

INTERNATIONAL CONSTRUCTION CONSULTING, LLC

PROJECT MANAGEMENT TRAINING PLAN

A	10/23/05	Draft	FGL	
				Client Executive
REVISION NO.	ISSUE DATE	ISSUE DESCRIPTION	PREPARED BY	CLIENT APPROVAL

TABLE OF CONTENTS

PROJECT MANAGEMENT TRAINING PLAN

1. Scope.....3

2. Purpose / Objective.....3

3. Training Description / Protocol.....4

4. Additional Material and Programs.....4

5. Sample Training Matrix.....6

6. Module Descriptions / Topic Outlines:7

 5.1 Project Development / Business Planning.7

 5.2 Project Commitments and Appropriations.....7

 5.3 Organization.....7

 5.4 Technical Definition7

 5.5 Project Execution7

 5.6 Project Cost, Schedule Estimating and Control8

 5.7 Procurement8

 5.8 Independent Project Reviews.....8

 5.9 Management of Change8

 5.10 Reporting.....8

1. SCOPE

This Plan is applicable to all companies, including client and contractor, and personnel engaged in the upstream oil & gas development industry, especially those companies engaged in EPC (Engineering, Procurement, and Construction) projects trained by International Construction Consulting, LLC.

This Plan can be utilized by client companies who are looking to develop or joint venture on a project that involves not only an EPC contract but also all of the front end work to achieve the point of contracting for an EPC, including conceptual and system selections, contracting strategies, early design, FEED, etc.

This Plan can also be utilized by EPC contractors looking to satisfy world class client expectations and achieve early alignment.

While many concepts may be pertinent in part, this Plan is not directly applicable to other potential work areas including:

- Drilling
- Production Operations

2. PURPOSE / OBJECTIVE

The purpose of this plan is to identify the project management training required to ensure the Client/Contractor's Project Management Team have an understanding of the concepts involved in managing work/projects on small, medium and large upstream projects.

The purpose is to provide a framework to continuously improve project management capability and performance consistent with business needs by systematic application of best practices that ultimately provide the following:

- Better execution performance
- Less variation in results
- Single point description of management objective and expectations
- Clarity of organization roles, responsibilities, and interfaces
- Vehicle for communication, training and achieving project wide alignment
- Basis for continuous improvement (common work processes, metrics, and lesson learned process).

The objective is to provide the Client's Project Management Team with the tools to ensure they are able to develop and manage any and all work activities engaged on their project and be able to assure that contractors are performing their contracted work activities, in a safe and co-ordinated manner in compliance with their contractual obligations and meet with the requirements of the Client's Project Management System¹ as a minimum.

The goal of the plan is not to make people competent project managers, but it is constructed to raise awareness, provide tools, guidance, ideas, and concepts. Additional competency training can be conducted as a follow up exercise.

¹ If a Project Management System does not exist, International Construction Consulting, LLC can develop a system and tailor it, based on the principles outline here, for each individual client and their associated needs.

3. TRAINING DESCRIPTION / PROTOCOL

The project management training modules are based on the International Project Management System (IPMS) developed by International Construction Consulting, LLC and represents the product of an initiative that started many years ago and has resulted in a total project management system, that when used in conjunction with International Construction Consulting, LLC's Construction Managers Handbook, as well as the Surveillance Programs provide a complete resource tool for the project and construction management of upstream EPC projects, both domestically and internationally.

The IPMS utilizes a phased approach whereby as project is broken down into five major phases:

- Conceptual
- FEED
- Detail Design
- Execution
- Start-up and Commissioning

Each phase has a set of minimum deliverables that are required and those deliverables are matured throughout the project timeline providing consistency across the project phases. There also exists metrics and a formal process to move from phase to phase thus assuring that each previous phase is matured to the proper level prior to moving into the subsequent phase.

The system has been designed to provide a common framework that should be followed for all upstream oil and gas projects. It also includes a mechanism to continuously improve project management capability and achieve performance consistent with business needs by the systematic application of best practices.

The sample training matrix provided on page 6 identifies key project management modules relating to the broad scope of project activities and the project personnel required to attend.

Most modules are approximately 2 to 4 hours in duration. Some modules, such as Technical Definition or Project Execution are approximately 1 to 2 days in duration (per module).

As an additional service, a comprehensive Project Management Manual can be provided that is based upon the project management training modules and ties in all of the processes.

4. ADDITIONAL MATERIAL AND PROGRAMS

International Construction Consulting, LLC also has a number of additional programs available to assist in putting together a complete project management program, including the following:

- Construction Manager's Handbook
 - Construction Planning
 - Execution Planning
- Engineering Surveillance Program (includes Project Quality Plan)
 - Engineering Assessment Plan
- Procurement Surveillance Program (includes Project Quality Plan)
 - Procurement Assessment Plan
- Construction Surveillance Program (includes Project Quality Plan)
 - Construction Assessment Plan

Training and follow up is available for all of the above Plans & Programs. Used in conjunction with the project management training, the above programs and their associated process can be used as a comprehensive roadmap to fully managing integrated upstream oil & gas projects from the conceptual stage through to start-up and commissioning.

5. SAMPLE TRAINING MATRIX

PROJECT MANAGEMENT TRAINING MATRIX

POSITION	PD	PC	O	TD	PE	PCS	P	IPR	MC	R
Project Executive	M	M	M	M	M	M	M	M	M	M
Project Manager	M	M	M	M	M	M	M	M	M	M
Site / Construction Managers	R	*	M	R	M	R	R	M	M	M
Engineering Managers	R	*	M	M	R	R	M	M	M	M

MODULES

PD = Project Development / Business Planning
 PC = Project Commitments and Appropriations
 O = Organization
 TD = Technical Definition
 PE = Project Execution
 PCS = Project Cost, Schedule Estimating, and Control
 P = Procurement
 IPR = Independent Project Review
 MC = Management of Change
 R = Reporting

NOTES - GENERAL

M = Mandatory. * = As required
R = Recommended

6. MODULE DESCRIPTIONS / TOPIC OUTLINES:

5.1 Project Development / Business Planning.

This module includes coverage of the following sub-modules:

1. Project Objectives & Strategies
2. Project Economics
3. External Affairs

5.2 Project Commitments and Appropriations

This module includes coverage of the following sub-modules:

1. Project Commitment
2. Project Appropriation
3. Re-Appraisals

5.3 Organization

This module includes coverage of the following sub-modules:

1. Project Organization Plan
2. Project Team Performance
3. Personnel Training and Career Development

5.4 Technical Definition

This module includes coverage of the following sub-modules:

1. Project Development and System Selection
2. Preliminary Design
3. Design Basis Memorandum (DBM)
4. Project Design Specifications
5. Constructability
6. Risk Assessments / HAZOP's

5.5 Project Execution

This module includes coverage of the following sub-modules:

1. Lessons Learned and Lessons Learned Applications
2. Project Execution Planning
3. QA/QC Program
4. Safety
5. Information Management
6. Regulatory Compliance
7. Detailed Design
8. Fabrication, Installation, and Construction
9. Commissioning and Start-Up
10. Issues Identification and Management Plan

5.6 Project Cost, Schedule Estimating and Control

This module includes coverage of the following sub-modules:

1. Cost Estimate, Schedules, and Data Collection
2. Project Controls

5.7 Procurement

This module includes coverage of the following sub-modules:

1. Contracting and Contracting Strategies
2. Contracting Work Breakdown Structures
3. Purchasing
4. Materials Management

5.8 Independent Project Reviews

This module includes coverage of the following sub-modules:

1. Independent Review at Pre-Definition
2. Independent Review at Pre-Detailed Design
3. Independent Review at Pre-Construction
4. Independent review at Pre-Start-up

5.9 Management of Change

This entire module covers the topic of Management of Change

5.10 Reporting

This module includes coverage of the following sub-modules:

1. Progress reporting
2. Project Timeline Review Reporting
3. Close-out Reporting