, an enemy she was raised to hate and fear.

Hirschmann's positive interactions with the Americans changed her perspective, making her realize that she was brainwashed and disillusioned because she hadn't interacted with anyone else. She had relied on others to shape her thoughts and opinions. Since those days, Hirschmann has been an advocate for diversity and inclusion. This life lesson continues to be advanced by her granddaughter, Casey.

Casey knows conversations build understanding: "Do we want to be subdivided little communities within a big city? Or do we want to be united? Do we want to stand as a place of understanding, acceptance and empathy? That's what I'm hoping to create in Houston, to begin that conversation and create a place of connection." ■



Casey Hirschmann hosts monthly Culture & Cuisine events at various Houston restaurants.







Kendra Lema

Delivering excellence in business and philanthropy

BY RENEE GRIFFIN, PHOTOGRAPHY BY HALL PUCKETT

KENDRA LEMA CERTAINLY KNOWS the value of strategic goals and long-term objectives.

The Lema Endowed Scholarship Fund at Kendra’s alma mater, the Colorado School of Mines (CSM), was established in just a few years thanks to the coupling of her personal donations with contributions from ConocoPhillips. The company’s Matching Gift Program offers employees a dollar-for-dollar matching contribution up to \$10,000 per year to qualified charitable organizations.

When the initial contributions reached \$25,000, CSM began offering funds to support one student at a time.

Through her continued contributions and company matches, the endowment now exceeds \$100,000.

At that level, Kendra qualified for CSM’s Century Society. To date, she is the youngest to enter that elite alumni organization. Additionally, CSM recognized Kendra as its Miner of the Month in September.

“The ConocoPhillips Matching Gift Program was very important in helping me achieve this level of giving, and I encourage everyone to participate in their own charitable causes,” Kendra said. “What I consider a flexible and long-term commitment to individual students has helped me create relationships with them. I keep in touch as they go through their early careers. I have a picture of each one of them at graduation, and I hope to have an entire wall of them.”

Kendra also played a key role in helping CSM and ConocoPhillips identify and align their long-term, multidisciplinary strategies to establish the Center for a Sustainable WE²ST (Water-Energy Education, Science and Technology) at CSM. ConocoPhillips provided the \$3 million leadership investment in 2014 that initiated the center’s focus on research and education to promote joint sustainability of unconventional energy production and water resources. Located on the CSM campus in Golden, Colorado, the WE²ST Center is not far

from the ConocoPhillips Niobrara development area just south of Denver.

“Our industry produces three times more water than oil and gas,” Kendra explained. “The opportunity for ConocoPhillips to support a center for projects that help address this challenge is tremendously valuable.”

Kendra has 21 years of experience in the oil and gas industry. She started her ConocoPhillips career in 2001 working in midstream natural gas and gas products. She worked in major capital projects and corporate approvals before moving to Midland, Texas, as part of the Niobrara exploration team. She returned to Houston as an exploration project integration manager.

In her current role as the Lower 48 development engineering director, Kendra supervises the team of development engineers that provides support in the early development stages of conventional and unconventional assets in the company’s Gulf Coast, Mid-Continent and Rockies business units.

The team is especially adept at collaboration for decision quality (CDQ), which provides a framework to develop solutions for complex decisions made in times of uncertainty.

“Because of our service role, we are nimble, able to share staff, and positioned to share the best activities being implemented throughout the business units,” Kendra said.

For example, in the Powder River Basin, a new exploration play in Wyoming, Kendra and her team were very active in the facilities for the first few exploration wells.

And in the full-field development phase currently underway in the Niobrara asset, her team is managing the integration for long-term development.

Kendra lives in Katy, Texas, and is the mother of two — her daughter Soraya, age 13, and her son Apollo, age 10. ■



ABOVE: Photos of Lema Endowment graduates Daniel Zarinni and Madeline Levy are on display in Kendra’s office.

OPPOSITE PAGE: Kendra works in the modern, high-tech offices of Energy Center 3, home to ConocoPhillips’ Lower 48 business unit.



Orlan and Jeanie McClung

Retired couple embraces wellness

TEXT AND PHOTOGRAPHY BY RAY SCIPPA

MONDAYS, WEDNESDAYS AND FRIDAYS AT 6:50 A.M., LIKE CLOCKWORK, retiree Orlan McClung and wife Jeanie appear at the Houston Wellness Center pool, suited up and ready for their aqua workout. Ponca City High School sweethearts who married just six months after Jeanie graduated in 1951, the pair has been a fixture at the Wellness Center since it opened in 2007. Before that, they frequented the old basement fitness room and another gym off campus.

"I had been going there for quite a while," said Jeanie. "When Orlan retired, he finally started coming with me."

Orlan's Conoco career spanned 37 years, from September 1955 until December 1992. Hired as a transportation freight clerk at the company's Ponca City headquarters, after just three years Orlan transferred to a new position in Fort Worth, Texas.

"I went there as a glorified freight clerk, but it was a step up the ladder," Orlan said. "Roy Mays was the vice president, Clovis Martin was the manager of transportation, and I was the operations manager. We had 19 truck terminals that delivered fuel to everybody in the old southwest region. Some of the fuel came from Conoco's refineries in Ponca and Lake Charles, but we also did trade deals from any source to get our customers' orders filled."

The Fort Worth job lasted eight years before Orlan and Jean moved south. They first made Houston their home in 1967 and have lived in the city for half a century.

"I went into marketing for wholesale and commercial operations," Orlan said. "Bruce McCall was the VP and I went to work for a man by

the name of Clarence Weigmann. He and M.B. Abernathy had a little division called Railway Sales. When I came in, they changed the name to Transportation Sales. Because I was an old truck man, they added all the major truck lines."

Orlan speaks fondly of his colleagues from those years. "The railroads I dealt with would purchase as many as 100,000 barrels a month in pipeline tenders. Guys like Ron Harwood, Ken Kibbe and others in Product Supply and Trading would help me get that fuel. I would call them up and tell them how much I needed and where. They'd say, 'Send me an order.' I never mailed them — it took too long and we were one building away. I'd just walk



the order over to them and bam, bam, bam it happened. That's teamwork."

Orlan and Jeanie have three grown children — Clarke, Cheryl and Cindy — five grandchildren and one great grandchild, with another due in December 2017. Clarke, 61, retired from the U.S. Forest Service after 35 years; Cheryl retired from her job as a school teacher after 25 years; and Cindy, the youngest, is still teaching.

Before taking his first job at Conoco, Orlan served in the 82nd Airborne, 508th Airborne Regimental Combat Team. "We were the military's first rapid response unit," he said. "We could get our orders, get equipment loaded on the planes and be on the ground fighting anywhere in the world in 48 hours." When Orlan describes the intense training of his military career, it becomes easy to understand how he translated those early life skills into a long, successful career, a beautiful family and the discipline to keep on swimming. ■





Chairman & CEO Ryan Lance appears on Bloomberg TV with host Alix Steel.

2017 Analyst & Investor Meeting: 'No waiting necessary'



Strategy, Exploration & Technology Executive Vice President Matt Fox provides details on the company's strategic goal to deliver superior returns to shareholders.

BY RAY SCIPPA

ONE OF THE COMPANY'S MOST IMPORTANT PUBLIC EVENTS IS THE ANNUAL ANALYST & INVESTOR MEETING (AIM). ON NOV. 8, RYAN LANCE, MATT FOX, AL HIRSHBERG AND DON WALLETT TOOK THE STAGE IN NEW YORK CITY TO DELIVER A CONFIDENT MESSAGE OF TRANSFORMATION AND LONG-TERM STRATEGY. HAVING OVERSEEN THE IMPLEMENTATION OF STEPS OUTLINED AT LAST YEAR'S AIM, THE EXECUTIVES ARRIVED WITH A COMPELLING STORY THAT SET CONOCOPHILLIPS APART FROM ITS COMPETITORS.

Chairman & CEO Ryan Lance kicked things off with a reminder of the company's value proposition unveiled at the 2016 meeting.

"When we rolled this plan out we were met with some skepticism. Certainly, production growth was all the rage," Lance said. "But it was time for an E&P company like ours to step up with a plan

for creating value, and our conviction about this plan is even stronger today."

Lance described how the company's value proposition principles and priorities combine with the unique characteristics necessary to execute and to win.

"Many companies have some of these characteristics but not all. We have them all."

“In a nutshell, our resource base keeps getting better and better as we work on every aspect of high grading, cost improvement, technology-driven efficiencies and execution.” — AL HIRSHBERG

Lance demonstrated how ConocoPhillips moved from aspiration to action in 2017 by strengthening its portfolio, accelerating returns to shareholders, developing a differentiated strategy and continuing to lead in environmental, social and governance performance.

Noting that ConocoPhillips' total shareholder return outperformed all industry benchmarks, Lance said, “We transformed the company in 2017, and we think the market has taken notice.”

Turning to the future, Lance described a plan that targets 2 to 3 percentage points in annual growth of cash return on capital employed. “At that rate, our cash return on capital employed will exceed 20 percent by 2020,” Lance said.



Production, Drilling & Projects Executive Vice President Al Hirshberg describes the company's strategic portfolio.

Following Lance's introductory remarks, Matt Fox, executive vice president, Strategy, Exploration & Technology, focused in on the details of the company's differentiated strategy; Al Hirshberg, executive vice president, Production, Drilling & Projects, described how the company's portfolio is aligned and integrated with the strategy; and



CFO Don Wallete describes the company's focus on four financial areas: free cash flow generation, leverage, shareholder distributions and returns on capital employed.

Don Wallete, executive vice president, Finance, Commercial & CFO, defined the company's step improvement in four financial areas: free cash flow generation, leverage, shareholder distributions and returns on capital employed.

During his presentation, Hirshberg unveiled a compelling bottom line: while many other companies aspire to a sustaining price below \$40, ConocoPhillips had achieved it now — “no waiting necessary.” Today ConocoPhillips has 15 billion barrels of resource with a cost of supply of less than \$50. Even more remarkable, the average cost of supply of those resources has dropped below \$35 per barrel over the past year.

“In a nutshell, our resource base

keeps getting better and better as we work on every aspect of high grading, cost improvement, technology-driven efficiencies and execution,” Hirshberg said.

During an hour-long question-and-answer session following the presentation, analyst Paul Sankey of Wolfe Research aptly summed up the unique nature of ConocoPhillips' 2017 AIM: “The phrase was ‘you've doubled down,’ but I think in many ways you've tripled down because you've extended the timeframe through '18, '19, '20. And you've really shown here on a line-by-line basis how you're going to get there, in more detail than we've seen in any recent analyst meeting from any company.” ■

ConocoPhillips MAKEs the grade

Company recognized for continual achievement in knowledge management

In September, ConocoPhillips continued a nine-year tradition of being recognized with the Americas Most Admired Knowledge Enterprise (MAKE) award and a seven-year streak for Global MAKE award recognition.

One of the most prestigious knowledge management awards, the MAKE award, governed by Teleos, recognizes organizations that are leaders in creating intellectual capital and value through the transformation of knowledge.

Translation: ConocoPhillips is really good at sharing knowledge across the company.

“Teamwork is a pillar of our SPIRIT Values, and great teams work well together and actively share what they know with other teams,” said Richard Lunam, president, Exploration, Business Development & Other International.



“For ConocoPhillips to be recognized for excellence in collaboration is confirmation that we have a workforce that prioritizes and values knowledge sharing.”

The 2017 winners were chosen by

a panel of Fortune 500 senior executives as well as leading experts in knowledge management. In the Americas, ConocoPhillips took third place among 46 companies (one of two oil and gas companies recognized this year), while globally ranking fifth of 41 companies. Other winners included Microsoft, Amazon, IBM, NASA and EcoPetrol.

“Continuing to be recognized as a top knowledge sharing organization in the face of the market downturn makes this year’s award particularly meaningful,” said Suzan Pickels, Knowledge Sharing lead. “It shows the resilience and commitment of our employees to sharing key information across our organizational and geographic boundaries.” ■



FROM LEFT:
Suzan Pickels, supervisor, Knowledge Sharing; Christy Clark, director, Digital Workplace; Brian Sanders, business analyst, Knowledge Sharing; Matt Meade, technical analyst, Knowledge Sharing



Global Water Sustainability Center receives 2017 Qatar sustainability award

BY JAN HESTER

In October, **ConocoPhillips' Global Water Sustainability Center (GWSC)**, located in Doha, Qatar, was awarded first place in the Green Research — Professional category by the **Qatar Green Building Council (QGBC)** during **Qatar Foundation's 2017 Sustainability Week**. The awards recognize the efforts, commitment and achievements of individuals, institutions and organizations to further sustainable development and environmental protection in Qatar and internationally.

The project team includes GWSC Manager Samer Adham, principal investigator; GWSC Engineer Joel Minier Matar, project manager; and representatives of Qatar University and Qatargas. All GWSC team members were involved in the project's execution.

The winning project, "Sustainable Application of Osmotic Concentration to Reduce Wastewater Disposal Volumes from Qatari Gas Fields," was partially funded by the Qatar National Research Fund (QNRF). The recently completed proof of concept phase addressed the innovative application of forward osmosis (FO) membranes to reduce the volume of produced and process water injected into disposal wells in Qatar's North Field. Reducing the volume of injected water will enhance the sustainability of the disposal well formation.

The next phase of the project, recently selected for follow-up funding by QNRF, will include demonstration of the FO process via pilot scale testing.

The awards were presented during a special event by Issa Al Mohannadi, chairman, QGBC. ■

ABOVE: During a visit to Doha, Chairman & CEO Ryan Lance took the opportunity to congratulate the Global Water Sustainability Center team on its recognition. From left: Scientist Nabin Upadhyay; Engineer Ahmed Hussain; Principal Engineer Arnie Janson; Ryan Lance; Manager Samer Adham; Engineer Joel Minier Matar; Assistant Engineer Dareen Dardor; and Scientist Eman Al-Shamari.



Kuparuk celebrates 20 years of B.E.A.R.

BY MATTHEW STEINBERGER

In October, the ConocoPhillips Kuparuk Alaska workforce celebrated 20 years of working safer with their Behavior Based Safety Observation process B.E.A.R. (Behavior Eliminates All Risk). In early 1997, a group of employees was encouraged to seek out a worker-driven initiative to help Kuparuk change its safety culture, improve employee engagement in safety and drive down serious injury. This team identified the technology behind B.E.A.R., and Kuparuk has never looked back.

In the 20 years since its inception, more than 6,000 people have been trained and performed observations. Over 40 percent of the Operations & Maintenance and resident construction workforce conduct B.E.A.R. observations each month. From a scant 46 observations that first year to an average of 20,000 per year now, this peer-to-peer observation process continues to impact personal safety performance. Observation data is collected and compiled, and using these data analytics, highly trained workers can deliver customized safety messages to their crews.

The B.E.A.R. Steering Team leadership is made up of more than 65 dedicated employees and contractors. While many individuals have helped build and lead this process, it is undeniably the workers themselves who conduct these observations and accept observation feedback that have made B.E.A.R. a success.



Unprecedented commitment by the business unit and its leaders, along with as many as 30 different business partners, has supported this achievement.

Behavior-based safety comes down to three things: conversations, interactions and quality discussions about critical behaviors. B.E.A.R. training includes these important skills for openly talking about behaviors and how they affect exposure to risk. It was this training that became the foundation for an open safety culture, a willingness to intervene with each other and the one team approach to safety at Kuparuk.

There have been many successful safety initiatives during this time, and B.E.A.R. continues to be a foundation for safety at Kuparuk. The core focus, "Everyone Gets Observed," ensures that all workers get objective feedback about critical safety behaviors.

Congratulations Kuparuk for 20 years of working safer with the B.E.A.R. safety process! ■



Kuparuk workers shake hands after participating in a B.E.A.R. observation.



ABOVE: Christina Kuhl and her husband Matt are new parents to twins, Max and Sloan, who were born on Aug. 3.



RIGHT: Ben Palmer with his three sons, Alec, Seth and Noah, at the Custer National Forest near Red Lodge

Proudly supporting parents when it matters most

Effective Jan. 1, ConocoPhillips will provide two weeks of paid leave for all parents. This change also extends to birth mothers who already receive maternity leave, allowing them to now have up to 10 weeks of 100 percent paid leave.

“As a parent, I know it’s important to take time to focus on your family,” said Chairman & CEO Ryan Lance. “Our employees’ hard work and dedication extend well beyond the office. We’re proud to offer benefits that support all of our new parents.”

It’s a policy move heralded by ConocoPhillips employees Christina Kuhl, a new mother of twins, and Ben Palmer, a father of three boys.

“This is a progressive step,” said Kuhl, a senior business communications advisor. “Work-life balance is a top priority for parents. Employees want to be productive members of the workforce and have a family. This new policy provides the extra support that dual-career families and working mothers have been seeking.”

The change, which enhances

Time-off Benefits

Up to 10 weeks of 100% paid leave to spend with family

Birth moms up to 8 weeks of maternity leave



All parents up to 2 weeks of parental leave



ConocoPhillips’ existing benefits package, aligns with the company’s SPIRIT Values and today’s complex family dynamics, Kuhl said.

“Raising children is not just a woman’s responsibility,” she said. “Dads and partners want to be more involved. Parenting is hard work. You can’t do it by yourself. You need your partner.”

Ben Palmer, a health, safety and environment (HSE) supervisor for the Gulf Coast business unit, said the new two-week paid parental leave policy is

“No parent should feel forced to choose between work and family. That’s not a fair choice,” said Ellen DeSanctis, vice president of Investor Relations & Communications and the company’s Parents Network executive sponsor. “Parenting is hard. Working is hard. These are two hard jobs. To attract and retain top talent, we have to be able to help our employees do these hard jobs well.”

Caring for a new child is stressful, Palmer said, and parents must go through an adjustment period, no matter

“Employees want to be productive members of the workforce and have a family.” — CHRISTINA KUHL

a welcome addition to the company’s benefits package.

“This is fantastic,” said Palmer, whose sons are 7, 5 and 2. “As a parent, you need time to adapt to a new family member. This sets a new standard at ConocoPhillips. We’ve always recognized the impact that having a new baby has on the mother. But it’s a significant impact on all parents. With a new baby, or even if you’re adopting a child, you’ve got a lot of things to think about.”

if it’s their first child or their third.

“Every time you have a child,” he said, “the dynamics in your family change. You need to be home and support your spouse. There are a lot of things that go into bringing another person into the family. So, having time to adapt is a big help.”

In addition, Palmer said, the policy change will allow parents to be more focused and have more energy when they return to work. ■



A small autonomous vessel collects data from the North Sea.



Autonomous vessels map the Norwegian Sea

BY KJELL UNDALL

ConocoPhillips is supporting a collaborative project — using small autonomous vessels to collect data from large sea areas — involving research communities, the maritime industry and the [Research Council of Norway](#).

Using three unmanned, autonomous vessels called gliders that can collect large amounts of information traditionally obtained on costly expeditions using large research vessels, a team spent part of the summer this year collecting environmental data from the Norwegian Sea west of Nordland County in northern Norway. Gliders followed GPS-based routes on the sea surface and in the water column.

The gliders are equipped with sensors and equipment for acquisition of chemical, physical and biological oceanic and atmospheric data. The sensors provide continuous measurements of weather, waves, currents, temperature, salinity, oxygen, carbon dioxide, pH, ocean acidification, marine algae, animal plankton, fish fry (young fish capable of feeding themselves) and marine mammals.

“Our interest in the project is linked to

“There is a huge market for the use of this technology which, combined with a knowledge of oceanography and biology, helps us make optimal use of the sea’s resources and effectively manage our maritime industries.” — SALVE DAHLE

the need for thorough environmental surveys related to potential activity in vulnerable areas of the ocean,” said Ole Lindefjeld, manager of Research & Development for ConocoPhillips Norway. “We see considerable potential for these seagoing vessels and have therefore included the project in our research portfolio.”

The vessels collected data in the ocean west of Sandnessjøen and Bodø (in northern Norway) during August and September of 2017 and will be operating at sea again in 2018 between March and October.

Gliders are the size of a surfboard and follow preprogrammed routes and depths, collecting data that is stored on board or sent via satellite to the base station onshore, where the vessels are monitored by the project’s manager, [research institute Akvaplan-niva](#). During the summer of 2017, the gliders traveled a total of 4,500 kilometers (2,800 miles).



Ole Lindefjeld

Three types of gliders have been used, each with somewhat different characteristics. Two travel on the ocean surface, one using wind propulsion and the other using wave action. The third utilizes balance and buoyancy below the water surface, making it possible to collect data from deep as 1,000 meters (3,280 feet).

“We find it very interesting to take part in this project. There is a huge market for the use of this technology which, combined with a knowledge of oceanography and biology, helps us make optimal use of the sea’s resources and effectively manage our maritime industries,” said Salve Dahle, managing director of Akvaplan-niva. ■

Adapting to change brings success

Heraclitus, a Greek philosopher, once said, “The only thing that is constant is change.”

The quote comes up frequently in the business world and is a reminder that how one reacts to constant change can lead to success — or challenges — at work.

As one of ConocoPhillips’ four Leadership Behaviors for Sustainable Change, leaders model adaptability by responding to changing priorities and driving practical, sustainable transformation. They deliver fit-for-purpose solutions based on a consideration of risks, pros, cons, tradeoffs, timing and available resources.

Two members of the Barossa FPSO (floating production, storage and offloading vessel) team define adaptability and the concept of fit-for-purpose and explain how they put these principles into action daily. ■

All projects require the team to be adaptable to discoveries from engineering studies, to stakeholder requirements and to changing commercial constraints. In engineering, “fit-for-purpose” is a “justify-in” approach. You don’t just pick up the last project you did and replicate the design. You ask yourself and the whole team if you really need all the functionality that was packed into that former development for this new project. Robust conversations with business unit operations teams help us understand where functionality was really adding value and where it was “nice to have.”

— Zak Thomson,
project/interface engineer, Houston



Adaptability is the ability to respond quickly to a changing set of circumstances. We work in a very dynamic industry, and if we are not able to adjust to changing conditions we will not often be successful. In addition, the highly integrated and iterative nature of our work means that we frequently work with incomplete data. We must build plans that allow us to incorporate learnings and take advantage of the opportunities and address the challenges that new information can provide.

Fit-for-purpose means seeking a solution that is appropriate to the problem in front of you and leaving behind a one-size-fits-all mentality. What has worked for us in the past may not be the best approach for today’s challenges. Adopting a fit-for-purpose mindset allows us to be creative and explore different ways of solving problems.

— Brandi Sellepack,
project integration manager, Perth



Bartlesville Buzz

Members of ConocoPhillips' MRT offer lifesaving insight to Bartlesville students

BY DAVID AUSTIN

ConocoPhillips' Medical Response Team (MRT) assisted with some potentially lifesaving training at Bartlesville (Okla.) High School (BHS) on Oct. 11.

The Bartlesville-based team was part of an effort focused on offering more than 430 freshmen insight into performing CPR, using an automated external defibrillator (AED) and responding to choking emergencies.

Citizens CPR coordinated the effort to teach the freshmen — in 12 classes spanning nearly two hours each — while volunteers from ConocoPhillips, Phillips 66, Oklahoma Wesleyan University and the Tri County Technology Center pitched in as well.

Representing ConocoPhillips were Bartlesville MRT cocaptains Grady Harman, associate, Corporate Accounting & Reporting and Darren McCaslin, staff auditor, Joint Venture Auditing, as well as Drew Palmer, associate, Data Center & Backup Operations, the team's recruiter. In their role with the 11-person Bartlesville MRT, Harman and McCaslin lead CPR/AED classes on the company's downtown campus.

"The BHS classes went really well," said Harman. "You could tell the students were engaged and wanted to learn. They could really see the benefits of what we were teaching them."

The State of Oklahoma sees the benefits as well, having enacted a state law last year that requires its high school students — from grades nine through 12 — to be trained in CPR and AED use. The law has resulted in efforts such as that seen at BHS.

The classes took place in the BHS Freshman Center, where McCaslin, Harman and Palmer assisted with demonstrating techniques such as chest compressions on the dummies that were available. In addition, McCaslin and Palmer ended up teaching classes. While



Members of ConocoPhillips' Medical Response Team recently assisted with teaching lifesaving techniques at an area school. From left: Darren McCaslin, Drew Palmer and Grady Harman

Palmer is a certified CPR instructor, the experience was a bit unique for McCaslin.

"I have quite a bit of teaching experience, but the curriculum for Citizens CPR is a little different than what we teach at ConocoPhillips," said McCaslin. "But overall, the experience went really well. I appreciated the fact that the students asked really good questions and took the class very seriously."

One of the reasons it's important for more people — including those as young as high school freshmen — to know basic lifesaving skills is because

time is of the essence once a situation arises. According to information provided by the American Red Cross, for each minute CPR and defibrillation (via an AED) are delayed, the victim's chances for survival are reduced by about 10 percent. So, a delay of 10 minutes or more to someone such as a heart attack victim may have fatal consequences.

"In addition, most medical emergencies happen at home," says McCaslin. "That's where a technique like CPR or a device such as an AED is needed." ■

ConocoPhillips donates computers to nonprofit organizations

Just because a computer is no longer of use to ConocoPhillips doesn't mean it's no longer of use.

Well aware of this fact, company personnel in Bartlesville have partnered with 501tech, a Tulsa e-waste company, to recondition their decommissioned and scrubbed hardware for use by area nonprofit organizations.

The refurbished hardware often represents an upgrade for a Bartlesville-based nonprofit, and they can acquire it at little to no cost other than a maintenance agreement with 501tech, whose mission is to provide “eligible nonprofit organizations in Oklahoma with high-quality, donor-subsidized or partner-discounted technology expertise, products and services.”



ConocoPhillips recently shipped out 300 computers to be repurposed for use by nonprofit agencies in the Bartlesville (Okla.) area.

ConocoPhillips Information Technology (IT) Auditor David Lewis initially heard about 501tech while volunteering on a project to refurbish the computer lab for Bartlesville's Westside Community Center, a nonprofit organization and a member agency of the Bartlesville Regional United Way. IT services for the community center's computer lab are

provided by 501tech, and Lewis put representatives of their company in touch with individuals from ConocoPhillips.

Through its vendor partnership with 501tech, desktop and laptop computers and their hardware no longer in use by ConocoPhillips Bartlesville operations are scrubbed and hauled away. The equipment is then repurposed and made available to nonprofit partners throughout Oklahoma — including several in the Bartlesville area.

Wayne Smith, supervisor, Bartlesville IT Infrastructure, has been working with 501tech since ConocoPhillips' vendor partnership with the company began earlier this year.

“We have been able to properly dispose of several pallets worth of e-waste through this partnership,” said Smith. “It's nice to know we can help out area nonprofits in the process.”

“We recently shipped out more than 300 computers — a mixture of desktops and laptops — that were no longer going to be utilized by us due to a computer refresh project. But they still have some life and should be put to good use.”

Prior to its partnership with ConocoPhillips, 501tech's inventory was starting to run low.

“Our nonprofit organizations in Bartlesville have a lot of needs,” says Lewis. “And good computer hardware and software is one of those areas. This partnership makes it easier for us to lend a hand.” ■

Visibility clear as Supply Chain wins global award

BY FIONA MCLEOD

ConocoPhillips shone as an industry leader in October 2017 by winning the respected Innovation in Contract & Commercial Management award from the [International Association for Contract Management \(IACCM\)](#).

The award recognized the company's creation of its Supply Chain Integrated Visibility (SIV) program and its use in improving contract management within ConocoPhillips' global operations.

Roger Bhalla, manager, Shared Services & Technology, accepted the award and explained the value the SIV program had brought to ConocoPhillips.

“To receive this award from IACCM is a great achievement by ConocoPhillips' Supply Chain and IT teams. It reflects several months of effort to leverage the big data analytics tools available to design easy-to-use dashboards that enable the Supply Chain and others to unlock the value of insight available in our data.

“Simply put, our Supply Chain Integrated Visibility program was designed to bring together large amounts of previously separate contract, spend and operational data into an easy-to-use, integrated analytics tool.

Through this tool we have realized new value by increasing insight for contract negotiation, reducing contract spend leakage, ensuring greater return on investment, and helping improve the business operations governed by those contracts. I'm particularly pleased by all the drive from the business units

that have shown leadership in leveraging the new capability to improve the business and in sharing insights with their peers,” Bhalla said.

Tangible value from the SIV program is estimated to exceed \$10 million annually, with additional intangible benefits in the quality of contractual execution and management.

IACCM is the leading international organization focused on contract management, with global, cross-industry membership. ■



FROM LEFT: Roger Bhalla, manager, ConocoPhillips Supply Chain Services & Technology; Tim Cummins, CEO, IACCM

Oldest and newest employee networks celebrate anniversaries

BY RAY SCIPPA



BLACK EMPLOYEE NETWORK

The Founders: Black Employee Network created the model 30 years ago

The Black Employee Network (BEN), traces its roots back 30 years to when it began as The Network Group (TNG). Laying the foundation for all affinity groups to come, the Black Employee Network has constructed an enduring legacy of providing opportunities for personal and professional development and giving back to the community.

“There’s a certain culture about corporate America. When you’re first generation, you don’t know the norms, the rituals, the taboos to watch out for,” said Craig Ellis, a ConocoPhillips finance manager and former network president. “These affinity groups provide a way to interact and for people to show you the way and make you feel comfortable, especially early in your career.”

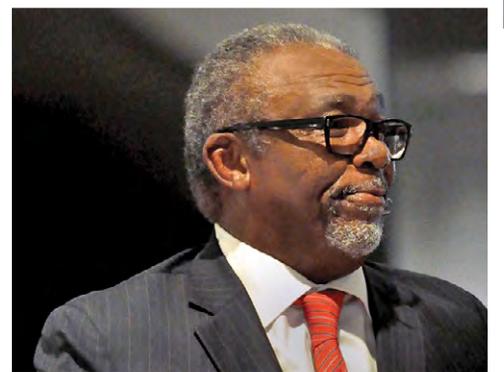
Ellis was one of several past and present leaders and TNG founders who discussed the group’s rich history and legacy in a short film that premiered at the BEN 30th Anniversary Gala on Nov. 4.

“We want to make sure the Black Employee Network is open to all employees, open to all different ethnicities, ages and interests,” said Maalika Moore-Thomas, senior coordinator, Supply Chain Transactional Excellence. “We hope to make sure we’re encouraging contributions from every different type of individual.”

“The network encouraged me not just to do my best,” said Senior Analyst Ron Julun, a TNG founding member,



CLOCKWISE FROM ABOVE: Celebrating at the BEN 30th Anniversary Gala (from left) Curtis Smith (retired), Cassandra Corley, Curtis Franklin (P66), Vickie Holmes (retired), Ron Julun, Ruthie White (retired), Bruce Flowers (P66) and Karen Bowles (retired); Ken Tubman, Subsurface vice president; Kirt Daily, analyst, Information Technology; John Kemp (retired) served as Conoco’s vice president of exploration and production for South America, Africa, Asia and the Middle East from 1993 to 1998.



“but to do better than best.” Julun was recognized in 2008 with a Conoco-Phillips Lifetime Achievement Award for more than 20 years of mentoring college students, coordinating community programs and participating in company-sponsored charitable activities.

Under the direction of current BEN president Don Williams and the BEN board, the 30th anniversary celebrations included a November 1 panel discussion entitled Inclusion: Network Groups 30 Years Later. The discussion featured founding members of several Conoco-Phillips affinity networks, including representatives from the BEN, Patriot, Parents, Global Support Staff and Women’s Networks.



The Newcomers: LGBTQA Network celebrates five years

Also celebrating an anniversary this fall, the LGBTQA Employee Network became the Houston area’s ninth affinity group just five years ago. Like its sister networks, LGBTQA (Lesbian, Gay, Bisexual, Transgender and Allies) is open to all employees.

The group dedicates itself to the goals of fostering a diverse workforce

and creating an inclusive environment of mutual respect. To mark its milestone anniversary, network members and allies spoke on camera about the challenges and benefits they've experienced during the group's formative years.



The resulting video combines many voices into a powerful short film expressing the understanding, friendship and support that characterize this and all employee networks at ConocoPhillips.



"Knowing that there are groups like this at the company allows people to feel like they're in a friendly environment," said Kirt Daily, analyst, Information Technology.

"The existence of a network like the LGBTA Network tells me that the company's stance is to prevent discrimination from happening."

The network has provided allies, like Subsurface Vice President Ken Tubman, an opportunity to respond to lingering traces of judgment in the workplace.

"For me, being an ally just means being supportive of the equality that everyone is looking for," Tubman said. "People need to get over being uncomfortable with someone who is maybe not exactly like them."

In November, ConocoPhillips received a perfect score of 100 percent on the 2018 Corporate Equality Index. The national benchmarking survey and report measures corporate policies and practices related to lesbian, gay, bisexual, transgender and queer (LGBTQ) workplace equality. Its top score gives ConocoPhillips the designation of being a Best Place to Work for LGBTQ Equality. ■



Houston Hispanic Network turns 25

In 2017, the Houston Hispanic Network (HN) celebrated 25 years of meaningful contributions to ConocoPhillips and to the Houston community. During the past quarter century, the network provided leadership on Hispanic and diversity issues and built a platform to showcase members' diverse backgrounds, talents and perspectives. The network also made a difference in the community, supporting Casa de Esperanza and Fundación Juventud Lider.

During October, the network hosted a series of events to celebrate its anniversary and Hispanic Heritage Month. The celebration kicked off with a Cine Latino Lunch, featuring the documentary "Finding Gaston." Participants enjoyed a traditional Peruvian meal while learning about Chef Gaston Acurio's mission to change the world's view of Peru's cuisine.

Mid-month, Richard Lunam, president, Exploration, Business Development & Other International, shared insights on business growth in Colombia, Chile, Argentina and Mexico. Lunam's presentation was followed by a panel discussion featuring Global Operations Senior Vice President Steinar Vaage; Lower 48 Engineering & Operations Support Manager Keli Hand; New Ventures (NV) Projects (Unconventional) Manager Gustavo Gomez; NV Regional (Unconventional) Manager Douglas Moore; NV Projects (Conventional) Manager Duncan Thom; and Finance Manager Mike Mindrup. They provided insights and experiences on working in Latin countries. Network member Elicia Cicerone, staff project engineer, moderated the panel.

To continue the celebrations, a Latin Food Extravaganza at the Energy Center 3 cafeteria featured Hispanic Network members sharing their culture through displays, music and homemade appetizers and desserts. Executive sponsor Nick Olds, vice president, Mid-Continent business unit, presented certificates of appreciation to members who have been with the Hispanic Network for 25, 15, 10 and five years.

The month of celebrations ended on Oct. 26 at Havana Houston restaurant for a volunteers appreciation night. The Hispanic Network took an opportunity to thank all the volunteers for making this year another resounding success. ■



Nick Olds, John Dabbar, and Jim Carlton play a game hosted by Mariana Torrealba-Prado at the Latin Food Extravaganza.

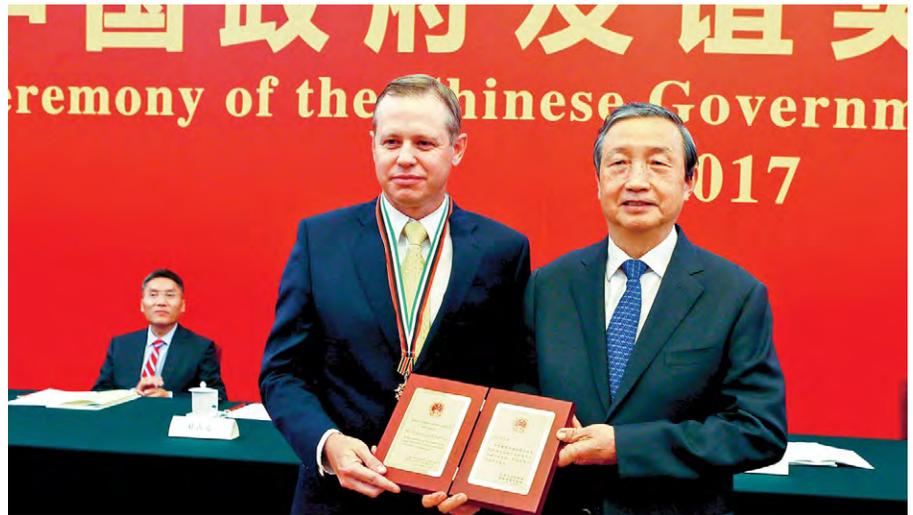
Chad Huffman honored with the government of China's Friendship Award

BY LLUVIA WU

On Sept. 30 at the [Great Hall of the People in Beijing](#), Chad Huffman, vice president, Capital Projects & Asset Management, ConocoPhillips China (COPC), received the Chinese government's 2017 [Friendship Award](#). [Premier Li Keqiang](#) and Vice Premier Ma Kai presented the award to Huffman and 49 other experts representing 21 countries.

Launched in 1991, the award recognizes [foreign experts who have made outstanding contributions](#) to China's economic and social development and is the highest honor granted to a foreigner. While ConocoPhillips employees have previously been awarded provincial friendship awards, Huffman is the first ConocoPhillips employee to receive the national government's award.

"We treat foreign experts as members of the China family, and we highly appreciate their efforts to develop China," said Premier Li. "Foreign experts can play a leading role in China's modernization and will continue to contribute to the world economic recovery and growth through technological upgrading, expanding consumption and facilitating China's economic upgrading. We are working to improve policies around working visas and Chinese permanent



Chinese Vice Premier Ma Kai presents Chad Huffman with the 2017 Friendship Award.

resident permits, among other benefits, to make it easier for foreign experts and their family members to live in and contribute to China."

Huffman was nominated for the award by the [China National Offshore Oil Corporation \(CNOOC\)](#). CNOOC and COPC are long-term partners, having developed many large fields together throughout COPC's 35 years in China. As deputy general manager of Pengbo Operating Company (PBOC) and COPC's chief representative to the joint management committee, Huffman has worked with CNOOC to manage operations since the operatorship transfer to CNOOC in July 2014. Responsible for advancing and delivering multiple major projects, he was also nominated by CNOOC and won the

provincial Tianjin Haihe Friendship Award in 2016 and 2017.

"I am proud, as are my company ConocoPhillips and our partner CNOOC, of our many collective achievements," Huffman said. "I truly believe all foreign experts are guests of China, and with that understanding, each of us has a responsibility to make efforts to benefit China."

COPC and PBOC collaborated on a project that received the 2016 Cost Control Outstanding Contribution Award from the China Offshore Oil Bohai Petroleum Administration Bureau. The Penglai Oilfield, one of China's most productive fields, employs more than 1,000 personnel.

"Our partnership with ConocoPhillips is world-class, and we've achieved strong success in Penglai and elsewhere because of constructive cooperation," said PBOC General Manager Pan Yiyong. "We look forward to continuing our deep collaboration with ConocoPhillips and Chad Huffman."

In line with ConocoPhillips's core SPIRIT Values, Huffman and COPC will donate the award funds to enhancing the quality of life of local communities. ■

"I am proud, as are my company ConocoPhillips and our partner CNOOC, of our many collective achievements. I truly believe all foreign experts are guests of China, and with that understanding, each of us has a responsibility to make efforts to benefit China." — CHAD HUFFMAN



Incident response team members review spill trajectory maps on the situation status board to direct mobilization of resources.

THIS IS A DRILL — Polar Tankers demonstrates readiness, resolve

BY DAREN BEAUDO

The little town of Valdez, Alaska is the end of the line for the state's most important natural resource: North Slope crude. The oil that is produced more than 800 miles to the north reaches its final departure point, the cargo tanks of million-barrel double-hulled tankers that will carry it to U.S. West Coast refineries or elsewhere in the world.

Given the scars that still exist from the 1989 Exxon Valdez oil spill in the pristine waters of Prince William Sound, through which every drop of exportable product must travel, it makes perfect sense that every year shippers are required to demonstrate to regulators that they can respond to a spill. It's not an easy test to pass, and it shouldn't be.

All hands were on deck the week of Oct. 2-6 in the Valdez Civic Center to prove that ConocoPhillips, through its wholly owned subsidiary Polar Tankers, has the ability to partner with local response organizations, work with regulators and stakeholders, and mobilize the necessary resources to effectively respond to a significant spill. This was the sixth Prince William Sound drill over the company's 20-plus years of tanker operations.

The drill scenario centered around a collision by a tug and barge with the fictional Polar Intrepid. The collision simulated a release of 241,000 barrels of crude



Old-school flat map technology is still effective at tracking the armada of spill response equipment available to shippers during a major spill response.

into the sound and monitored how the Alyeska Pipeline Services Company and its Ship Escort/Response Vessel System would swing into action to mobilize the people and materials necessary to properly respond to the incident.

As in a real situation, Alyeska manages spill response until Polar Tankers can transition response capabilities and form

a unified command with federal, state and local on-scene coordinators. One key goal in the drill was handling that critical transitional period so that spill response would be seamless.

The goal for the exercise was to conduct an incident management team (IMT) exercise based on the National Preparedness for Response Exercise Program (PREP) with a focus on IMT planning and coordination over a 36-hour period.

In addition to meeting federal PREP objectives, ConocoPhillips/Polar Tankers also sought and received California and Washington out-of-state annual spill management team exercise and Worst Case Discharge determination.

"Although our goal is to never be involved in an incident, it is clearly necessary to have in place pre-established response plans and relationships with the agencies, experts and the local community long before they are needed," said Chris Bulera, manager, Global Marine & Polar Tankers. "This drill allowed us to develop those vital relationships and demonstrate our ability to respond to a worst-case discharge through implementation of our response plans.

"The team received the highest accolades from state and federal agencies for the level of planning and performance. Our success was largely due to well-trained ConocoPhillips employees who hold key roles within the incident command organization, sharing our SPIRIT Values and a strong commitment to protecting the communities and environments in which we operate."

To show just how seriously the company takes the responsibility of executing a best-possible response, more than 97 company personnel were mobilized to Valdez to staff the roles they would hold during a real event. In addition, eight regulators were involved, along with the U.S. Coast Guard, the Alaska Department of Environmental Conservation and Valdez and Prince William Sound stakeholder community representatives. Drill planning took more than nine months and involved personnel from Polar Tankers, ConocoPhillips Crisis Management & Emergency Response, federal and state officials and crisis response specialty consultants. ■

spirit

On Assignment

SANDRA DUNCAN (*Adapting to a changing landscape, page 10*) joined ConocoPhillips in Aberdeen in 2004 as communications advisor, where she develops and executes internal communication for the U.K. business unit and provides support to the U.K. leadership team on their priorities and employee engagement efforts. Having previously worked for Elf and Total, Sandra has more than 25 years of experience working in a public relations/communications environment, with experience in all aspects of communications for a major oil and gas operator, including community relations, events/visits, media relations and emergency response. She is a member of the Chartered Institute of Public Relations.



KATHERINE SPRINGALL (*Operating responsibly in the Arctic, page 44*) is senior advisor, Communications & Community Investment for ConocoPhillips Canada. She joined the company in 2006, and in her current role she supports leadership communication and issues management and serves as media spokesperson. During her time with the company, Katherine has supported communications on sustainable development, employee engagement, emergency response and asset transactions. She earned degrees in political science from the University of Calgary and journalism from Mount Royal University.



KOLE CONNOR (*Adapting to a digitally disruptive world, page 52*) joined ConocoPhillips in 2010 as an intern. Currently analyst, Digital Workplace, he has held numerous organizational change management roles for Information Technology teams, including Windows 7, Windows 10, Mobility and, currently, Digital Workplace and Office 365. Kole enjoys putting his creative and design skills to the test on projects such as the Windows 7 and Windows 10 login screen backgrounds, seen on all company computers; the Win10, iPhone 7 and O365 Success Center SharePoint sites; and the 2014 and 2015 Innovation Challenge marketing videos and posters. Kole is passionate about learning, creativity and humor, striving to incorporate each into his work every day.



BRIAN SANDERS (*Adapting to a digitally disruptive world, page 52*) has been with ConocoPhillips since March 2013. His career has taken him from a network specialist on the Knowledge Sharing team to his current position of business analyst on the Digital Workplace Knowledge Sharing team. Brian graduated from Baylor University with a bachelor's degree in public relations. He enjoys running, writing and traveling with his family.



spirit Magazine has been published quarterly since 2007 by ConocoPhillips Investor Relations & Communications.

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This final issue of *spirit Magazine* was printed at Southwest Precision Printers, L.P. in Houston, Texas.

DISTRIBUTION: Jesse Bluejacket, Trinnise Henry, Teresa Houston, Christopher Merritt, Alfred Owusu and Pat White

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