

SPE Workshop : Well Abandonment featuring Rig Reactivation and Alternatives 27 – 28 June 2017 • Aberdeen , UK

SOCIETY OF PETROLEUM ENGINEERS

Integrated Well Abandonment Solutions – Case Study and Transferring the Learnings From Asia

Jamie Stewart (Schlumberger – Kuala Lumpur)





Share the integration experience in the on-going land P&A campaign executed in Brunei since December 2014 supported by a 3 pillar arrangement:

- Brunei Shell Petroleum Operator, owner of the wells and assets
- Schlumberger Integrated services provider.
- Brunei local rig contractor (**HWU**).

Service integration through the **Execution** stage of P&A.

- 1. Candidate identification & regulatory approval (BSP)
- 2. Abandonment Maturation (BSP)
- 3. Abandonment execution (subsurface) (BSP/SLB/HWU)
- 4. Monitoring & Wellhead Decommissioning (BSP)



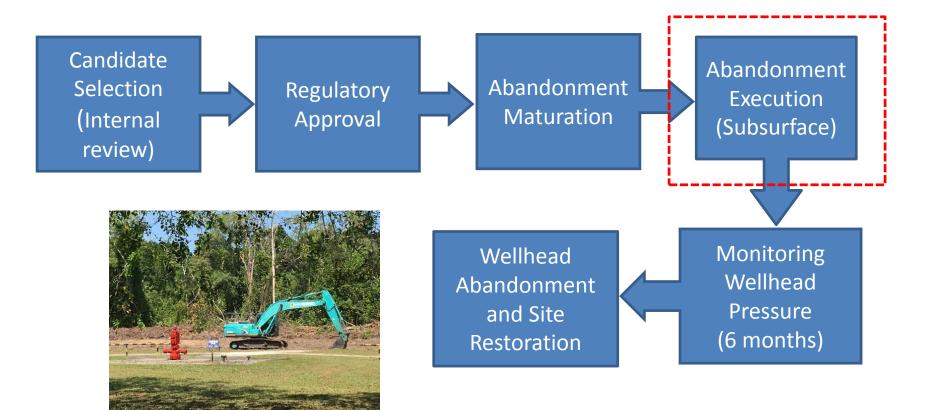


Introduction – BSP Onshore P&A

- Mature Land Asset > 85 Years
- Wells around Seria town Western
 Brunei
- Campaign Approach for onshore well abandonment
- 30+ abandonments per year









Technical/Non-Technical Challenges

- Rig Moves & Noise levels within Populated/Residential Areas
- Illumination at Night of the Work Site
- Well Control Risk Small but has Potential
- Potential H2S & CO2 Risk Low





Mitigations

- Continuous Review and optimization of operations
- Learning Curve (repetitive jobs)
- Single barrier risk based operations
- Core Crew continuity
- Timely Community engagement
- Improved Logistics planning and execution



Wellsites









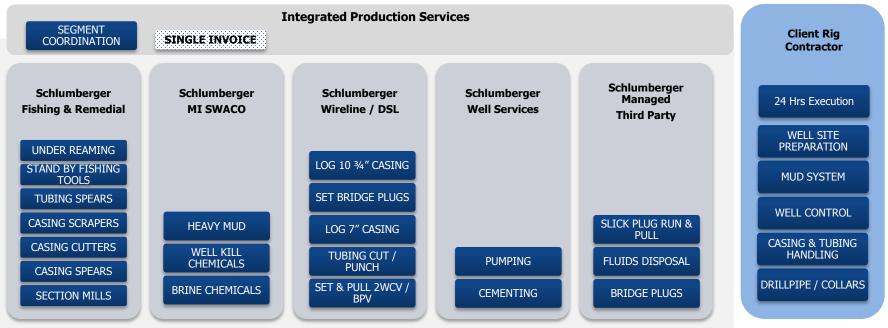


Service Integration inAabandonment Execution (Downhole)

Integrated Approach

- Model to Improve Performance & reduce Costs
- Crew Continuity Initiative
- Alignment of project goals
- Risk allocation and management
- Optimized personnel interface

- Learning & Continuous Improvement
- Offer Increased Local Employment
- Opportunities
- Performance Driven
- Minimize footprint
- Joint planning

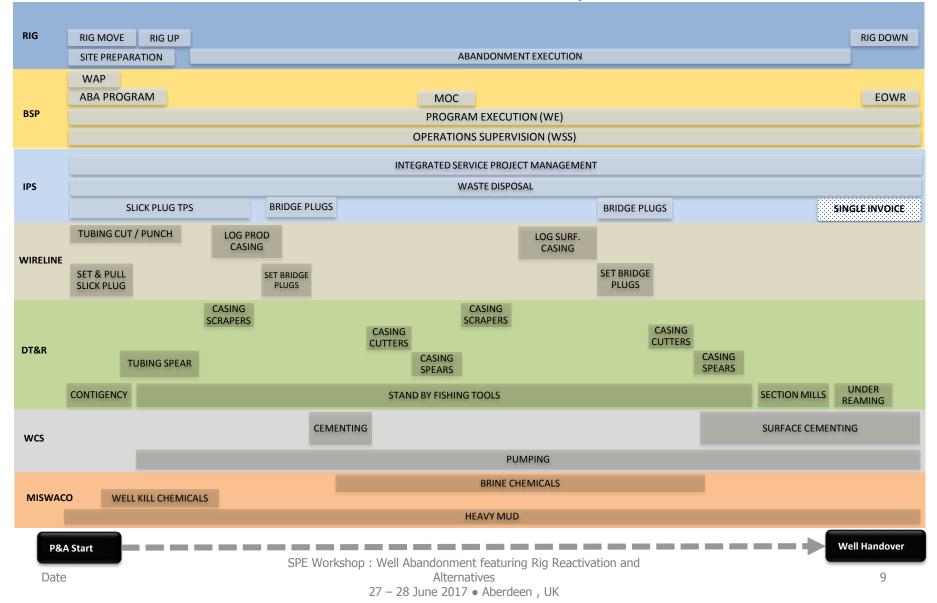


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Abandonment Execution

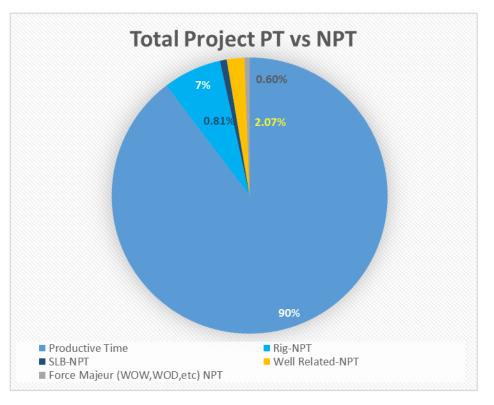
Land Well P&A Lifecycle





Performance Results

- Initial Pilot project started in January 2015 covered 10 Wells
- Project performance exceeded all KPI's, lead to larger scope. Q1 2015 onwards to Q1 2017
- Maximized learning curve
- Cost effective solution to minimize operator liabilities

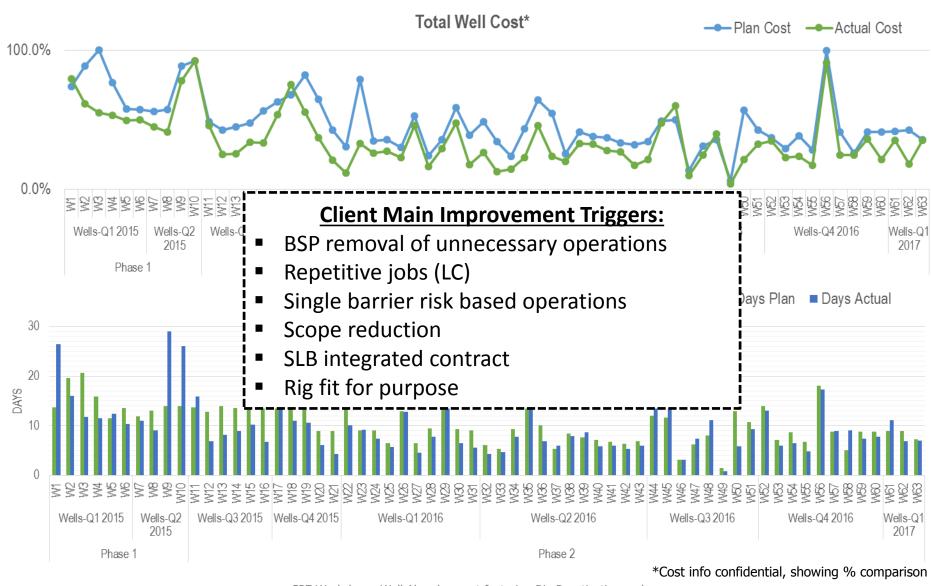


Project Resume – Q1 - 2017

- 63 wells abandoned
- 2 commercial models succeed
- All wells within 3 km from Seria
- Total Operational time: 648 Days
- Operational KPI achieved:
 - No HSE Incidents
 - No Call-off delays
 - Zero NPT for Rig Up/Down equipment
 - Total SLB NPT < 0.81%



Performance Results



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Summary & Conclusion

The Benefits of Integrating Services

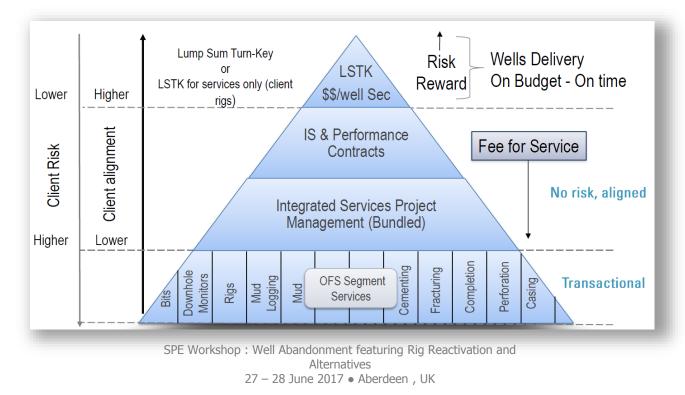
- Single Point of Contact for Client
- Core Crew Enhancing Job Familiarity
- Distinctive Reduction in NPT
- Increased Service Quality
- Faster learning curve
- Contractual and technical continuity

Challenge after optimization

 Bottleneck displaced to maturation & regulatory approval

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- Increase on abandonment complexity
- Opportunity for new technology trials
- -Open to different business models





Questions & Answers





Jamie Stewart jstewart6@slb.com