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15th Anniversary of Oil Exports



Abu Dhabi Marine Operating Company
(ADMA-OPCO)

"Important events are not always appreciated at the time they occur and such were the efforts that heralded the discovery and exports of oil in 1962 which turned the desert land of Abu Dhabi into a bustling modern welfare State within the space of fifteen years. During this period Abu Dhabi has made remarkable progress in the fields of social, economic and political developments. Likewise, the Company has witnessed significant changes: its production increased from a modest initial level of 30,000 barrels per day to over half a million barrels daily, its operations expanded to cover three producing fields and its identity as operator changed from that of a UK-registered Company into an Abu Dhabi-incorporated Company with a national majority shareholding. Consequently the Company's original name, Abu Dhabi Marine Areas Limited or ADMA for short has been changed to Abu Dhabi Marine Operating Company known in its abbreviated form as "ADMA-OPCO".

In celebrating the 15th Anniversary of the first shipment of crude oil it is appropriate to pay special tribute to the pioneering efforts that led to the discovery and export of oil and to acknowledge the cooperation received from His Highness Shaikh Zayed Bin Sultan Al-Nahyan, President of the United Arab Emirates and Ruler of Abu Dhabi; also to record management appreciation of the devotion and diligence shown by the Company personnel at all levels which contributed to the successful achievements during the past fifteen years."



Alan J. Horan

Cover: The 35,000-ton BP tanker "British Signal" sailing away from Das Island with Abu Dhabi's first shipment of crude oil (1962).

UAE
350,000
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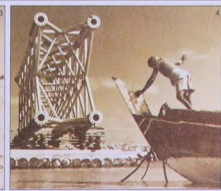
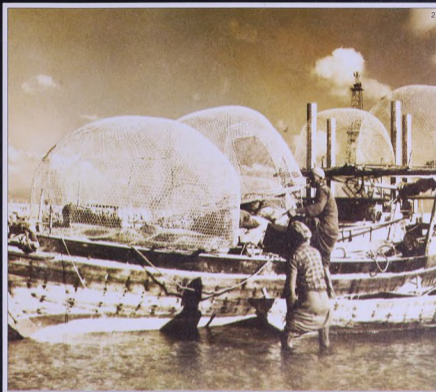
His Highness Shaikh Zayed Bin Sultan Al-Nahyan, President of the United Arab Emirates and Ruler of Abu Dhabi

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On 4th July 1962, a British tanker pulled away from her moorings at Das Island and headed eastward with her cargo to open a new chapter in the history of Abu Dhabi.

The tanker was carrying the first shipment of Abu Dhabi crude destined for the world's markets, an event signalling the start of vast and overwhelming changes which have transformed the Emirate from a simple community of bedouins and fishermen to a major oil producer enjoying the benefits which oil alone could bring.

The 15th anniversary of this momentous event coincides with developments which have led to the creation of a new Abu Dhabi-based company. Named Abu Dhabi Marine Operating Company (ADMA-OPCO), it has replaced the London-registered Abu Dhabi Marine Areas Limited as operator. The changes in the identity and structure of the Company, in fulfillment of a series of amendments to the original concession agreement, symbolise the end of an era which began almost a quarter of a century ago.



1. Supplies and provisions used to be sent to Das Island by dhow.

2. Fishing boats at Das Island. ADMA Enterprise appears in the background while being prepared to commence drilling of the first well in Umm Shaif (1958).

3. Abu Dhabi coastline where the Corniche now exists.

4. Wellhead tower at Das awaiting shipment to the field.

Abu Dhabi Marine Operating Company
ADMA-OPCO

In those bygone days, an

Englishman journeyed regularly to Abu Dhabi seeking a concession to search for oil. His talks with the Ruler of the empty desert Sheikhdom were arduous but tough and dragged on for two years before they came to a successful conclusion. On 9th March 1953, a deal was struck and the Ruler put his signature to a small document which committed his people to a new life. The document granted a British company, D'Arcy Exploration, the right to explore 30,370 square kilometres of seabed in Abu Dhabi's Continental Shelf.

Two years later, D'Arcy Exploration assigned its rights, privileges and obligations to an operating company – Abu Dhabi Marine Areas Limited (ADMA), jointly owned by BP Exploration Company Limited and Compagnie Francaise des Petroles.

Like most historic documents before it, the original Concession Agreement has undergone several changes and amendments since its formulation in 1953.

In 1966 the Government's income which hitherto had been calculated on a royalty basis was changed to one of royalty and profit sharing at 50% of profits arising of ADMA's operations. The move came under a supplemental agreement between the Company and H. H. Shaikh Zayed Bin Sultan Al-Nahyan who had succeeded his brother as Ruler of Abu Dhabi earlier that same year. The supplement also provided for the relinquishment of concession areas equal in aggregate to 15% of the unproven areas once every three years. By 1975, a total of some 13,000 square kilometres had been relinquished. A further supplemental agreement in 1971 raised the Ruler's income to 55%.



Subsequent developments, however, progressively increased the Government's income. A new agreement known as the General Agreement on Participation, has eventually raised the Government's shareholding in the ADMA concession to 60% handed by the state-owned company – Abu Dhabi National Oil Company (ADNOC).

1. Old Abu Dhabi barasti houses where high rise buildings now stand (1962).

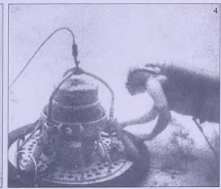
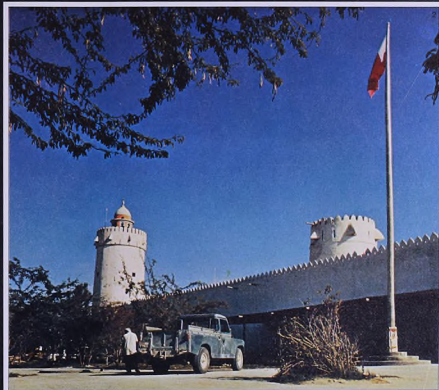
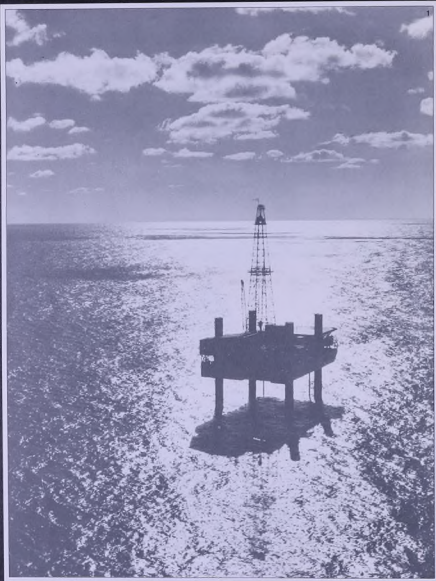
2. An aerial view of old Abu Dhabi. The Ruler's old palace is seen in the foreground (1966).

3. Work barge ADMA Constructor working on the original collector platform in Umm Shaif field (1972).



150th Anniversary
1953-2003

The signing of the 1953 Concession Agreement was immediately followed by concentrated efforts to locate a likely spot where oil could be found. Teams of skin divers fathomed the deep and combed the seabed in search of a sign. After two years of surveys, tests and more surveys, the spot was chosen – a typical anticline structure called Umm Shaif, about 50 kilometres north-east of Das. At the same time, a special drilling platform built in West Germany was towed the 7,000 miles to Das to drill the Company's first well, Umm Shaif One. Seventy two days later, at 5,500 feet, more than a mile below seabed, oil was found. After subsequent tests had proved the structure was oil bearing in commercial quantities, a decision was made early in 1960 to go ahead with plans to develop the field for production. The problem of collecting oil from sea wells is a more complex operation than the arrangements necessary when dealing with an onshore field. Hence, the decision to develop Umm Shaif involved considerable construction work on the site itself and on Das which had been selected as the base for the Company's marine operations.

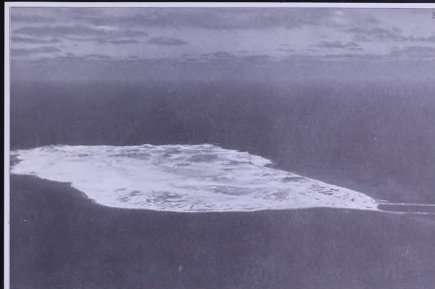


1. ADMA Enterprise drilling the first well in Umm Shaif field (1958).
2. The old fortress of Abu Dhabi previously used as the Ruler's official residence. The original concession agreement was signed here.
3. Divers taking rock samples from the sea-bed.
4. A diver placing submarine gravimeter on the sea-bed.

ADMA Enterprise
The Original Concession Agreement

On Das, a small barren island, only 1½ miles long and half a mile wide, an industrial settlement had to be built and supplies and materials, from bread to bulldozers, had to be imported. A landing craft was brought from the UK to form the nucleus of a transport fleet for the thousands of tons of equipment and supplies needed for the enterprise. In the early stages, even drinking water had to be imported by dhow from Bahrain, a distance of 170 miles. Work went on day and night, and gradually, a harbour, airstrip and living quarters complete with the necessary utilities and support services, including power and water distillation plants, were erected.

Bulldozers and other giant earth moving machines inched their way through rocky terrain to make room for oil installations – production plants, workshops, storage tanks and deep sea berths. Today the Island, where space is at a premium, is a congested industrial complex, including a new LNG Plant owned and operated by Abu Dhabi Gas Liquefaction Company (ADGLC). The 500 million dollar plant is designed to process ten different streams of associated gas separated from oil in the surrounding offshore fields. On the other side of the Island, modern living accommodations complete with clubs, cinemas, messing and sports facilities have replaced the old barastis and dormitories.



1. Construction of Das Island jetty (1957).
2. Preparation on Das before oil production.
3. An aerial view of Das Island in 1957.
4. Part of the Zakum Processing Plant on Das Island (1976).
5. The LNG Plant on Das Island is supplied with gas from Umm Shaif, Zakum and Bunduq oil fields (1977).

Parallel activity was taking place offshore. In Umm Shaif more wells were drilled and the necessary submarine pipelines installed to take the oil to Das. Production at the planned rate of 30,000 barrels per day in the initial two-year phase was achieved on target. By 1964, the field's productive capacity doubled to over 60,000 b/d. The upward curve was maintained throughout the '60s and, by the end of 1976, Umm Shaif production reached the 260,000 b/d mark. Meanwhile, surveyors continued to probe the seabed and soon they came upon the next most promising formation, the 910-square kilometer Zakum structure which lies halfway between Das and the Mainland. In April 1963, Zakum One was spudded in and three months later oil was found in enough quantities to justify commercial development of the field. Production from Zakum, which is the larger of ADMA's two fields, commenced in October 1967 at the rate of 53,000 b/d. It continued to leap upward and by 1973 it hit the peak production level of 305,000 b/d before levelling off to the present rate of about a quarter million barrels. Today, a third field, Bunduq, equally owned by Abu Dhabi and Qatar, is operated by ADMA-OPCO on behalf of the Bunduq Company Limited. Production from Bunduq started in November 1975 at the rate of 10,000 b/d. But after a period of intermittent interruptions caused by the special characteristics of the field and its crude, production gradually reached its rated capacity of 30,000 b/d.



1. A recent aerial photograph of Das Island (1977).
2. Aerial view of the Zakum collecting complex (1973).
3. Central platform of the Zakum collecting complex where the first stage of oil/gas separation takes place (1973).
4. The Bunduq Processing Plant on Das (1976).

Today, 35 kms northeast of Das, a towering steel structure rises majestically from the blue waters of the Gulf, providing pressure support necessary to permit a significant increase in the rate of production from the Umm Shaif field. Completed in 1976 at a cost of over 200 million dollars, the Umm Shaif Supercomplex also serves as an operating centre for the Company's oldest field. The water treatment unit, one of seven platforms making up the Complex, has an initial capacity of 500,000 barrels of water per day to be increased to 700,000 bwpd in 1978. The six others comprise accommodation, power generation, gas well and riser platform. The gas well unit serves as a standby supply for the LNG Plant on Das which went on stream early in 1977.

The Umm Shaif Supercomplex is supplied with ten tons of fresh provisions on a fortnightly basis from ADMA's Supply Base on Sadiyah, a small island turned into an industrial base only 15 minutes by dhow from the Mainland. Other food rations, spare parts and chemicals for the water injection and gas treatment plants are ferried to the Complex by a supply vessel specially refitted for this role.

A similar water injection scheme for Zakum is due for completion in 1978.



1. The Umm Shaif Super Complex (1977).

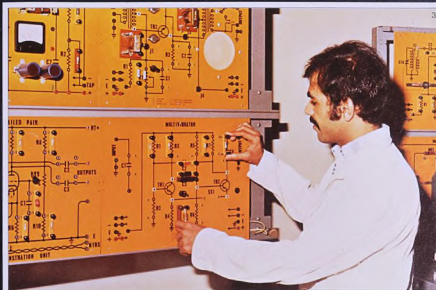
2. Water injection facilities at Umm Shaif Super Complex, with the power generation platform in the background (1977).

3. Control Room at the Umm Shaif Super Complex.

4. Dining Room at the Super Complex.

As operations have developed and expanded, so has training, an activity which was initiated in 1959. To cope with the steady rise in the number of suitable applicants and the wider scope of posts to be filled, a new training/hostel complex, jointly sponsored by ADMA and ADGLC was completed in 1976. Offering a flexible approach to training, the new centre allows an apprentice to develop to the maximum of his potential, while trainees with suitable abilities are sent abroad for further training and education. Along with the training scheme, an 'Arabisation' programme was vigorously pursued to try and hire as many skilled people as possible from Gulf and other Arab countries, and the number of Arab nationals in the Company's employment continues to rise steadily.

These developments and expansion on Das and other offshore oil centres correspond with the equally important developments taking place in Abu Dhabi and the UAE where a modern industrial state is being created.



1. An ADMA Trainee at the Company's Training Centre in Abu Dhabi.

2. Mohammed Ali Saeed studying electrical engineering at a UK university under arrangements made by ADMA.

3. ADMA Trainee, Saleh Al-Marzooqi, undertaking Engineering studies at Neath Technical College, UK.

4. The Umm Shaif Club at Das Island.

ADMA
Abu Dhabi Marine Operating Company

With the onset of the 4th of July 1977, the 15th anniversary of the great milestone in the history of ADMA and Abu Dhabi, the era of pioneering days and of early development and expansion is drawing to a close. Today, the company and the country stand on the threshold of a new horizon which only the future can unravel.



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Designed by Fitch & Company
United Arab Emirates



Significant dates

9 March 1953
His Highness the Ruler of Abu Dhabi granted a concession to D'Arcy Exploration Company for the exclusive quest for oil in the offshore area of Abu Dhabi.

18 May 1954
ADMA was formed as a Joint Anglo-French undertaking to operate the concession. BP owned two thirds of ADMA and CFP one third.

14 December 1954
The First Seismic Survey was started.

22 March 1955
The Concession was transferred to ADMA.

April 1955
Das Island was selected as a base for the Company's operations offshore.

14 January 1958
The first well to be drilled by the Company was spudded in at Umm Shaif.

11 June 1962
Production from Umm Shaif commenced.

4 July 1962
The first cargo of Abu Dhabi crude produced from Umm Shaif field was carried by the tanker "British Signal".

15 July 1963
Oil was discovered in the Zakum field.

10 January 1967
The Company relinquished 4416 square kilometres of the concession area in accordance with the 1966 relinquishment agreement with the Government.

2 November 1967
The Tanker "Sea Breeze" loaded the first shipment of crude oil produced from Zakum field.

10 October 1969
A further concession area of 3150 square kilometres was relinquished.

22 July 1972
The Single Buoy Mooring (SBM) built in deep water to accommodate Very Large Crude Carriers (VLCC) was commissioned.

10 October 1972
The Company made a further relinquishment under the 1966 agreement, when it relinquished 2820 square kilometres.

1 January 1973
The Government of Abu Dhabi acquired 25 per cent interest in the Company's concession in accordance with a participation agreement signed on 20 December 1972.

11 April 1973
The first cargo of participation crude left the Das Island terminal.

17 October 1973
Shipment of the 2,000th cargo of ADMA crude.

4 December 1973
Inauguration of construction of the Abu Dhabi Gas Liquefaction Company LNG Plant on Das.

1 January 1974
Abu Dhabi's interest in the Company's concession rose to 60 per cent in accordance with an agreement signed on 13 September 1974.

10 October 1975
Another relinquishment of 2325 square kilometres was made by the Company bringing the total area relinquished to date to 12,711 square kilometres.

15 July 1976
1,000,000,000th barrel exported from Das.

October 1976
The Umm Shaif Super Complex was commissioned.

2 April 1977
Signing of the Participation Implementing Agreement.

4 July 1977
15th Anniversary of oil exports.

