

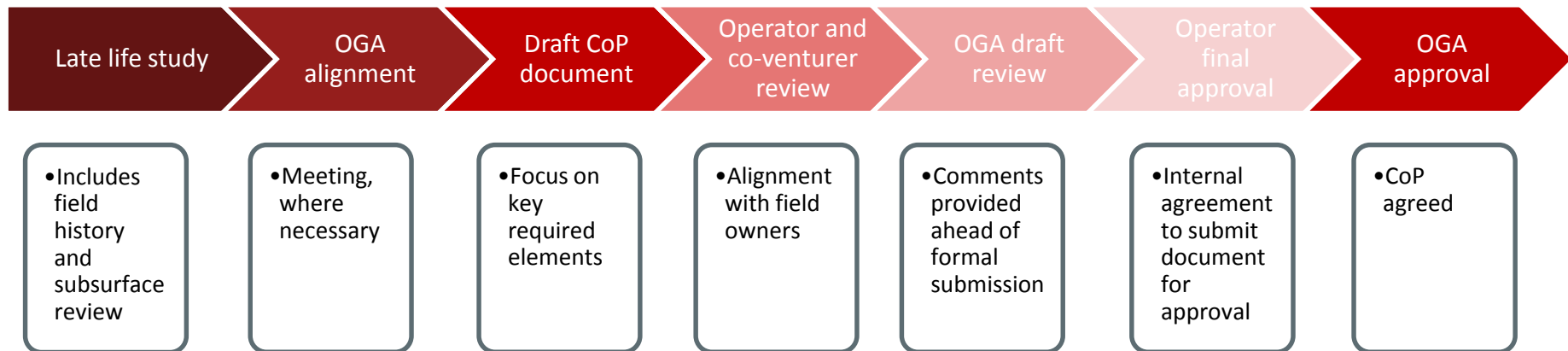


Cessation of Production

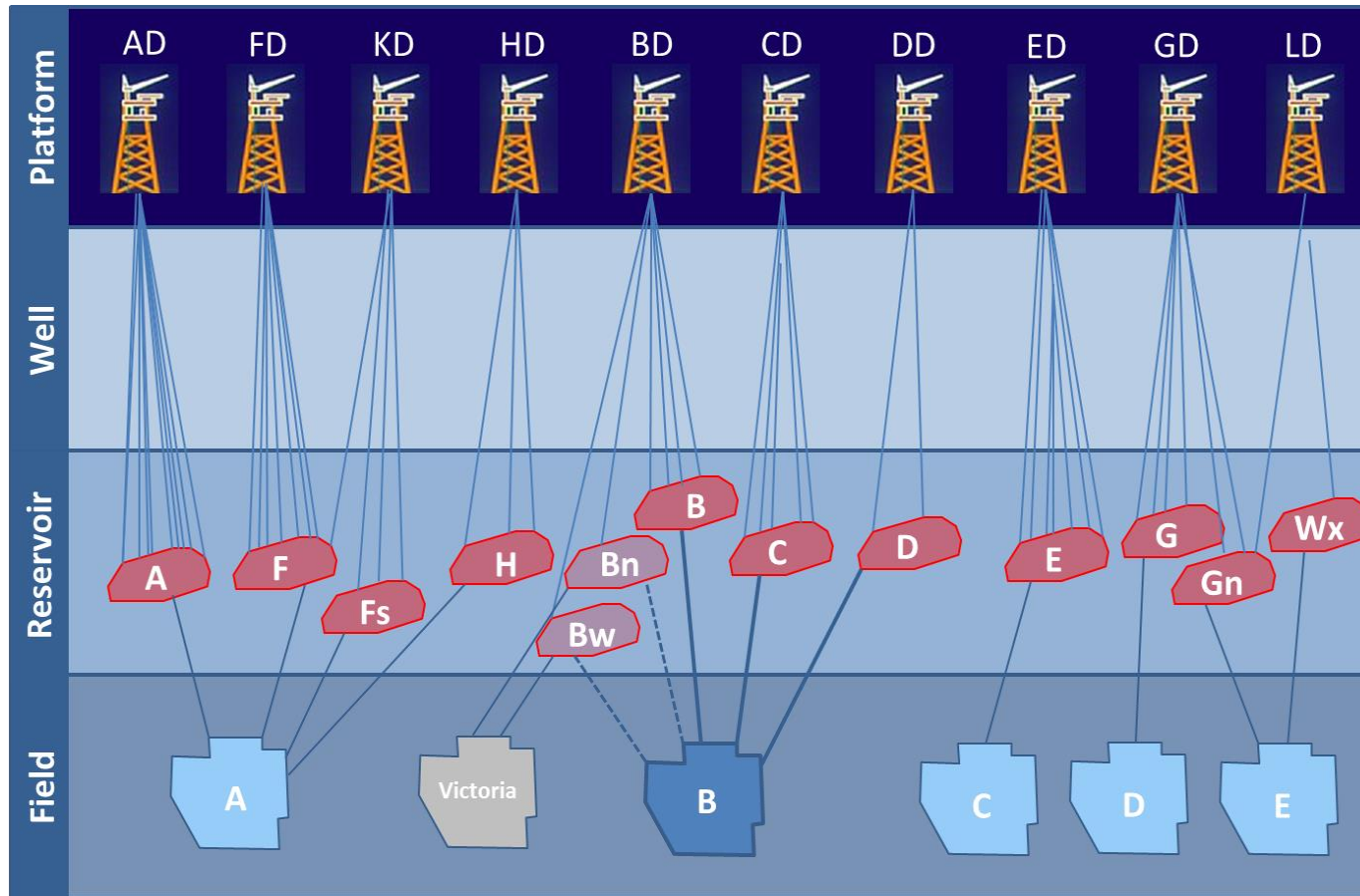
DEVEX 2017

Cessation of Production – the licensees' perspective

- Formal agreement to permanently cease oil or gas production from a field
 - Early engagement with the OGA is important, especially for complex fields
 - Fundamental premise is that the field is uneconomic and that there are no remaining development opportunities

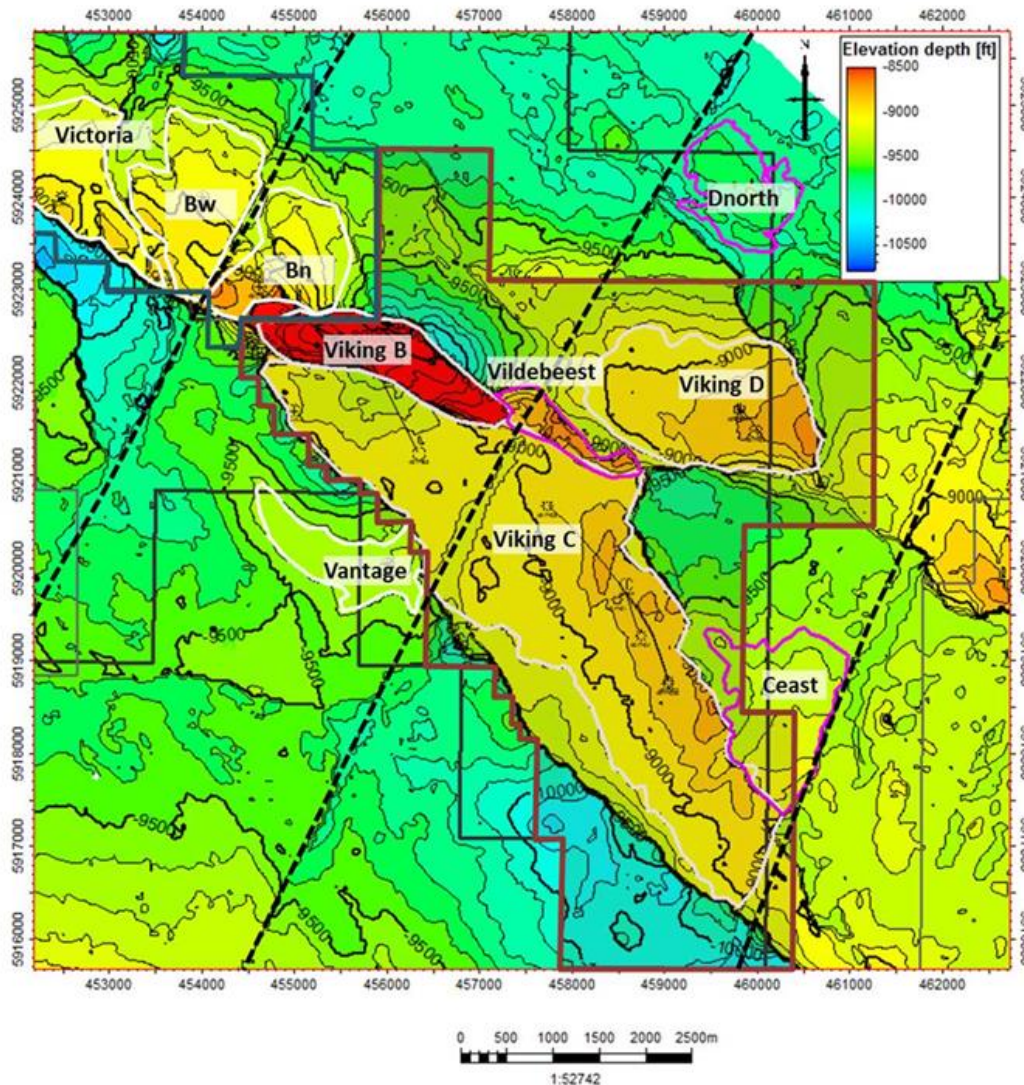


Case Study - SNS Viking Fields



- Discovered in 1965
- First production in 1972
- Last production in 2015
- 5 Viking Fields, developed from 10 platforms
- 3.26 Tscf gas produced

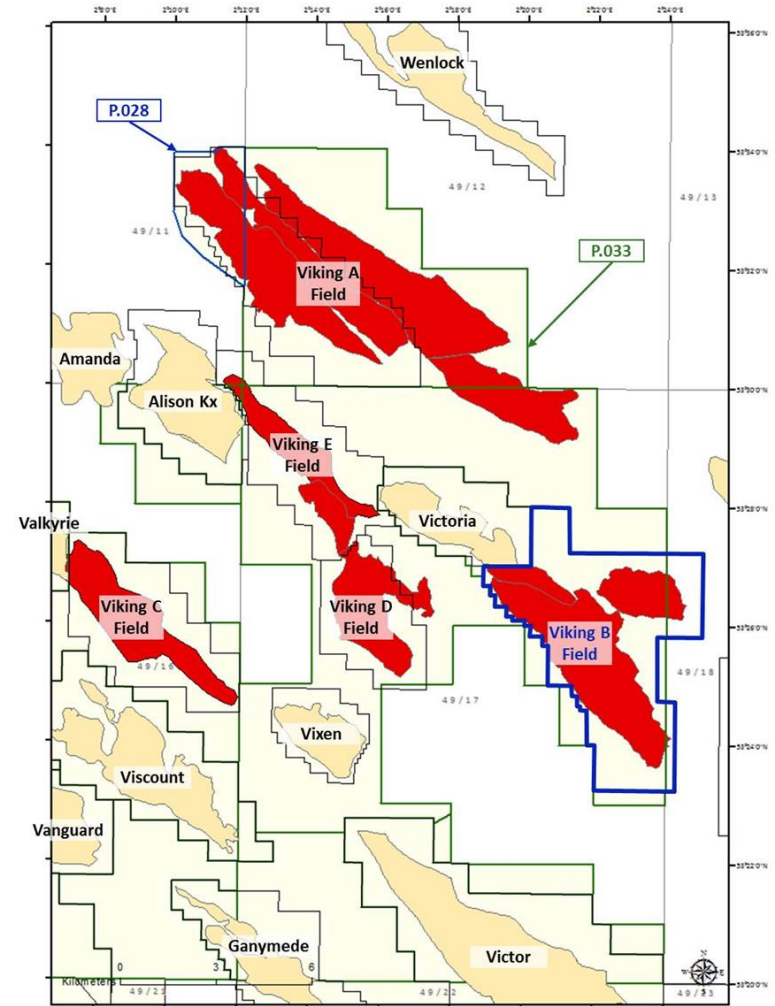
Case Study - SNS Viking B Field



- Discovery well drilled in 1965
- Field comprises three reservoirs; B, C, and D
- First production in 1973, last production in 2011
- 14 wells drilled to develop the field, cumulative production of 861 Bscf

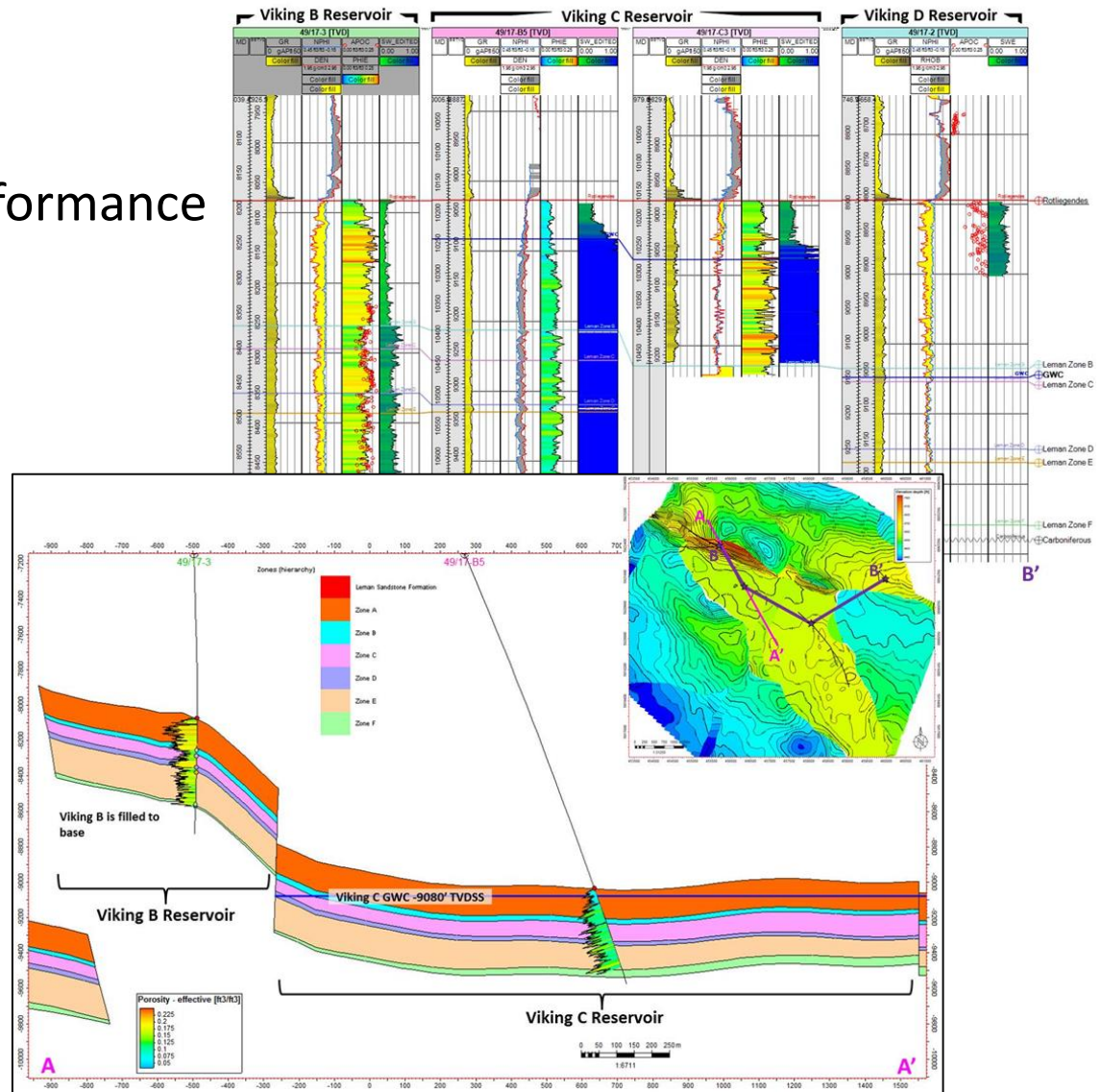
Case Study - CoP document key elements

- Field summary
- Subsurface and field performance
- Remaining potential
- Field life extension
- Economic field life
- Third party impact
- Decommissioning



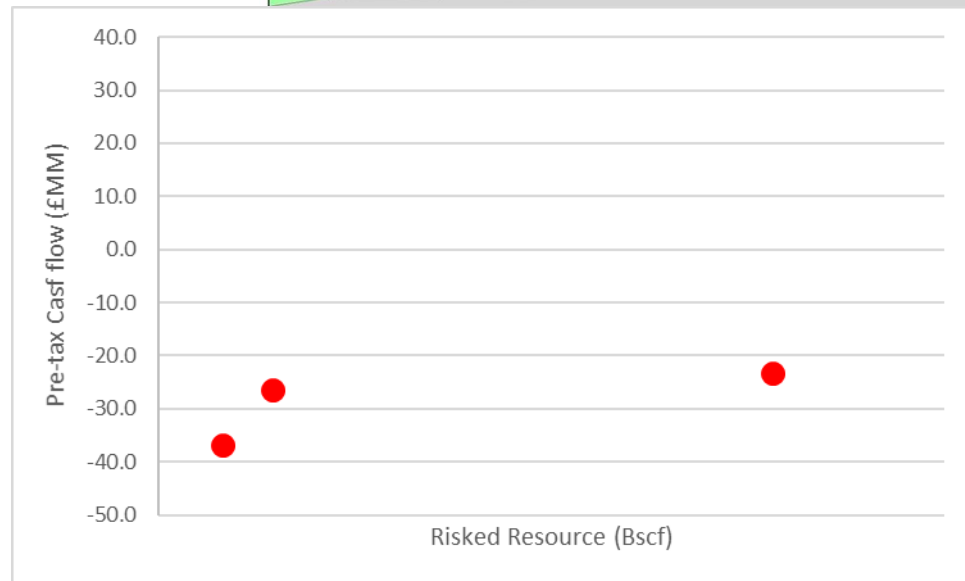
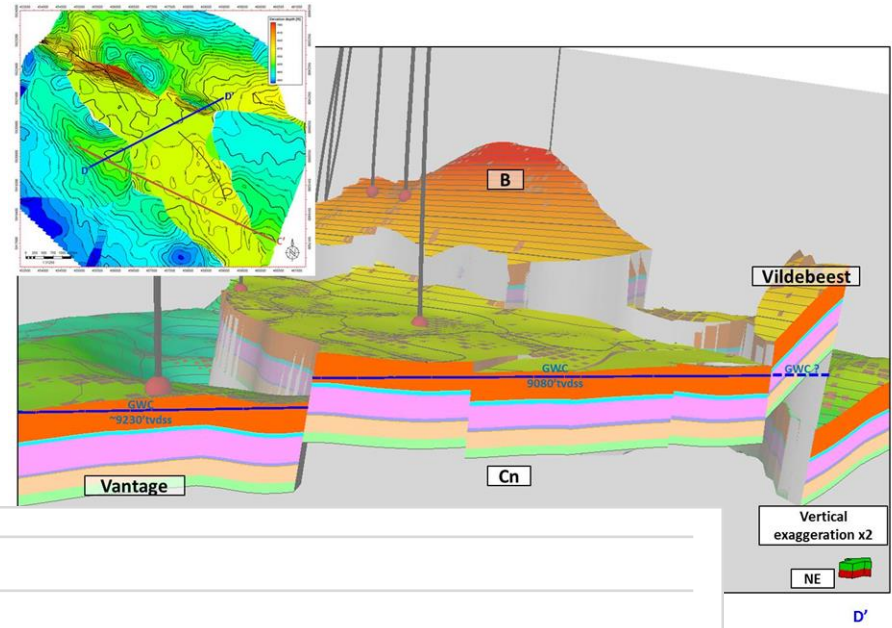
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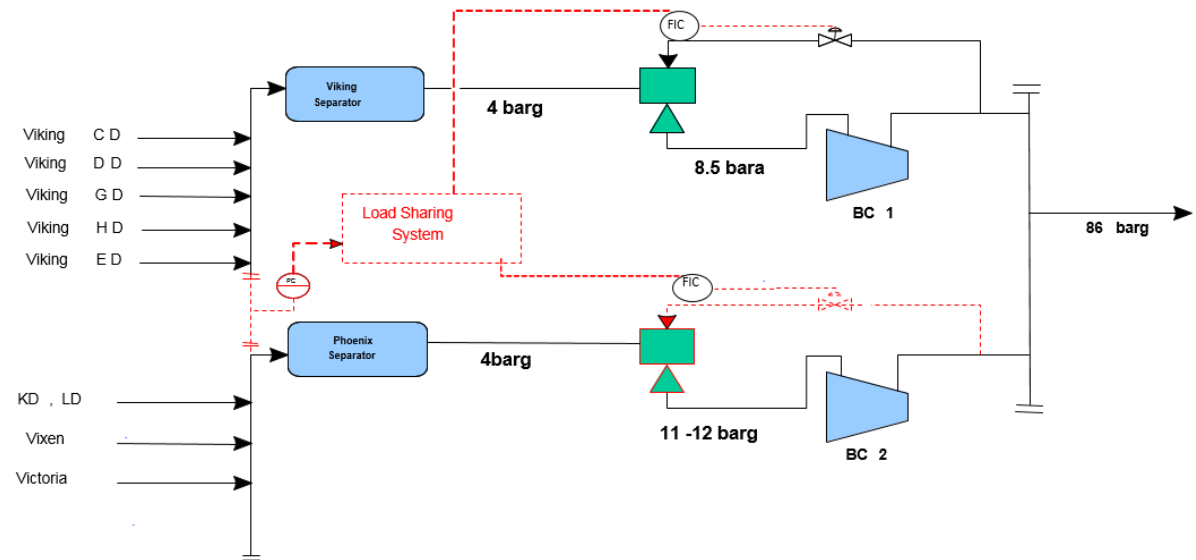
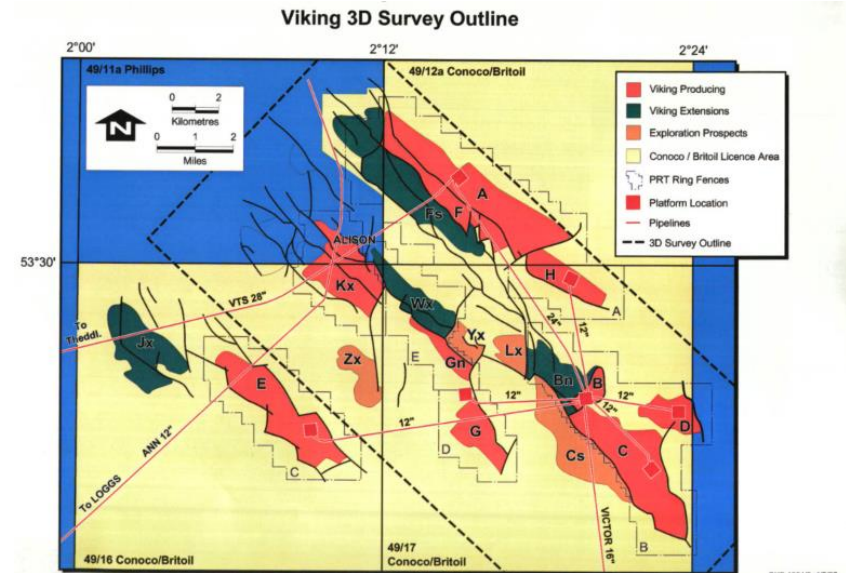
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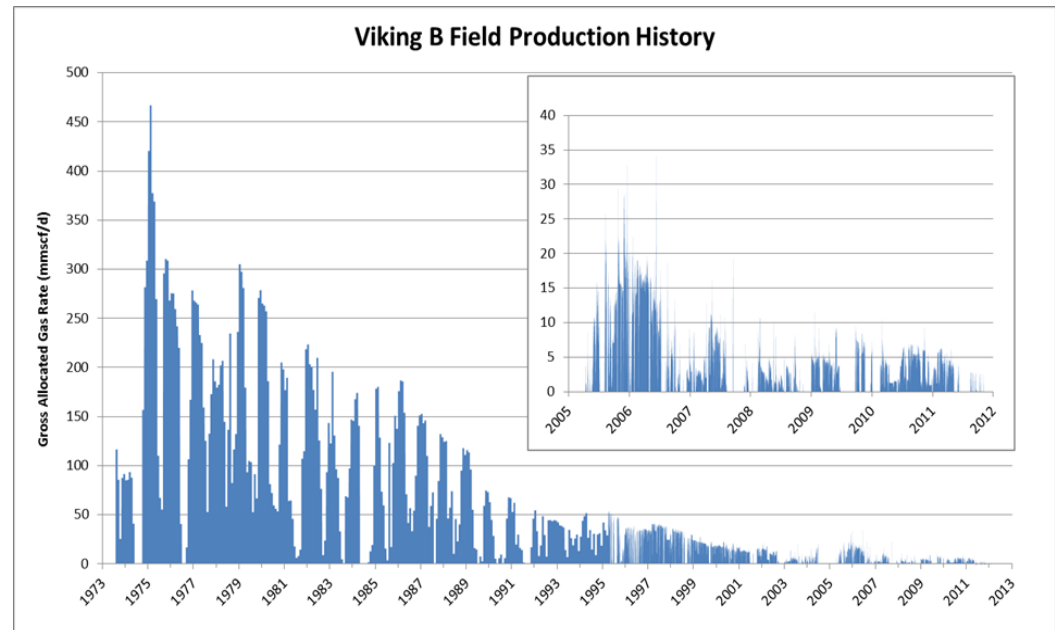
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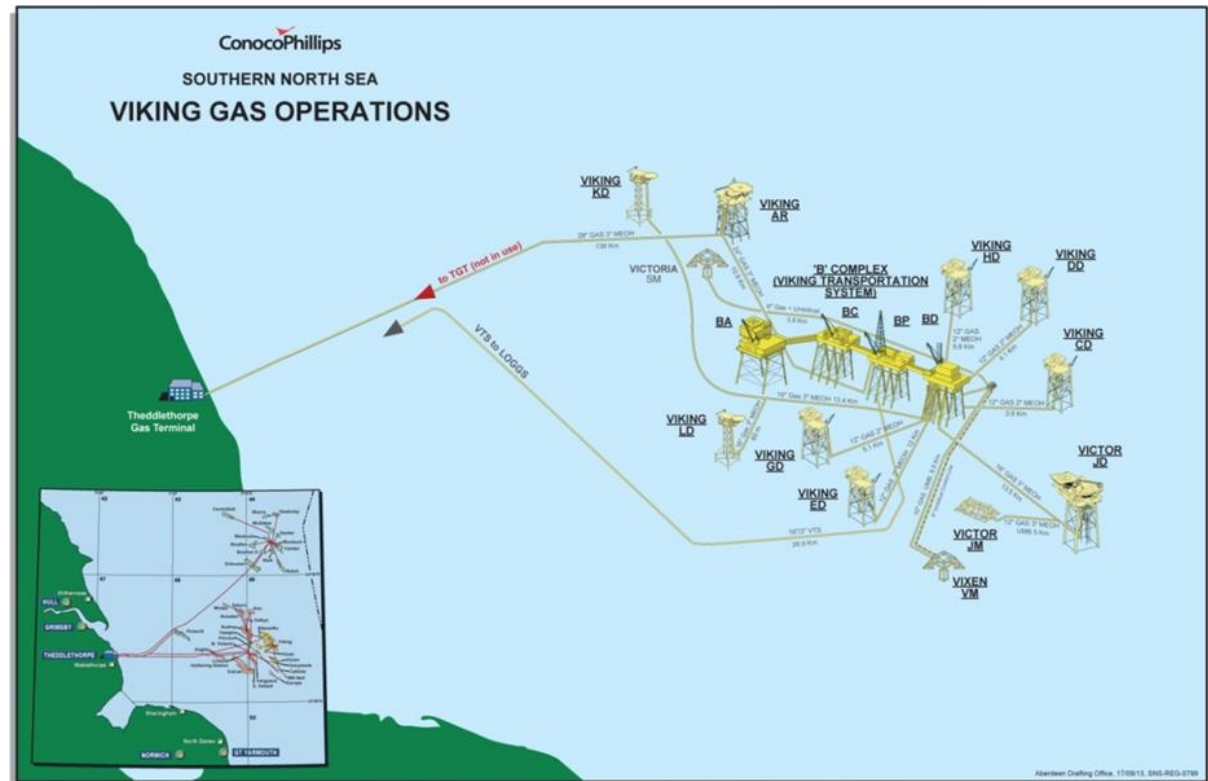
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- **Economic field life**
- Third party impact
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**Last production
in 2011**



Case Study - CoP document key elements

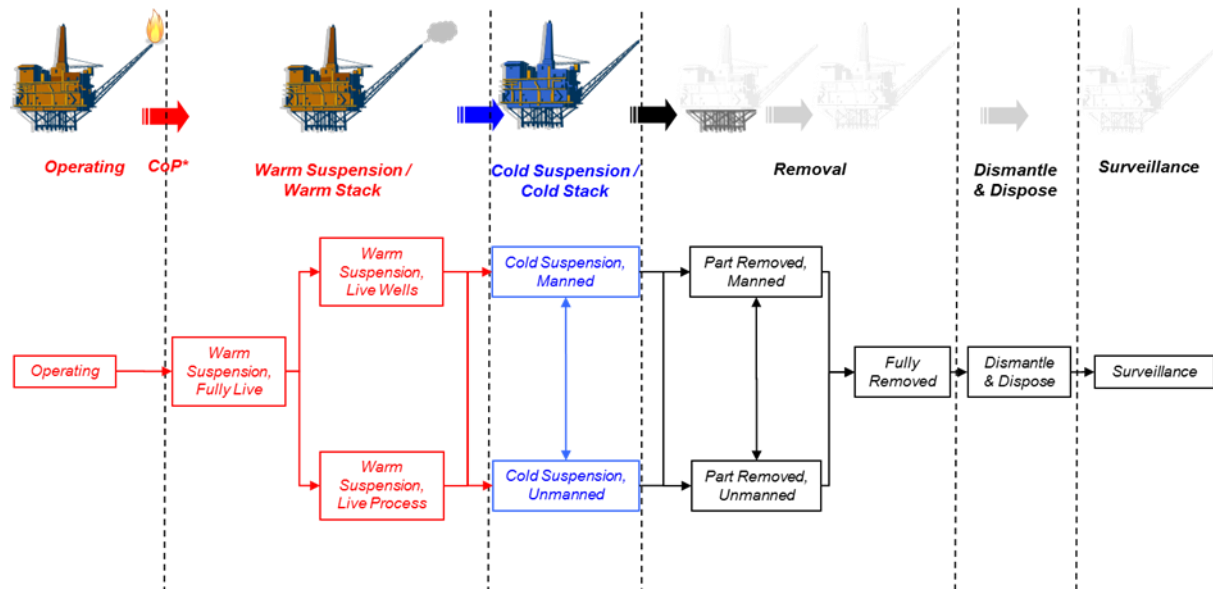
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Aberdeen Drafting Office, 17/09/13, SWS-REG-0799

Case Study - CoP document key elements

- Field summary
- Subsurface and field performance
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- Premise for Cessation of Production is that the field is uneconomic and that there are no remaining economic development options.
- Early engagement and alignment with OGA are key to achieving smooth review and approval for Cessation of Production.