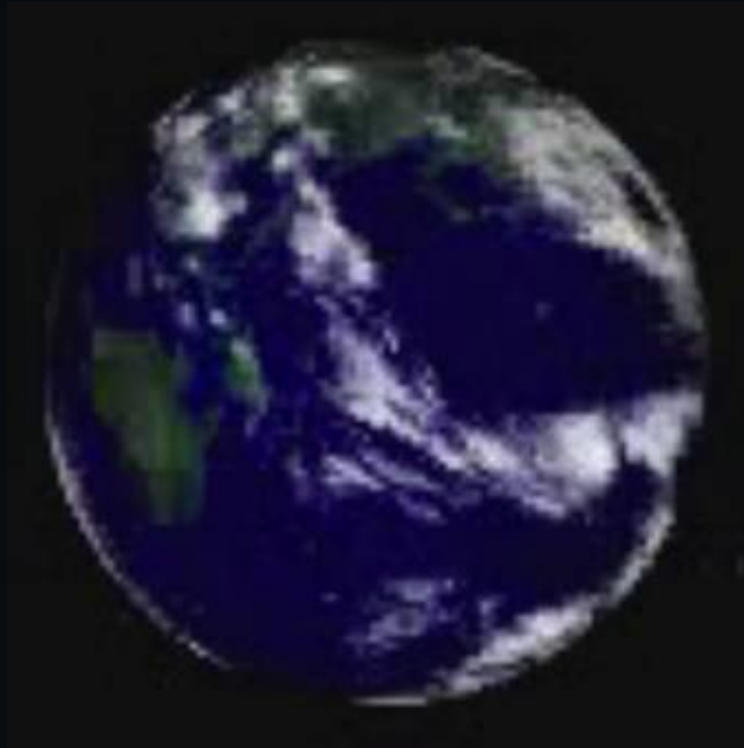


# **BP And Methane Control**



**Methane to Markets Conference  
November 2004**

# Exploration and Production Overview



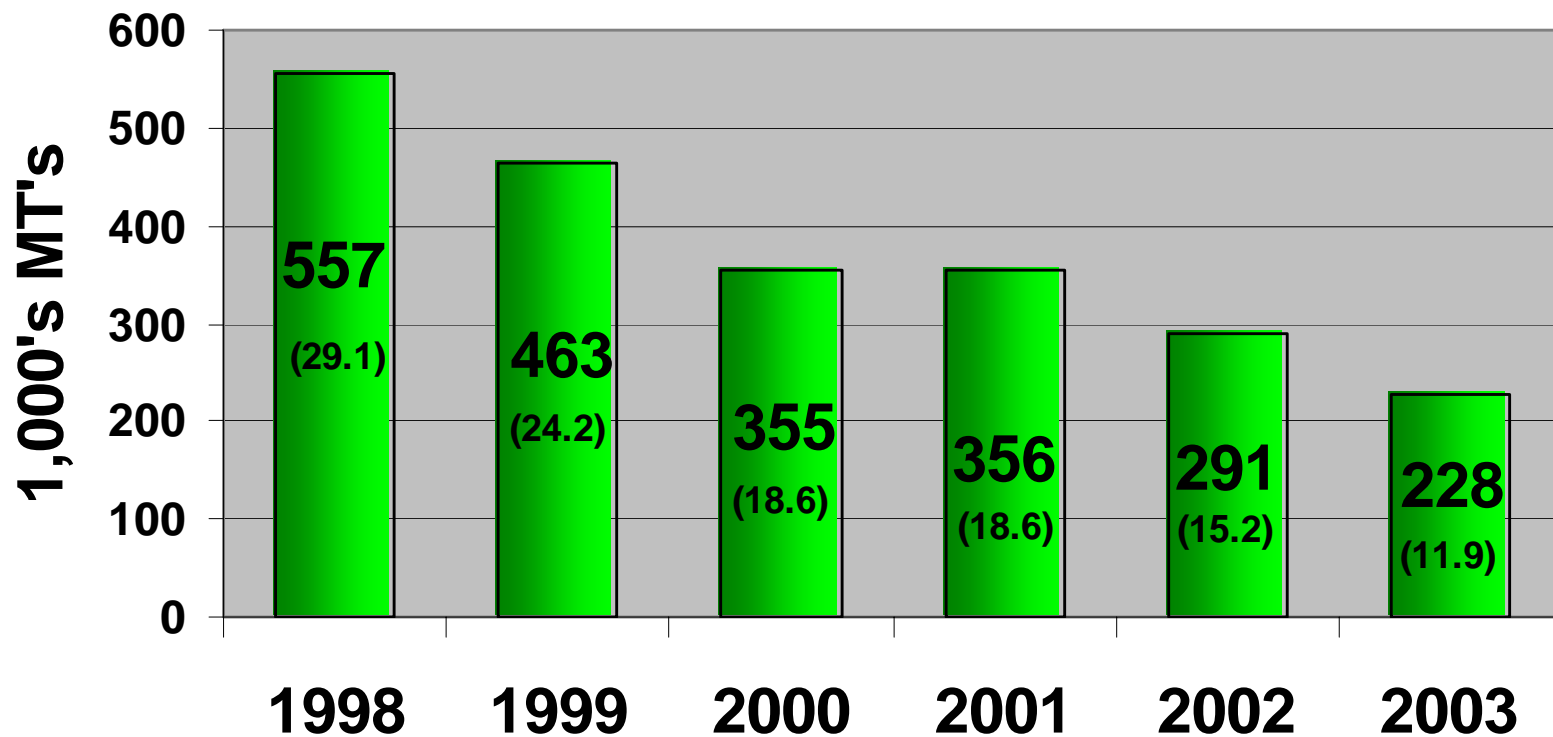
# BP's Climate Change Position

**“If we are all to take responsibility for the future of our planet, then it falls to us to begin to take the precautionary action now”**

**“The oil industry has the ability and the responsibility both to contribute to the debate and to take a leadership position by showing that it can make a constructive contribution to the solution”**

# Methane Emissions Overview

## BP Operated Methane



- **59% Reduction in Methane Emissions**
- **North America, Trinidad, Indonesia  
Egypt, Southern Cone, North Sea**

# Current Examples

- **Trinidad**
  - **Compression Sizing and Control Optimization**
- **Southern Cone**
  - **Well Testing Procedure Changes**
- **North America**
  - **Pneumatic Device Replacements**
  - **Well “Liquid Unloading” Controls and Automation System**

# Current Examples

- **Egypt**
  - **Flare Repairs and Upgrades**
  - **Low Pressure Gas Recovery**
- **Indonesia**
  - **Re-routing of Vent Gas to Flare**
  - **Pneumatic Device Replacements**
  - **Optimization of Glycol Stripping Gas Volumes**

# Value and GHG Reductions

**GHG Emissions = What We Use & What We Lose**

**Reductions = Less Impact; More Sales & \$\$;  
Less Cost**

- **Essentially Efficiency Improvements**
  - **Reductions in the Energy We Use**
  - **Reducing Loss through Flaring and Venting Control**
- **Efficiency = Lower Impact/ Cost Reduction/  
Product Sales**

# Enablers for Gas Use

Key Elements:

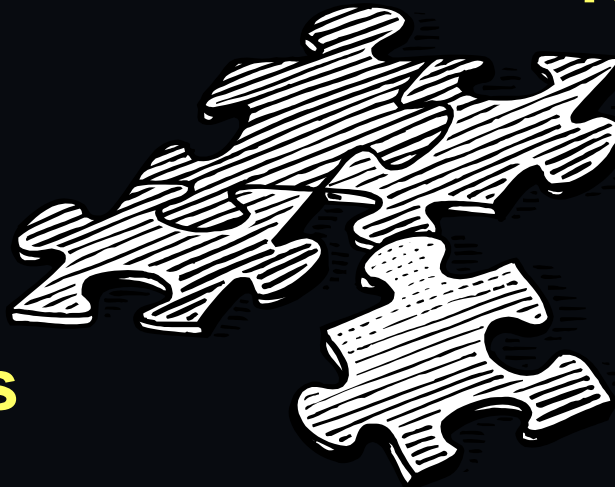
## Value Proposition Incentives

- Gas Value Established
- Producers Recover Value

## Reserve Size and Duration

## Regulations and Governanc

- Enabling Legislation in Place
- Contract Law Observed
- PSC's Include Gas



## Market Access

- Long Term LNG Sales Contracts
- Long Term Government Commitment

## Capital Funding

- Governments and Partner Companies
- Lending Institutions

## Infrastructure Resources

- LNG Plants and Facilities
- Generation Facilities
- Industrial Users
- Gas Pipeline Infrastructure



# Methane Reduction

## The Path Forward

### Challenges and Opportunities



### The Path Forward

- **Clearly understand the problem, barriers to solutions, and opportunities.**
- **Continue current efforts for loss reduction.**
- **Enable and participate in Research and Development and Technology Sharing.**
- **Establish a forum for open and transparent dialog and actions.**
- **Engage all parties to create value/commercial incentives to emissions reduction.**