



FOR IMMEDIATE RELEASE: Friday, 13 February 2015

BSP UPDATES ON SELANGKIR 2 SITUATION

Brunei Shell Petroleum Company Sendirian Berhad (BSP) continues to work on resolving the Selangkir 2 (SK-2) well situation. Critical operational activities will commence on Friday, 13 February 2015, with the arrival of the SKD Pelaut tender barge and its 126 personnel on board, at the Selangkir platform.

The 1-nautical mile control zone remains in place around the platform as part of the control precautions to execute safe operations around the platform.

Ken Marnoch, Managing Director of BSP underlined, “Resolving the SK-2 well situation will take time and BSP considers the safety of everyone involved at every step. The mobilisation of the SKD Pelaut will provide a stable platform and the facilities to support the work plan.

“This activity is very critical in our attempt to resolve the current SK-2 well situation. It is a technically challenging operation and there is significant safety risks associated with it. We are deploying people with the right technical expertise and experience on the rig and platform. Our technical and operations team, in BSP and the extended resources in Shell, are undertaking measures to remediate the situation.”

“In addition to this, our Muslim colleagues in the organisation will also hold a mass prayer to pray for the safe and smooth execution of the work at both our BSP Surau and the SKD Pelaut.”

“We have received tremendous support from the Government, the authorities, Shell and our contractors in resolving this situation. We are also grateful to the families and friends of staff and the people of Brunei for their positive thoughts, prayers and support for giving us the time and space so our team can work on this. I would like to extend my appreciation to the people in BSP, the Brunei Shell Joint Venture Companies, Shell and business partners who have gone above and beyond their daily day job and commit themselves to resolve this situation together and to ensure all parts of BSP safely deliver. Thank you,” he added.

A small gas leak was detected at SK-2 on Thursday afternoon (5th February 2015). The gas leak was detected by a portable gas detector worn by one of our team members who was working on the platform. The gas leak was immediately alerted and subsequently the well was shut down.

BSP has a strong safety culture; our people are always prepared to report errors, near-misses, unsafe conditions and any concerns they may have about safety.

Our strategy in this case is one of taking precautionary measures in order to minimize the risk of escalation and aim to be prepared to deal with the situation.

On the (normally unmanned) Selangkir platform, all safety equipment, fire and gas detection and Emergency Shut Down systems are functioning and we are keeping the platform running to maintain that functionality. All wells on the platform are closed with SK-1 well being closed at 8.00 am on Friday, 13th

February 2015. The platform can be shut down remotely and there is also an automatic shutdown system that will be triggered if there is a significant gas release.

Safety is our top priority. We have established dedicated resources and workstreams to manage and resolve the situation safely. BSP incident response teams and resources have been activated and we have mobilized specialist expertise and resources from Regional and Global Shell response teams as well as specialist well control contractors. Platform access controls and work management systems are in place that only essential personnel will be working on the platform at any time.

“BSP will maintain focus on finding the safe way to complete and execute the required work. If all goes according to plan we will have the situation resolved in 2-3 weeks. However we are also preparing for all eventualities including the need to drill a relief well which would then take 2-3 months to complete,” said BSP Managing Director Ken Marnoch.

SK-2 is located on a normally unmanned platform, and is situated 40km off the coast of Muara, Brunei.

For any questions, please contact BSP Communication and External Affairs (CEA) Team on 3375784 or 3374974 during office hours to ensure you get the correct and up to date information.

ENDS.

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Notes to Editors: Brunei Shell Petroleum Company Sdn Bhd (BSP) should be referred as BSP or Brunei Shell Petroleum for abbreviation or headline purposes. Brunei Shell Petroleum Company Sdn Bhd's activity is primarily for the exploration and production of crude oil and natural gas from onshore and offshore fields. The Government of Brunei Darussalam and a company in the Royal Dutch Shell Group of Companies each owns a 50% stake in BSP.