

## **Exhibit 103**

**STEP – Individual Performance and Development Self Appraisal**

Employee Name: Christopher J. (Chris) Varley		SP/Employee Number: CV777340	Title: Team Leader – Bonga Integrated Studies Team
Company: Shell Deepwater Services		Team Name: Bonga Integrated Studies Team (BIST)	
Review Period: From: January 2002	To: December 2002	Sponsor Name: Barry Knight	

**I. SELF ASSESSMENT**

**A: Task and Targets**

Goals: <i>Summarize the tasks and targets you and your sponsor have agreed you will accomplish during the review period.</i>	Evidence of Achievement: <i>Summarize progress toward goals.</i>
<ul style="list-style-type: none"> <li>• Day to day management of the Bonga Integrated Studies Team (BIST) in SDS in Houston</li> <li>• Day to day liaison with the other SDS Bonga Team Leaders in Lagos and New Orleans</li> <li>• Interface with SDS to resource the BIST-Houston</li> <li>• Ensure the members of the team work in an efficient and effective manner, and “lead by example” regarding desired team behaviors</li> <li>• Clearly define the objectives of the BIST-Houston</li> <li>• Co-ordinate with the team the development of integrated work plans consistent with the Project Objectives</li> <li>• Ensure that all deliverables are developed in-line with the Cost, Time and Resources (CTR) documents which define the work scope</li> <li>• Ensure that the Year 2002 deliverables are produced on time, within budget, and to the required quality</li> <li>• Make decisions regarding the Bonga Project within the boundaries and authorities set by the Bonga Integrated Leadership Team</li> <li>• Ensure the subsurface aspects of the project are fully optimised to maximise the full life cycle value of the Bonga Project.</li> <li>• Promote full integration of subsurface and surface aspects of the project to meet project objectives, and sponsor technical reviews where-ever appropriate</li> <li>• Participate as a member of the Bonga Integrated Leadership Team (BILT)</li> <li>• Interface between the Bonga Integrated Leadership Team (BILT) and members of the BIST and SDS in Houston</li> <li>• Openly and honestly share all knowledge of events and activities outside the BIST-Houston that might impact the work of the team or its ability to meet its goal.</li> <li>• Make presentations both within Shell and outside Shell to promote Bonga and Shell Deepwater Services</li> <li>• Ensure that the BIST complies with all applicable requirements of the SDS HSE Plan consistent with the SDS HSE Management System</li> <li>• Actively share Bonga Best Practices and key learnings throughout SDS and the Shell Group</li> </ul>	<ul style="list-style-type: none"> <li>• Provided very effective day-to-day team management as evidenced by team performance and reputation.</li> <li>• With other SDS Bonga Team Leaders, provided integrated technical and project management services from SDS to SNEPCO. Customer feedback in 2002 was very positive.</li> <li>• Clearly defined the BIST objectives for 2002 and framed the integrated workscope into CTRs (~\$12 MM) which were approved by SNEPCO.</li> <li>• Year 2002 deliverables were delivered on time, under budget and were very high quality, meeting the high expectations of SNEPCO and their Partners. Deliverables and outcomes included:                         <ul style="list-style-type: none"> <li>• 6 Bonga Development Well plus 2 IFO Well Proposals</li> <li>• 3 Bonga Completions Proposals</li> <li>• Operational support for 7 successful Bonga Development Wells (incl. IFO appraisal) and 2 successful Bonga Completions including first Nigerian Deepwater Horizontal Well (3400 ft)</li> <li>• 10 End Of Well Reports</li> <li>• Bonga reservoirs encountered largely as expected with remarkably accurate predictions for the 702 reservoir (confirming Bonga STOIP of 1.5 billion bbls)</li> <li>• 10 of 19 IFO reservoirs now penetrated with Proven (and Audited) IFO Reserves of 190 MM bbls</li> <li>• Wells delivered \$12 MM under PSE budget excl. IFO appraisal, and \$4 MM under PSE budget incl. IFO appraisal</li> <li>• No LTIs for 12 months</li> <li>• Developed and got approval of MoC 114 for the formal adoption of Bonga FDP Rev 5:                                 <ul style="list-style-type: none"> <li>• CAPEX \$2105 → \$2150 MM (+\$45 MM)</li> <li>• Reserves 579 → 689 MM bbls (+110 MM bbls)</li> <li>• NPV \$1059 → \$1280 MM (+\$221 MM)</li> <li>• UTC 8.01 → 6.68 (-1.33)</li> <li>• VIR 0.61 → 0.72 (+0.11)</li> </ul> </li> <li>• Completed the Bonga IFO Feasibility Study and successfully passed VAR 2 (with 8 “Excellent Processes” noted by the VAR Review Team)</li> <li>• Bonga de-bottlenecking with 10-30% potential production increase now widely accepted (SNEPCO, EPG, EPP, SDS etc)</li> </ul> </li> </ul>



**A: Task and Targets, continued**

<b>Goals:</b> Summarize the tasks and targets you and your sponsor have agreed you will accomplish during the review period.	<b>Evidence of Achievement:</b> Summarize progress toward goals
	<ul style="list-style-type: none"> <li>• <b>Bonga IFO Go-Forward Plan:</b> <ul style="list-style-type: none"> <li>• Incremental Reserves 182 MM bbls</li> <li>• Incremental NPV \$390 MM</li> <li>• UTC 7.83</li> <li>• Incremental VIR 0.97</li> </ul> </li> <li>• <b>Full IFO Economic Viability now established:</b> <ul style="list-style-type: none"> <li>• Incremental Reserves 484 MM bbls</li> <li>• Incremental NPV \$543 MM</li> <li>• UTC 7.72</li> <li>• Incremental VIR 0.45</li> </ul> </li> <li>• <b>Developed a comprehensive Bonga Reserves Overview which successfully pass the scrutiny of a 3<sup>rd</sup> Party Audit to SEC Standards (Bonga risked reserves potential 1115 MM bbls)</b></li> <li>• <b>Developed and received SNEPCO/SDS approval for a BIST Plan to support Bonga post first oil and over the long term</b></li> <li>• <b>Successfully transferred 4 Nigerian staff for operations training assignments in SEPCo</b></li> <li>• <b>Made presentations to promote SDS/Bonga both within Shell (e.g. EPG, EPP Director), and outside Shell (e.g. DPR Director, and NAPIMS GGM)</b></li> <li>• <b>Delivered the 2002 BIST HSE Plan including IFO Sustainability Workshop</b></li> <li>• <b>Actively shared Bonga Best Practices and learnings throughout SDS / Shell Group and Externally (e.g. 3 Best Practice presentations to EDP ELT and "The Leading Edge" article)</b></li> <li>• <b>Supported the successful development of the first phase of a full 3D Visualisation Model for Bonga</b></li> <li>• <b>Proposed and received SNEPCO buy-in for 2003 CTR workscope with value for SDS of \$12.7 MM</b></li> </ul>

**B: Behaviors**

<b>Goals:</b> Summarize the personal behaviors you wish to improve. These can be based on self-reflection, 360 feedback and/or other sources of feedback. See attached PLA Guidelines for a description of behaviors.	<b>Evidence of Achievement:</b> Summarize progress toward goals.
<ul style="list-style-type: none"> <li>• <b>CO-OPERATION:</b> <ul style="list-style-type: none"> <li>• Co-operation</li> <li>• Teamwork</li> <li>• Appreciating People</li> <li>• Valuing Diversity</li> </ul> </li> <li>• <b>STAKEHOLDER FOCUS:</b> <ul style="list-style-type: none"> <li>• Customer Focus</li> <li>• Stakeholder management</li> </ul> </li> <li>• <b>ENTERPRISING:</b> <ul style="list-style-type: none"> <li>• Commerciality</li> <li>• External focus</li> <li>• Business courage</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>CO-OPERATION:</b> <ul style="list-style-type: none"> <li>• <b>Have championed integrated multi-disciplinary team work approach in the BIST and promoted this in SDS. BIST is viewed as high performance team which models Best Practices for team work</b></li> <li>• <b>"The Bonga IFO Project is following due process (as documented in the OPMG) demonstrating excellent team work, excellent preparation and structured planning", VAR Review Team Nov 2002</b></li> <li>• <b>Successfully managed the departure of 6 team members and the arrival/integration of 12 new BIST team members</b></li> <li>• <b>Supported the successfully progression of 2 BIST team members (including a Nigerian secondee to JG 2)</b></li> <li>• <b>Always delegated authorities while away, giving 6</b></li> </ul> </li> </ul>

	team members the opportunity for leadership experience.
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**B: Behaviors, continued**

<b>Goals:</b> Summarize the personal behaviors you wish to improve. These can be based on self-reflection, 360 feedback and/or other sources of feedback. See attached PDA Guidelines for a description of behaviors.	<b>Evidence of Achievement:</b> Summarize progress toward goals.
<ul style="list-style-type: none"> <li>• <b>LEARNING AND CHANGE:</b> <ul style="list-style-type: none"> <li>• Innovation</li> <li>• Ability to learn and change</li> </ul> </li> <li>• <b>DELIVERY ON PROMISES:</b> <ul style="list-style-type: none"> <li>• Value Creation</li> <li>• Personal accountability</li> <li>• HSE and S</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Have developed good working relationships with key SNEPCO and SDS staff and co-operate well with them (e.g. Lewis, Thomas, Vleugel, Mcfadden, Leonard, Sears, Knight).</li> <li>• Have interfaced effectively with other Team Leaders in SDS and share Bonga Best Practices with them (e.g. Input to Bonga-SW Team, Erha Team, Brazil Team and Beast Team).</li> <li>• Initiated Level II Reward and Recognition for BIST for contributions to Bonga in 2002.</li> <li>• Promoted diversity in the team and regularly put this consideration into practice (external presentations by Nigerian staff).</li> <li>• Coached poor performers for 2002 performance improvement.</li> <li>• <b>STAKEHOLDER FOCUS:</b> <ul style="list-style-type: none"> <li>• Delivered on all our CTR promises in 2002.</li> <li>• Hosted 5 Nigerian Government secondees, each for 2 months during 2002.</li> <li>• Received Government approvals for all Development Well Proposals without requirements for change or any delays.</li> <li>• Championed and had Bonga "One Team" Charter adopted by Bonga Venture</li> </ul> </li> <li>• <b>ENTERPRISING:</b> <ul style="list-style-type: none"> <li>• Always promoted commercial as well as technical perspective in the BIST. Demonstrated financial discipline by completing 2002 workscope under-budget.</li> <li>• Fully supportive of "Realise-the-limit" initiatives in the team including full DTL approach for Bonga resulting in drilling phase being \$12MM under PSE budget.</li> <li>• Business courage demonstrated through proposal for Bonga de-bottlenecking.</li> <li>• Commercial approach demonstrated by re-booking R&amp;D Visualisation work from Overhead to CTR.</li> </ul> </li> <li>• <b>LEARNING AND CHANGE:</b> <ul style="list-style-type: none"> <li>• Innovation demonstrated by use of Development Well cost savings for IFO appraisal. Development Wells with IFO appraisal were delivered under the Bonga PSE budget.</li> <li>• After decision not to move PM 3 manifold (MoC 83), adapted by incorporation of extended reach wells to access Central 702 reserves in FDP Rev 5.</li> </ul> </li> <li>• <b>DELIVERY ON PROMISES:</b> <ul style="list-style-type: none"> <li>• Lead BIST Team and championed the development and approval of Bonga FDP Rev 5 with outstanding impact in terms of Value Creation.</li> <li>• Delivered the Bonga reservoirs as predicted.</li> <li>• Delivered / Passed Bonga IFO VAR 2.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"><li>• <b>Personally accountable for Team results.</b></li><li>• <b>Successful delivery of BIST 2002 HSE Plan</b></li></ul>
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**SMJ00030468**

Employee Name

**C: Development Planning** *This section is for recording annual goals that (1) strengthen your performance in your current assignment through the development of related competencies, knowledge and skills, and/or (2) achieve development plans established in your Personal Development Plan (PDP). [The PDP is a separate, longer term development planning process. Information on completing your PDP is available from EPT-HA.]*

Goals: <i>Summarize your annual development goals, e.g., training courses, conferences, special projects/assignments, etc.</i>	Evidence of Achievement: <i>Summarize progress toward goals.</i>
<ul style="list-style-type: none"> <li>• Continue at moment as BIST Team Leader or OML 118 Leader in SDS and deliver Year 2003 CTR workscope</li> <li>• Focus on value creation by building relationships with other SDS Team Leaders, especially those also working for SNEPCO (Bonga-SW, Bolia/Doro, Niger Delta Evaluation Team and Erha Team).</li> <li>• Foster co-operation with other teams in SDS, especially Bonga-SW, Bolia/Doro Team, Niger Delta Evaluation Team and Erha Team.</li> <li>• Deliver Bonga completions</li> <li>• Deliver Bonga FDP Rev 6</li> <li>• Seek opportunity to participate in a Value Assurance Review.</li> <li>• Coach BIST team members for performance improvement.</li> </ul>	

**II. SPONSOR FEEDBACK**

*(Sponsor Initiated)*

*Provide an overall assessment of the employee's performance during the review period. Include comments on key strengths and future improvement opportunities.*

Chris is a powerhouse of knowledge and leadership on the Bonga Project. He has lead the Bonga subsurface team to achieve excellent results from development drilling, further field appraisal, reserves booking potential and further field development. From an organizational viewpoint he has rotated new staff into his team, maintains excellent relationships with SNEPCO and EPP and lead the drive to plan and move the Bonga surveillance team to Nigeria.

To continue:

- Strong leadership style and commitment to delivering results from a complex and very important group project.
- Managing SNEPCO's Bonga subsurface technical delivery arm in SDS.
- Using his knowledge and experience to drive the whole development forward through his participation on the venture leadership team.
- Developing staff and helping them stretch themselves to new challenges and levels of achievement.
- Communicating well with senior management in SDS/EPT-s so that he keeps them appraised of potential issues and allows them to exercise influence (e.g. through the Deepwater Steering Council).
- Developing and growing his own leadership style.
- Identifying cost savings and organizational improvements in OML IIS subsurface delivery.

To think about:

- New opportunities for himself in the new global operating model.
- How to use his Bonga experience to influence developments outside deepwater and also influence T&OE.
- Developing a successor from his current staff.
- Seek opportunities to expand his area of influence.

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It has been a very good year for Chris and he is relied upon by SDS/EPT-S Management to continue to drive OML-118 forward and maximize opportunities for the Shell Group.

**III. POST DISCUSSION NOTES**

This section to be completed immediately following the performance review discussion. Comment on any significant issues that were raised during the performance discussion that have not already been noted in the performance assessment.

**SPONSOR COMMENTS:**

**EMPLOYEE COMMENTS:**

Barry, thanks for the quality feedback. It was a great year for Bonga, and also for me personally. I am particularly pleased that the Bonga de-bottlenecking project, that we envisaged several years ago, is now becoming a reality. It is highly profitable and will improve Bonga in the short-term through a 10% increase in oil production. I will continue to seek out opportunities like this for all of OML 118.

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**IV. FINAL PERFORMANCE INDICATOR (IPF)**

*(Sponsor Initiated)*

*This section of the form is used to record the final Individual Performance Factor (IPF) approved at the conclusion of the organization's annual staff performance review process.*

Final IPF: 1.2

Comments:

I agree with the IPF I have been given for 2002.

<b>Employee Signature</b> C. J. Varley Date 12 <sup>th</sup> May, 2003	<b>Sponsor Signature</b> Barry Knight Date
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**STEP – Individual Performance and Development Self-Appraisal - Guidelines for Completion of Sections A, B and C.**

**A: Tasks and Targets.** Tasks and targets should be established at the beginning of the year and should support the performance measures in the overall directorate scorecard. It is therefore important to develop and review tasks and targets with other team members. Regular self/sponsor/peer review throughout the year is recommended to assess progress against targets and ensure ongoing alignment with team targets.

**B: Behaviors.** 360 feedback is a useful vehicle to identify behaviors on which to focus attention and establish goals. Seeking and acting on continuous feedback from colleagues (peers, customers, and sponsor) is also recommended for assessing progress. The following are the key desirable behaviors identified for all STEP staff.

**1. CO-OPERATION**

- a) **Co-operation.** Actively seeking opportunities to work with other organizations (team to team, OU's, 3<sup>rd</sup> parties and other service organizations).
- b) **Teamwork.** Contributing to and sharing accountabilities for team results.
- c) **Appreciating People.** Recognizing and rewarding others for their achievements and encouraging celebration of successes. Seeking opportunities to assist in the development of others. Practicing the right balance between advocacy and inquiry (explaining and listening)
- d) **Valuing Diversity.** Demonstrating sensitivity and respect for others, working well with a diverse team and looking for opportunities to include diverse perspectives and viewpoints in work products.

**2. STAKEHOLDER FOCUS**

- a) **Customer Focus.** Delivering on our promises, which is key to individual, team, STEP, EP Business and Shell Group performance as a whole. Doing what we said we would do, when we said we would do it, at a price the customer is prepared to pay.
- b) **Stakeholder management.** Identifies all stakeholders, manages the multiple stakeholder relationships and acts according to the interest of the multiple stakeholders.

**3. ENTERPRISING**

- a) **Commerciality.** Actions are based on the bottom line for the business. Challenging the commercial impact of technical decisions. Achieving best value from available technology and resources. Demonstrating financial discipline and strategic cost leadership. Treating the company money as if it were his/her own. Keeping abreast of the external market. Taking risk and accepting personal accountability for results.
- b) **External focus.** Being aware of external development and competitors positions and the implications for own work. Being an ambassador for Shell.
- c) **Business courage.** Has the courage to take business risks and to share these with others in Shell.

**4. LEARNING AND CHANGE**

- a) **Innovation.** Challenging the status quo, seeking to generate creative solutions, willingly accepting changes and proactively creating change to foster competitive advantage. Tolerating occasional failures that are inevitable in a learning process.
- b) **Ability to learn and Change.** A learner rather than a knower, open to new ideas, not defensive and willing to accept new approaches. Effectively giving and receiving constructive feedback and acting on it. Actively seeking, sharing and adopting best practices. Has the courage to share the learning from failures with others

**5. DELIVERY ON PROMISES**

- a) **Value Creation.** Taking a shareholder perspective, willing to challenge the added value of activities. Focusing on timely implementation with positive business impact.
- b) **Personal accountability.** Takes personal accountability for delivering on promises.
- c) **HSE&S.** Familiar with and committed to the STEP HSE & S Plan and demonstrating good HSE&S awareness. Striving to eliminate unsafe, unhealthy conditions and to protect the environment. Reports all work related accidents, incidents and unsafe conditions carefully and promptly. Requires everyone to stop any work, or prevent work starting, where adequate controls for HSE&S are found not to be in place. Accepting personal responsibility to mitigate the impact of HSE&S on the business.

**C: Development Planning** This section focuses on annual actions that support both short term and long term developmental goals. Short-term goals can be specific to the current position and include training, special projects, readings and other activities designed to strengthen knowledge, skills and abilities to help strengthen job performance. Annual goals designed to enhance long-term development can be derived from the Personal Development Plan (PDP). The GAPS model, described below, is a useful framework for identifying developmental goals (use of this model is not required).

The GAPS<sup>1</sup> (Goals, Abilities, Perception, and Standards) technique is a key element of Coaching for Performance. Gaps between any of these of these areas can be used to create a development plan.

Goals - own view of what you want to do  
 Abilities - own view of what you can do and what you need to be able to do to achieve your goals  
 Perception - others' view of you  
 Standards - what the organization expects of you

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<sup>1</sup> Reference: *Leader as Coach* by David B Peterson & Mary Dee Hicks