



Subsea Well Abandonments Shell Everest 2016 Case History

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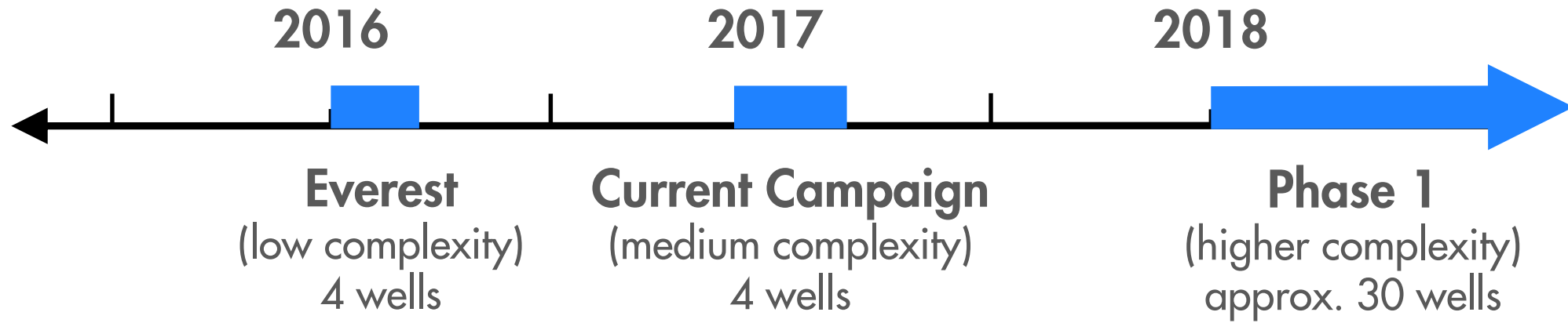
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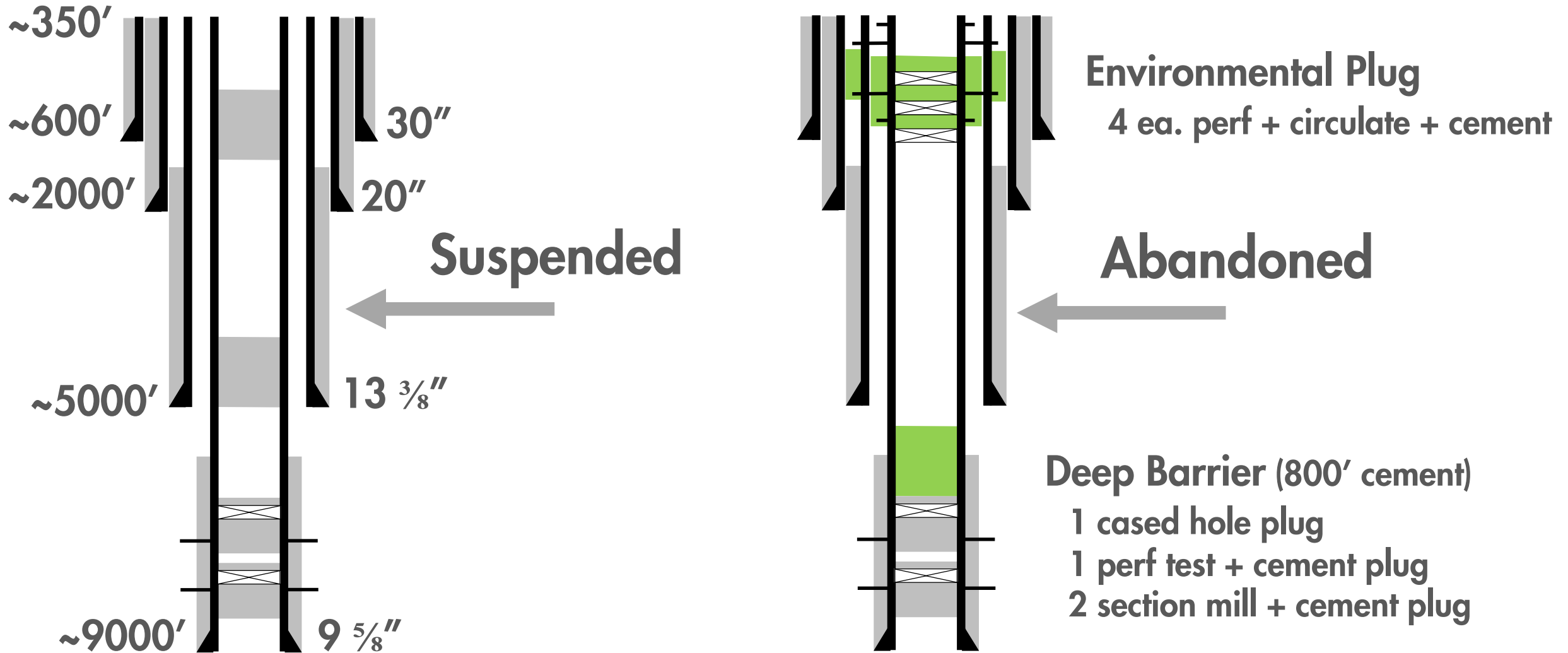
Agenda

1. What we learned on Everest – last year.
2. How are we applying it to the current campaign – this year.
3. Where do we go from here – 2018+ campaign.
4. Q & A

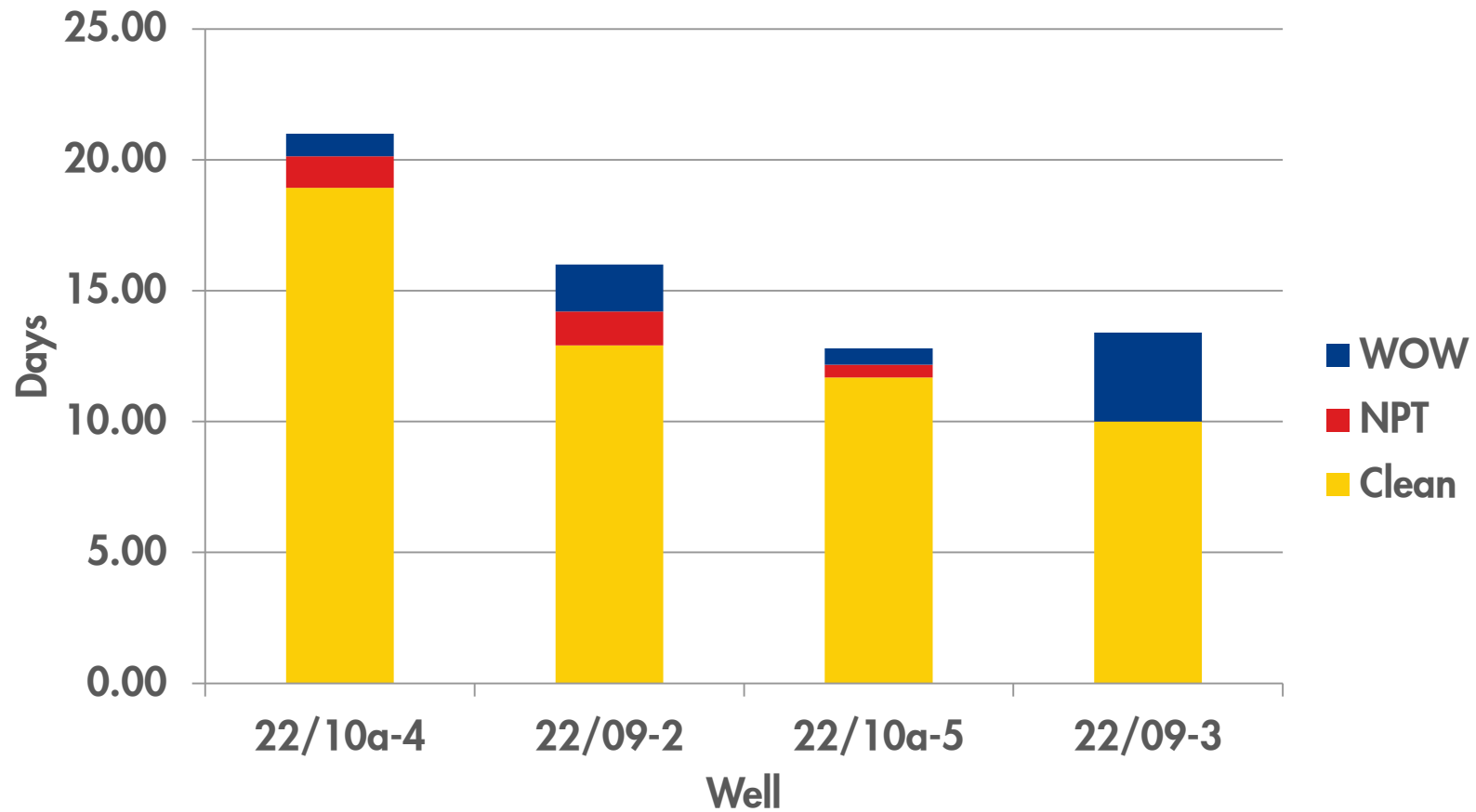
Abandonments Timeline



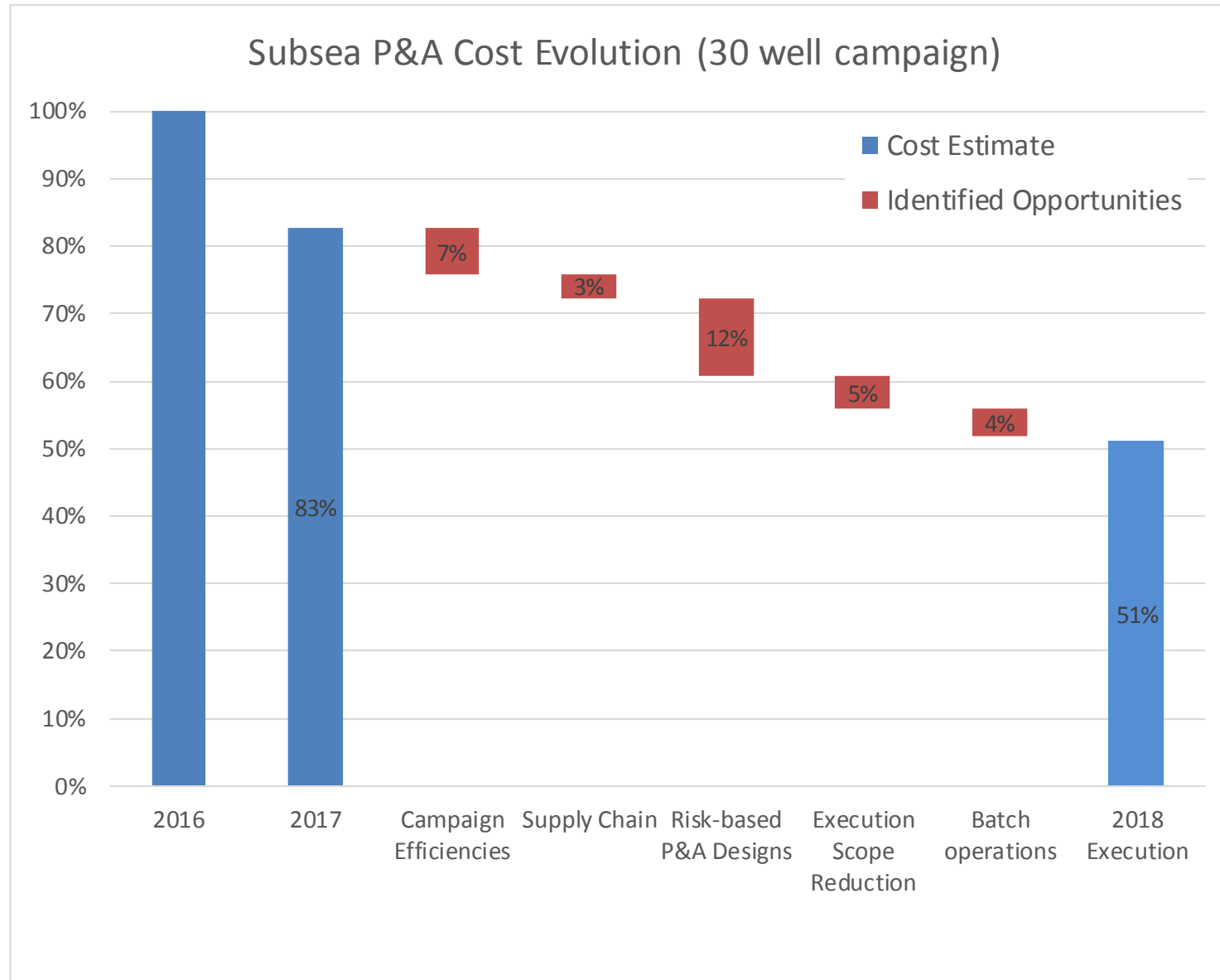
Everest Overview – Four Subsea Wells



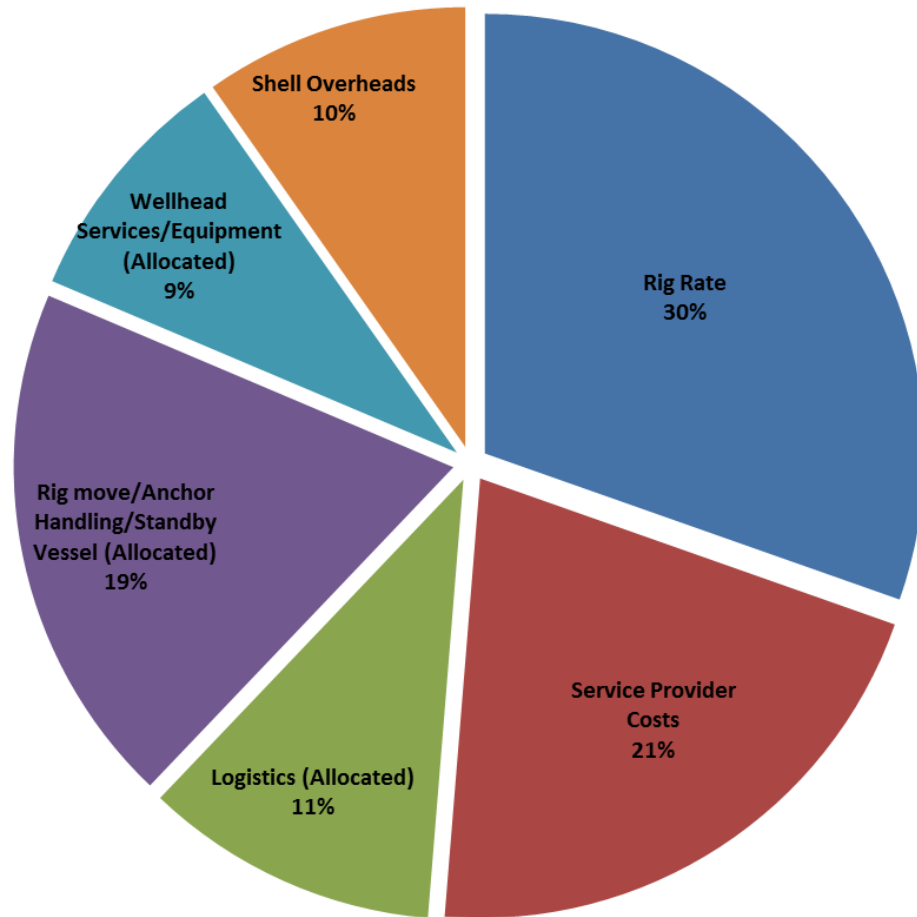
Everest Learning Curve



Subsea P&A Cost Evolution



Subsea P&A Cost Breakdown (Typical Development Well P&A)



- Rig rate and service provider costs only represent ~50% of the overall cost
- Remaining ~50% currently managed internally by Shell (Marine, Logistics, Overheads)

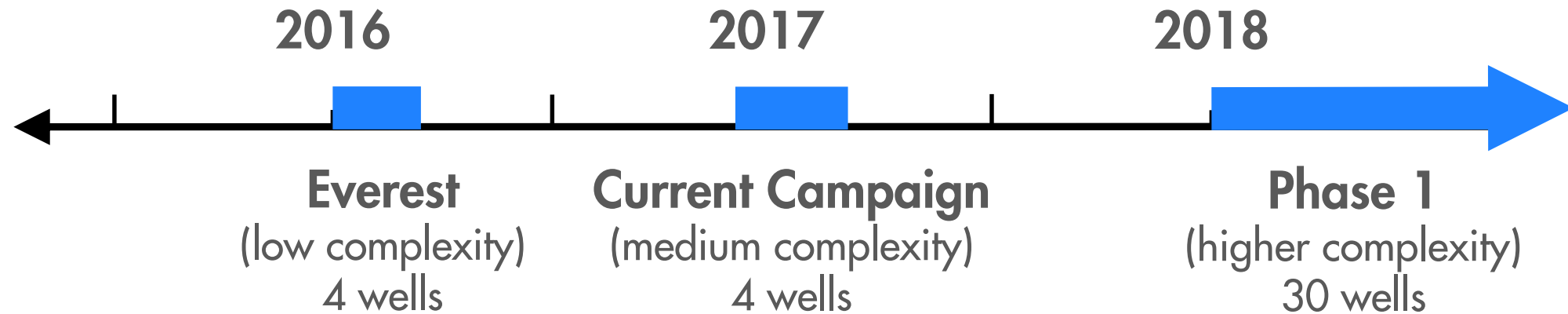
Optimisation of Work Unit Scope Allocation



Abandonment Phase Duration



Abandonments Timeline



Keys to Success

- Fully appreciate that abandonment work is different than drilling new wells.
- Early identification of performance improvement opportunities.
(most of which are not new)
- Include marine and logistics in the performance improvement focus.
- Using a systematic approach to attack and implement improvement initiatives.



Q&A

