



# Tengizchevroil Fact Sheet

1H 2019

## History and Ownership

- Tengiz, the world's deepest producing super giant oil field, was discovered in 1979.
- The Tengizchevroil (TCO) partnership was formed on April 6, 1993, between the Republic of Kazakhstan and Chevron.
- Current partners are Chevron, 50 percent; KazMunayGas, 20 percent; ExxonMobil Kazakhstan Ventures Inc., 25 percent; LukArco B.V., 5 percent.

## Production and Reserves

- Estimated oil in place in the Tengiz field is 3.2 billion metric tonnes (25.5 billion barrels) with 200 million metric tonnes (1.6 billion barrels) in the Korolev field.
- Total recoverable crude oil in the Tengiz and Korolev fields is estimated to be 890 million to 1.37 billion metric tonnes (7.1 to 10.9 billion barrels).
- The areal extent of the Tengiz reservoir is large, measuring 20 kilometers (12 miles) by 21 kilometers (13 miles).
- TCO completed its Sour Gas Injection and Second-Generation Plant (SGI/SGP) expansion project in 2008, which brought daily production capacity to approximately 75,000 metric tonnes per day (600,000 barrels) of crude oil and 22 million cubic meters per day (750 mmscf) of natural gas.
- Crude production for 1H 2019 was 14.96 million metric tonnes (119.4 million barrels).

## Health, Safety and the Environment

- TCO has invested \$3.1 billion since 2000 in environmental protection activities.
- Since 2000 total air emissions generated per ton of oil produced have decreased by 74 percent.
- TCO's 1H 2019 gas utilization rate was 99 percent.
- Total TCO water reuse rate in 1H 2019 was 30 percent. TCO continues its water conservation efforts by recycling domestic wastewater effluent, as well as treating and reusing it for industrial purposes.
- TCO sends more than 25 types of waste for recycling. Total TCO waste recycling rate as of 1H 2019 was 69 percent.

## Product Sales

- In 1H 2019, TCO sold over 672 thousand metric tonnes of LPG, 4 billion cubic meters of sales gas and over 1.3 million tonnes of sulfur.

## Benefits to Kazakhstan

- From 1993 through 1H 2019, TCO made direct financial payments of over \$141 billion to Kazakhstani entities, including Kazakhstani employees' salaries, purchases of Kazakhstani goods and services, tariffs and fees paid to state-owned companies, profit distributions to Kazakhstani shareholder and taxes and royalties paid to the government.
- In 1H 2019, direct payments to the Republic of Kazakhstan totaled more than \$5.6 billion.
- In 1H 2019, TCO spent over \$2.1 billion on Kazakhstani goods and services, including over \$1.6 billion for FGP-WPMP.
- TCO has invested more than \$30 billion on Kazakhstani goods and services since 1993.

## Workforce Development

- Kazakhstani citizens hold 81.2 percent of TCO positions, compared to 50 percent in 1993.
- Kazakhstani managers and supervisors represent 62.6 percent of the TCO managerial workforce. Ongoing training and development programs exist to support the advancement of employees to positions of increasing responsibility.

## Community Outreach

- Since 1993, TCO has invested over \$1.8 billion to fund social projects and programs in the Atyrau Oblast for the community and employees.



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- In 2019, TCO has budgeted \$25 million for Egilik social infrastructure program, the majority of which will be spent for construction of kindergartens, schools and other social facilities in Atyrau Oblast.
- In 2019, TCO's Community Investment Program has over \$1 million in projects planned to help improve the quality of health, education and develop social entrepreneurship in Atyrau Oblast.

## **Future Growth Project - Wellhead Pressure Management Project**

### *General Information*

- In 2016, TCO Partners announced approval for the final investment decision of the Future Growth Project - Wellhead Pressure Management Project (FGP-WPMP), the next major expansion of the Tengiz oil field.
- Based on TCO's highly-successful SGI/SGP expansion project, FGP will expand production by approximately 12 million tonnes per year/260,000 barrels per day to about 39 million tonnes per year/850,000 barrels per day.
- WPMP will keep the existing Tengiz plants full by lowering the flowing pressure at the wellhead and then boosting the pressure to the inlet requirements of the six existing processing trains.

### *Kazakhstani Content*

- More than 48,000 Kazakhstanis working on FGP-WPMP in country, which is 91 percent of the total project workforce in Kazakhstan.
- TCO has engaged Kazakhstani entities to participate in FGP-WPMP in engineering, procurement and fabrication services and has pre-screened over 2,200 Kazakhstani companies and pre-qualified more than 1,800 companies. FGP-WPMP KC Spend since project start totaled \$6.7 billion.

### *Project Progress Worldwide*

- Engineering progressing is more than 90 percent complete.
- The main FGP-WPMP equipment is being fabricated in Kazakhstan, South Korea and Italy, and pre-assembled into modules for transportation to Tengiz for final installation and assembly.
- Pre-assembled pipe-racks (PARs) are under erection at ERSAL's fabrication yard in Kazakhstan. 51 PARs were delivered to Tengiz to date.
- All 5 Gas Turbine Generators successfully sailed away from Avenza fabrication yard in Italy.
- Fabrication of modules continues in South Korea. 34 modules sailed away from Korean fabrication yard to date.

### *Project Progress in Tengiz*

- In Tengiz, General Services Team continues providing all critical services.
- Construction of Integrated Operations Control Center (IOCC) is progressing. IOCC will provide central operating/control center for all of Tengiz.
- Control and Power: Core Substation progressing towards mechanical completion and readiness for energization.
- Gathering system is progressing towards HP Early Oil.
- Mechanical, electrical and instrumentation works continue at 3GP.
- 3GI is progressing with PAR installation.