



An exclusive interview with Mr. D.TAKHERIST, Exploration Manager Division

**EXPLO News: With eight (08) discoveries for this year, alone and in a partnership, the assessment of exploration is very satisfying. What are your comments about it?**

**D. Takherist:** Beyond the number of discoveries carried out, which is in itself sufficiently revealing, it is important to underline the quality and the situation of these discoveries. New zones and plays are thus displayed and will be developed. This is the consequence of the intensification of the exploratory effort, the qualification and experience of our experts and the approach adopted during last these five years.

**EXPLO News: The number of signed contracts in exploration does not cease increasing, and for this year eight (08) contracts of partnership over ten proposed blocks have been signed. How do you explain this growing interest to the mining area?**

**D. Takherist:** I think the reasons that motivate the companies' interest, a part from the mining potential, are the stability of the country, the rigour, the transparency and the credibility of the process as well as the quality of the partnership with Sonatrach. Sonatrach is a wished partner. Another significant factor which can explain this success: it is our capacity of listening and adaptation to the market's demand. At this stage, we have learned so much.

**EXPLO News: some time ago, the companies' interest was focused primarily on the mature or less risked basins, located at the South-east. Currently, even the under explored basins (frontier basins), as well as Bechar, Gourara and Cheliff are coveted. Can we say that whole of the Algerian mining area becomes more attractive?**

**D. Takherist:** The whole of the mining area is attractive, even if we can classify the basins differently. I think that the effort that we carried out since the beginning of the 90s and especially in 2000, made it possible to open new plays, to prove the prospectivity of some basins and mitigate the exploratory risk; this allowed to open up all the South-west, with all the projects in partnership signed since 2001. For the other areas, like the atlasic or the tellian, we focused our efforts on the Sud Constantinois, this has allowed to show its prospectivity and its interest. We are turning towards the North-West and the West, and that is how we

can drain the partnership. There is a risk to take ourselves on our own.

❖ **NEW PLAY**

**HAMRA QUARTZITE & EL ATCHANE SANDS** In Berkaoui region

A new play (HAMRA QUARTZITE & EL ATCHANE SANDS) display the positive results in deep BERKAOUI wells (BKP-1 = 7 m<sup>3</sup>/h & BKP-2 = 16 m<sup>3</sup>/h)

This result confirms the presence of an important oil accumulation under actual Triassic field.

This new potentiel will increase the reserves in Berkaoui region.

❖ **IDEAS**

**New project « Frontier basin »**

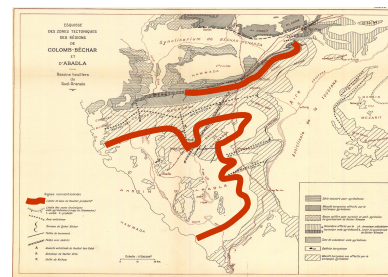
The Exploration division will launch a project on the Taoudenni basin. a workshop is expected to draw up an assessment of the completed synthesis work, and to define the future actions on this basin of which the part covering the own territory has a surface of 110 000 km<sup>2</sup>.

The Taoudenni basin which is located in the Southwest of the Algerian Sahara has a total surface of 1 500 000 km<sup>2</sup> and extends on several frontier countries of which mainly, Mauritania and Mali.

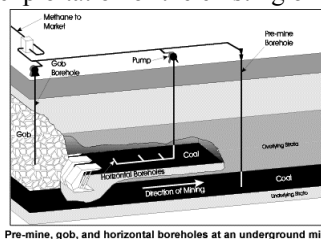
A request for prospect permit will be introduced to the Ministry for Energy and the Mines.

**Methane extraction from the coal seams**

The oil exploration of gas hydrocarbons does not stop with the conventional methods. Other methods, known as not conventional allow the extraction of methane starting from the coal seams. In the United States, the exploitation of this type of gas reached the stage of negotiability.



Considerable progress was made in the extraction of this gas, either by vertical drilling of the deep coal veins, or directly by the exploitation of the existing or disused mines.



The coal resources, are estimated at 110 million tons for all the

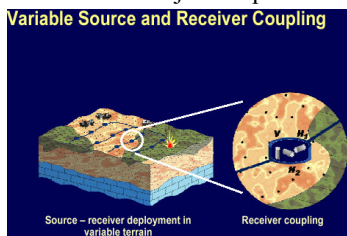
In Bechar basin, in Algeria, the presence of a whole carboniferous province could offer an excellent opportunity for the exploration of a gas potential of the carbonaceous levels. The

carbonaceous sites of the following basins: Béchar - Kenadza and Abadla.

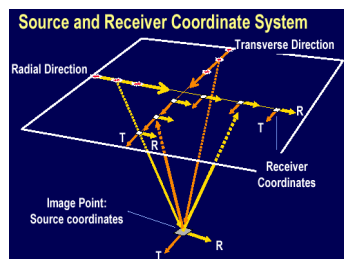
**Seismic with three (03) Components (2D3C) « for the reservoirs characterization »**

A new seismic with 3 components has been just acquired on the Touat perimeter in a partnership with Gaz de France.

The objective of this technique, used for the first time, is the characterization of reservoirs of Cambro-ordovician of which the average depth is of 2000m.



The principle of this method consists in the exploitation of the properties of the waves " S " in combination with the waves " P " to improve the imagery through the presumed chimneys of gas, the lithological reservoirs characterization and to measure the direction of the natural fracturing.



The treatment is currently in the process of finalization and the results are promising.

This technique can be applied to the Emsian and Tournaisian / Strunian reservoirs, very variable in the Southwest basins

**❖ HEALTH, SAFETY & ENVIRONMENT**

**SONATRACH / Exploration (DXP) HSE Policy**

SONATRACH/Exploration (DXP) believes that everyone benefits from a safe and healthful work environment. We are committed to maintaining an injury – free and illness – free work place, and to complying with applicable laws and regulations governing work place safety, health and environment.

To achieve this goal the company has adopted a health, safety and environment (HSE) program.

This program is every one's responsibility as we work together to identify and eliminate conditions and practices that reduce the benefits of a safe and healthful work environment.

**Responsibility**

All employees are accepted to work conscientiously to implement and maintain the HSE program, the program administrator has the authority and responsibility for implementing the provisions of this program. Any questions regarding the program should be directed to the program administrator.

**Senior management**

Senior management must set policy and provide leadership by participation, example, and a demonstrated interest in the program.

Responsibilities include:

- Developing policy
- Allocating adequate resources
- Ensuring responsibility
- Reviewing and evaluating results

**HSE program Administrator**

The program administrator is responsible for ensuring that all provisions of the HSE are implemented.

**Organization and Responsibility**

The HSE structure plays an important role in DXP'S overall HSEMS. Its primary role is to advise management on HSE matters and provide assistance, as needed, in implementing all aspects of Exploration Division's HSEMS. The HSE structure also monitors HSE performance, recommends improvements to the HSEMS, and works with operations management to ensure that corrective steps are taken to eliminate hazards.

Director, HSE structure

The Director of HSE is responsible for implementing DXP's HSEMS. Additionally, the HSE Director is the liaison with the official bodies such as government departments and agencies. The HSE Director reports to the top management (The Director of DXP).

The HSE Director may delegate authority to expedite and facilitate any element of the HSEMS.

Essential Functions:

- ✓ Assists management in implementing DXP's HSE policies.
- ✓ Monitors the performance of the HSEMS to ensure its effectiveness, then improves it, as necessary.
- ✓ Sets HSE Department goals and objectives, then disseminates to all areas of operations.
- ✓ Establishes HSE auditing procedures.
- ✓ Compiles the necessary HSE records, logs, and reports, as necessary.
- ✓ Disseminates pertinent HSE bulleting and advisories.
- ✓ Travels to all crew locations, as required.