

Getting Developments Right 1

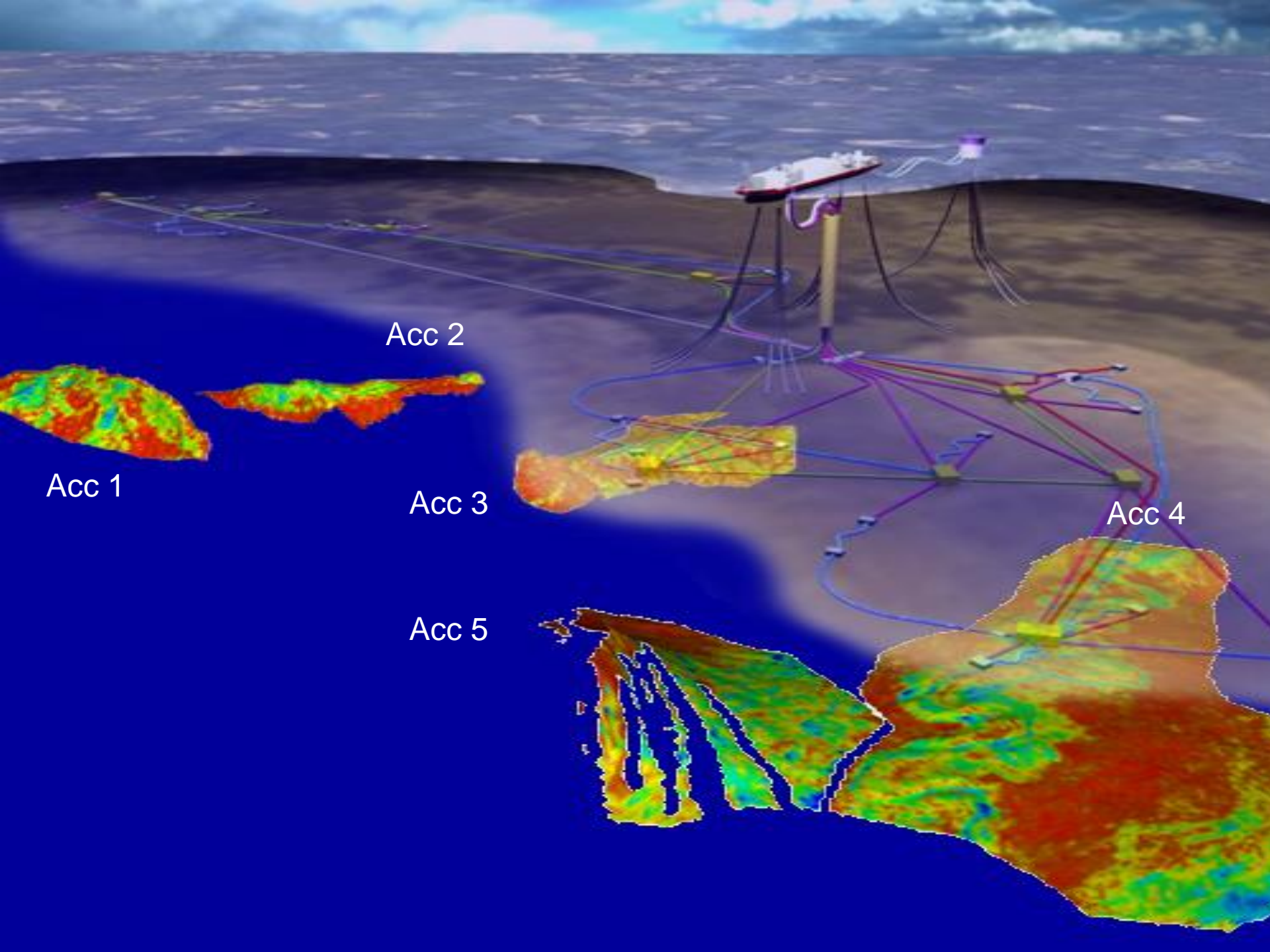
- Why do they go wrong (typically)
 - Schedule drive
 - Cost versus value
 - Poorly defined scope
 - Risks not managed – optimism versus realism
 - Poor SC performance...construction→equipment→installation →HUC
 - Inadequate owner management
- Licence methodology and geography...enablers or a hindrances?
- Infrastructure ownership and access

Industry Suggestions

With acknowledgement to the ITF Technology Leadership Board Aberdeen March 2015

- Exploration
- Field Development
- Mature Fields
- Decommissioning

Small pool development theme
Well construction theme
Integrity (inspection) theme



Acc 2

Acc 1

Acc 3

Acc 4

Acc 5

Getting Developments Right 2

- Technology and Standardisation
- Infrastructure ownership and access
- Is there a big idea?
 - reverse engineer accumulations across block boundaries...same province, test for conformance
 - Integrate volumes.....materiality test
 - Engage supply chain... incentivise to first oil and payments from production
 - Integrate tax regime
 - Owners, suppliers, constructors subs really collaborate...SPV