



Oil & Gas
Authority

UKCS Production Efficiency

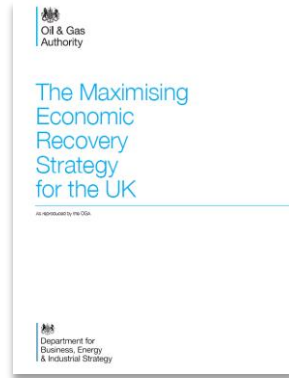
2016

Duncan Sewell
Facilities Engineer

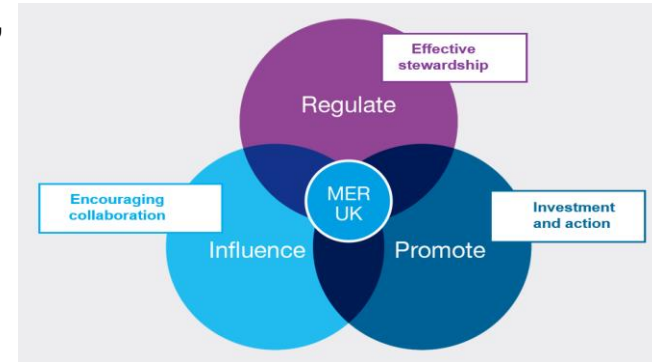
29th November 2017

Context

MERUK – the legal ‘Central Obligation’



OGA – regulate, influence, promote



10 Stewardship Expectations (What, How and Why?)



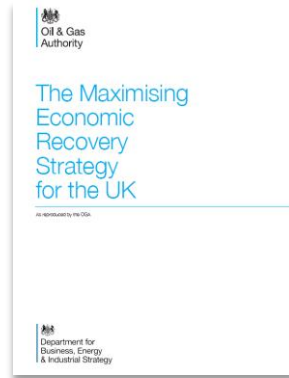
Asset Stewardship Strategy – one of the ‘Supporting Obligations’

- SE-05 Robust Project Delivery
- SE-06 Production Optimisation
- SE-08 Technology plans
- SE-09 Collaboration

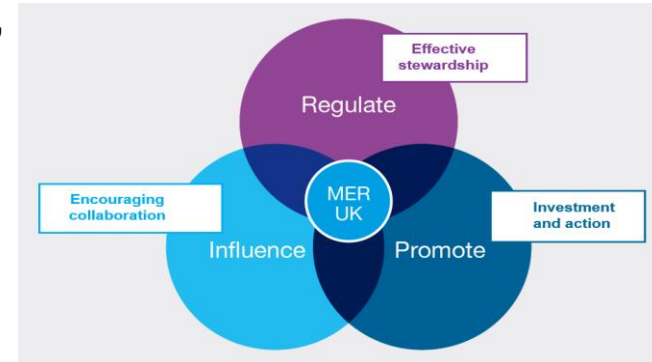
Implementation Guides



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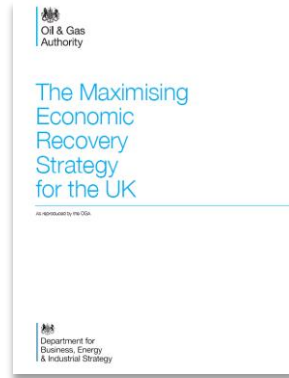
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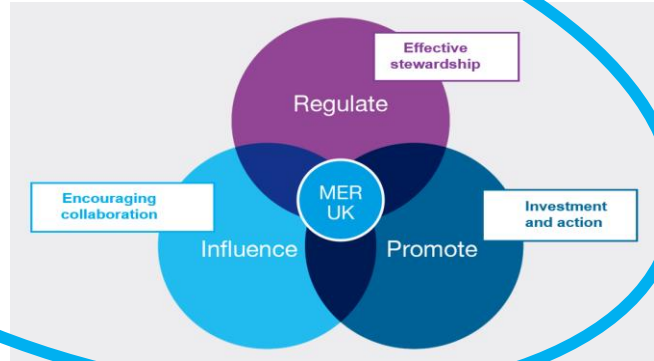
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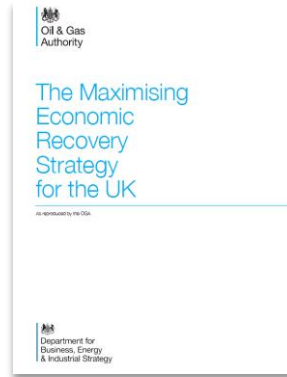
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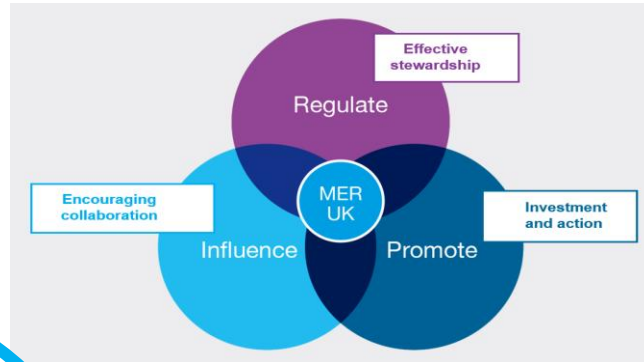
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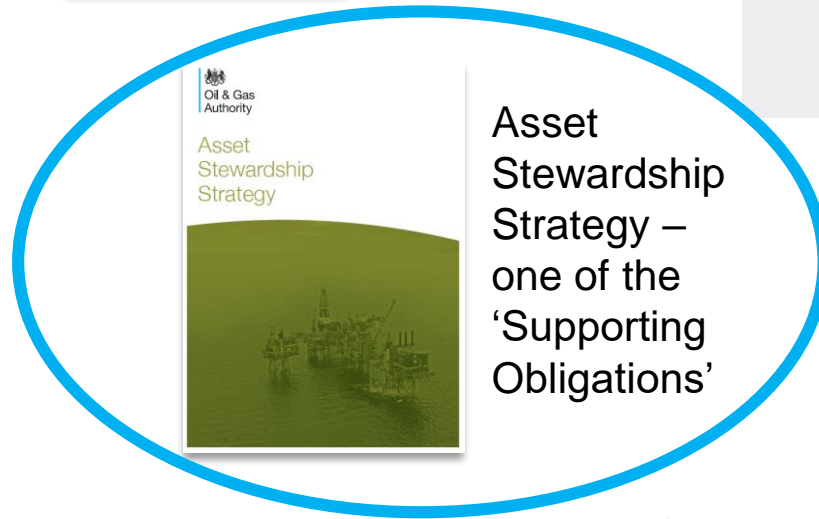
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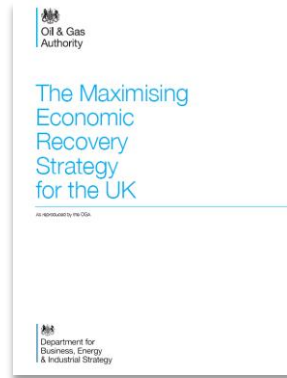
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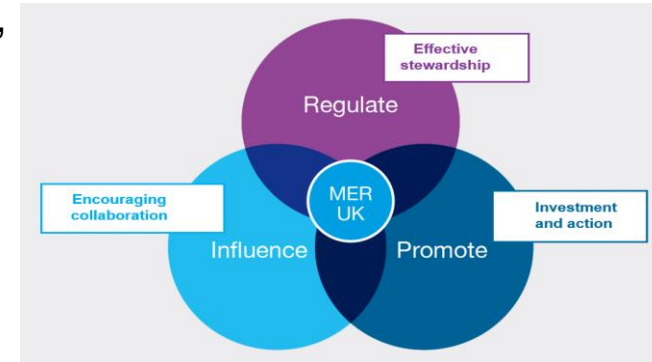
Stewardship Expectations

SE-06 Production Optimisation Implementation Guide

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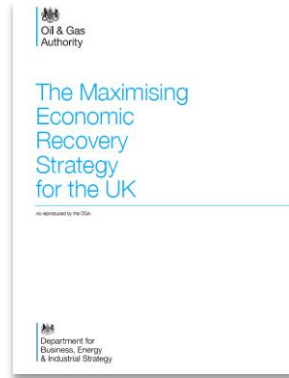
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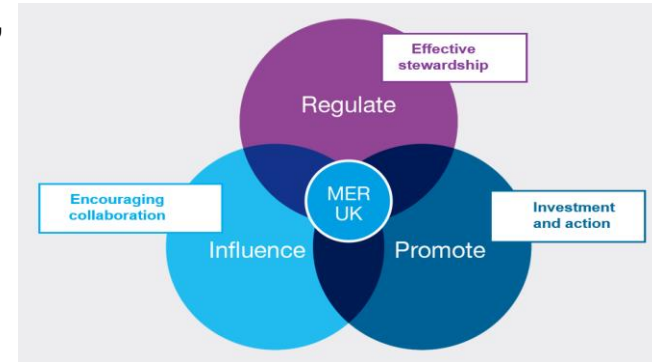
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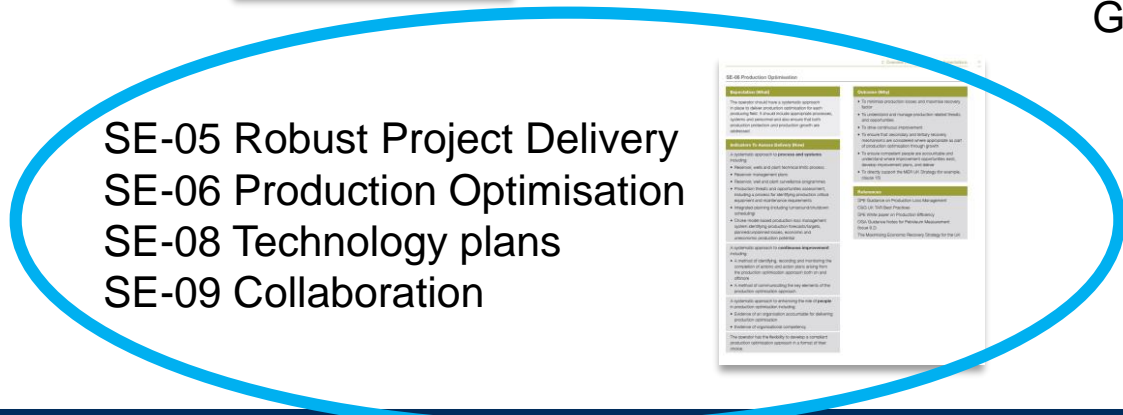


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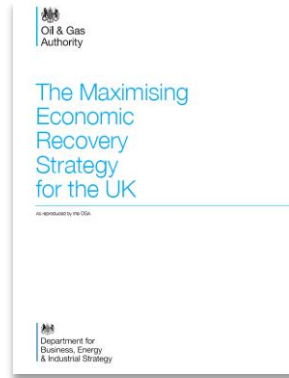


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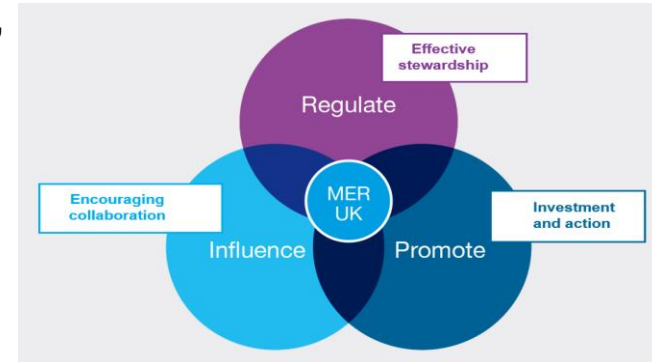
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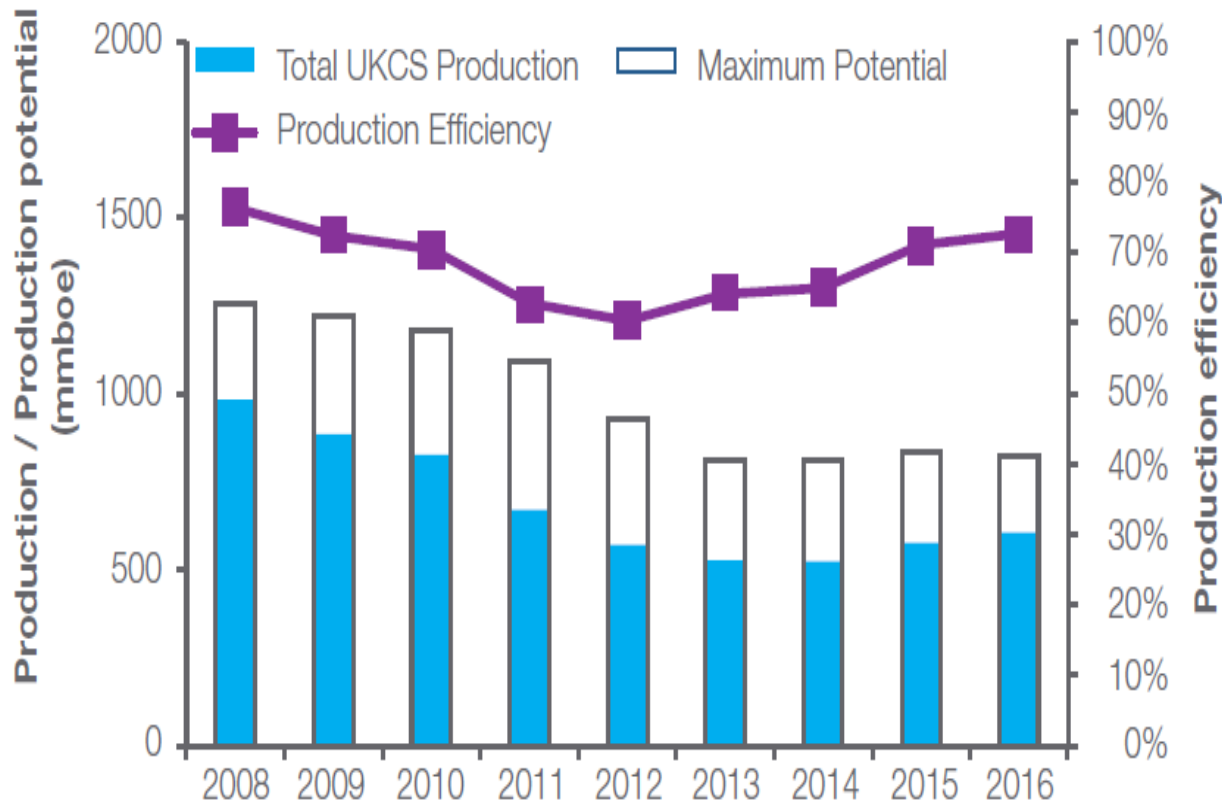
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Production Efficiency History

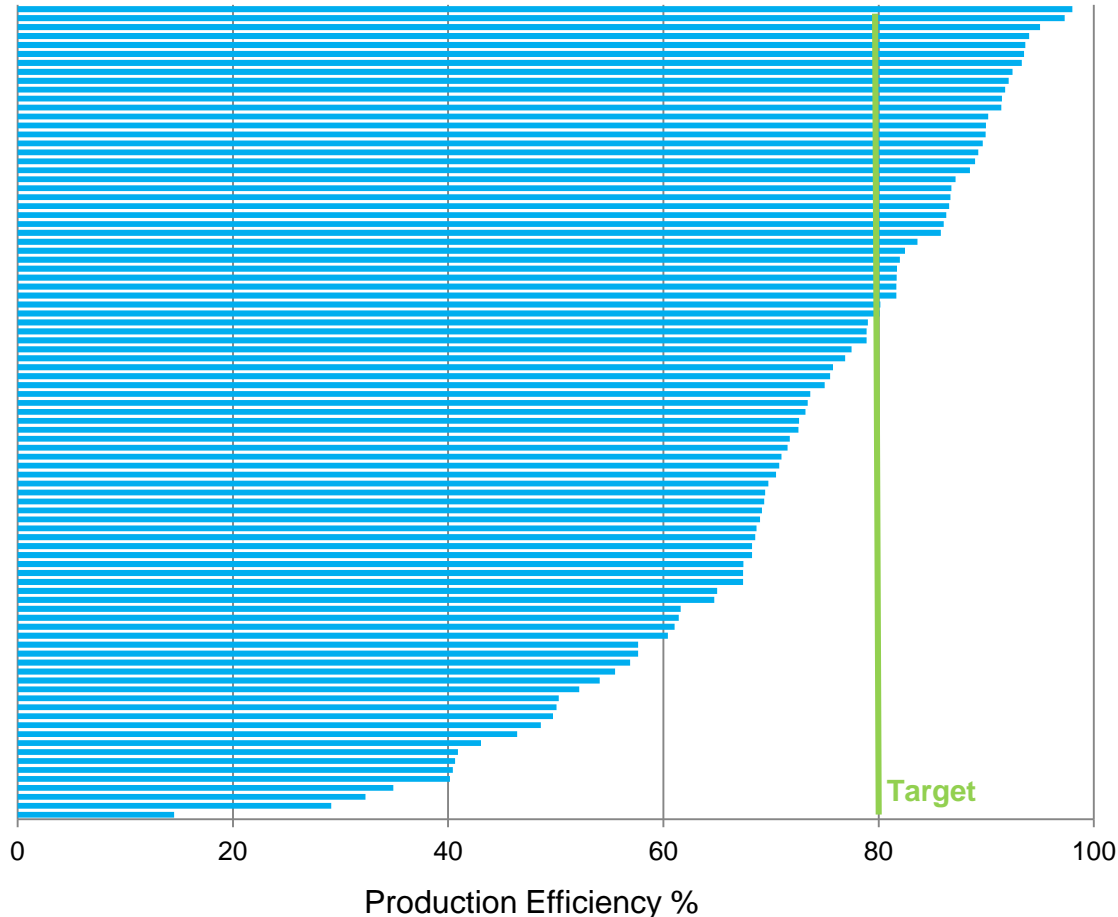
UKCS Production Efficiency vs Production 2008-2016



- Production efficiency has risen to 73% in 2016
- Production potential holding steady
- Target 80% by 2018
- PE up 13% since 2012 low
- PETF and other initiatives bearing fruit
- What will the 2017 survey reveal?

Hub level performance

UKCS Production Efficiency for each reporting hub



- 38% of hubs are now over the target. This is an increase of 8% compared to 2015
- That's 35 out of 91 achieving or exceeding target, 56 not.
- Hubs over target by region
 - NNS 48%
 - CNS 40%
 - SNS 30%

There is currently a potential prize of an additional 160,000 boe per day equating to 59 mmboe a year from hitting an average PE of 80% in the UKCS.

This prize grows to 220,000 boe per day (80 mmboe a year) if all hubs already over the 80% target remain at their current level whilst all hubs under raise their PE to 80% (equates to a PE of 83%)

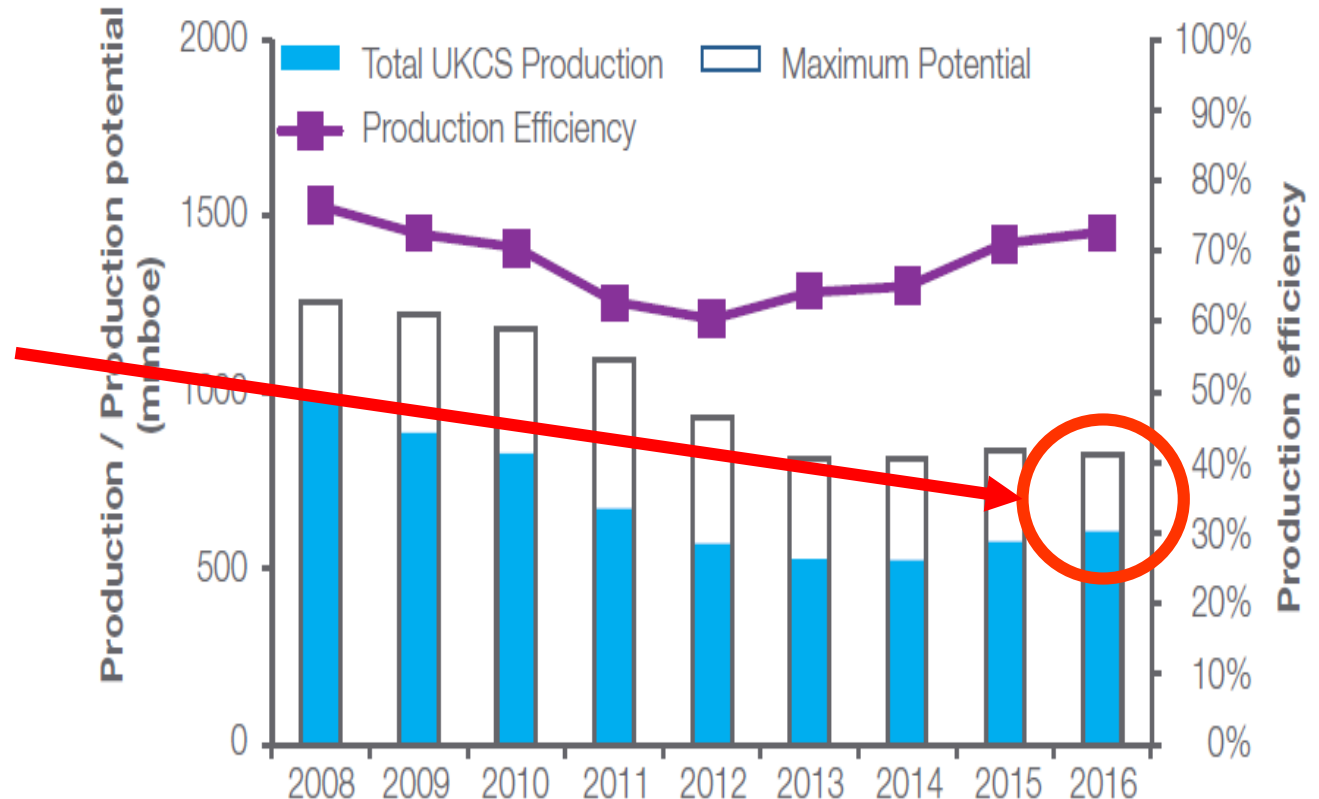


PE Average	Production <u>MMboe/day</u>	Additional Production "Prize"	
		Daily <u>MMboe/day</u>	Yearly <u>MMboe</u>
90%	2.01	+0.39	+142
80%	1.78	+0.16	+59
73% (current)	1.62	0	0
60%	1.34	-0.28	-102

Focus on Losses

**Focus on
the losses,
211 mmboe**

**Where are
they?**



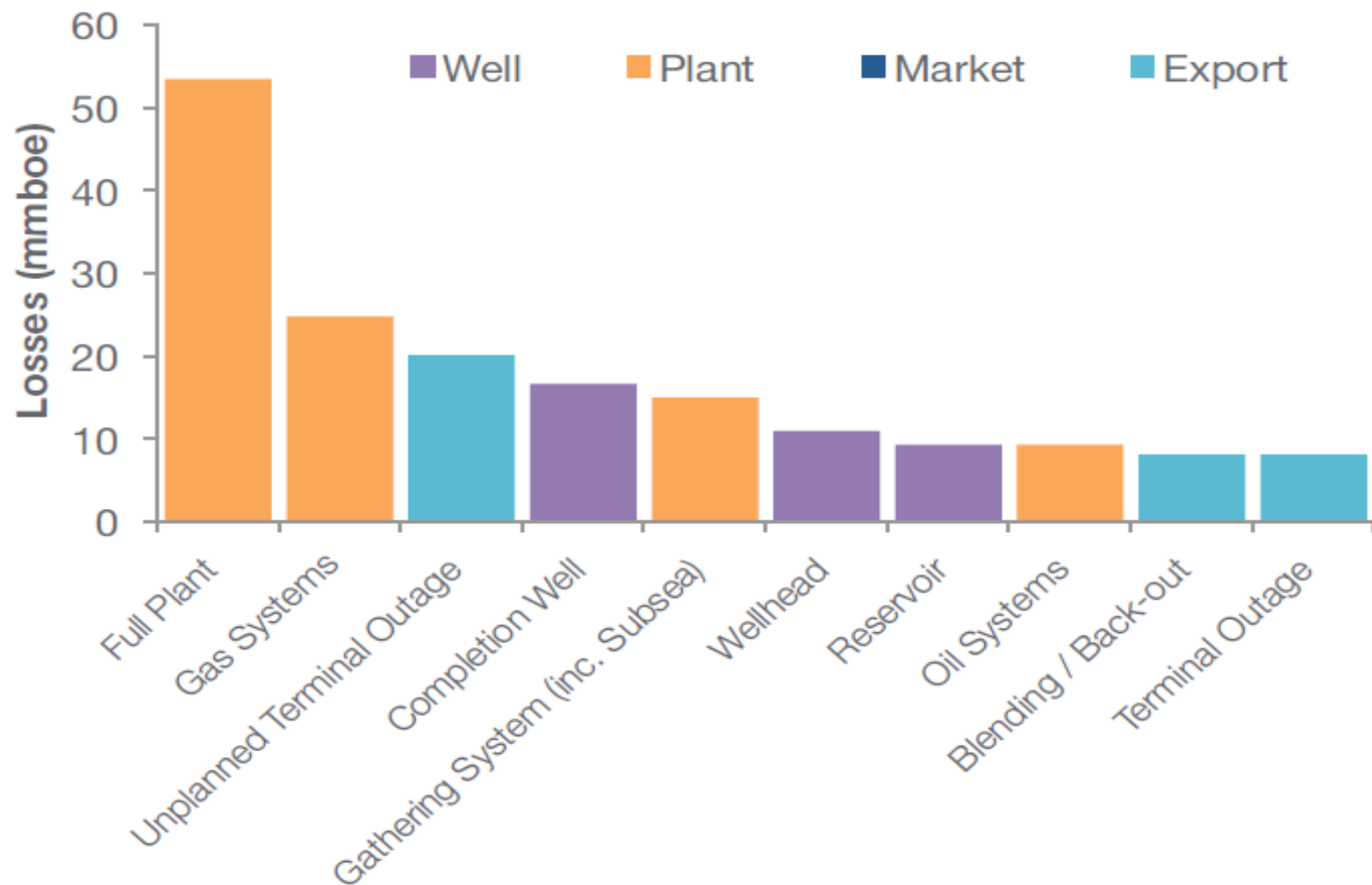
Production Losses



- Plant losses remain largest category but have now fallen for 5 years (60%)
- Export losses (22%) and well losses (17%) up in 2016
- Export losses have now risen for 4 years
- Market losses (1%)

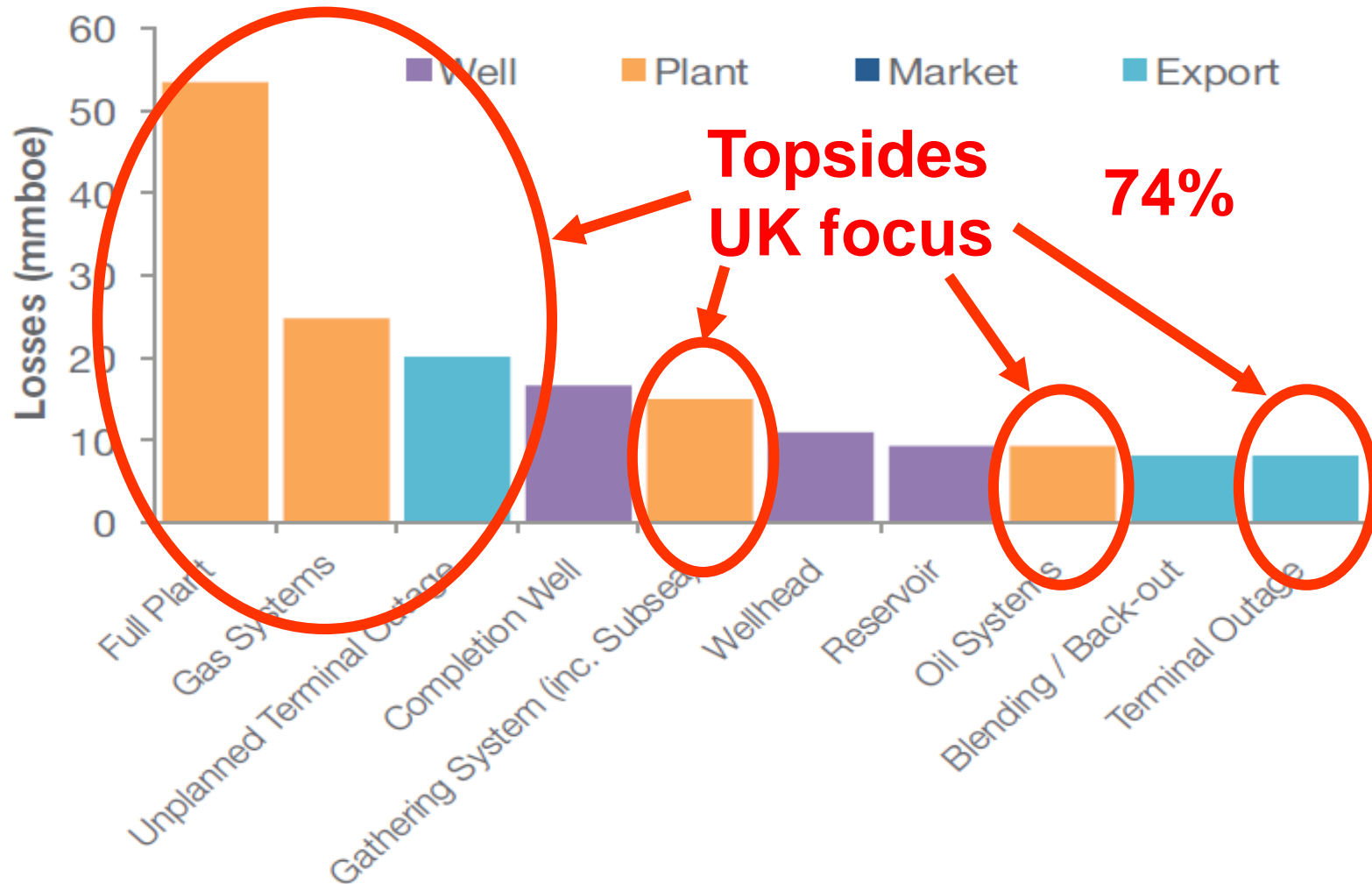
Top 10 Loss Categories

Covers 176 out of 211mmboe (>80%)



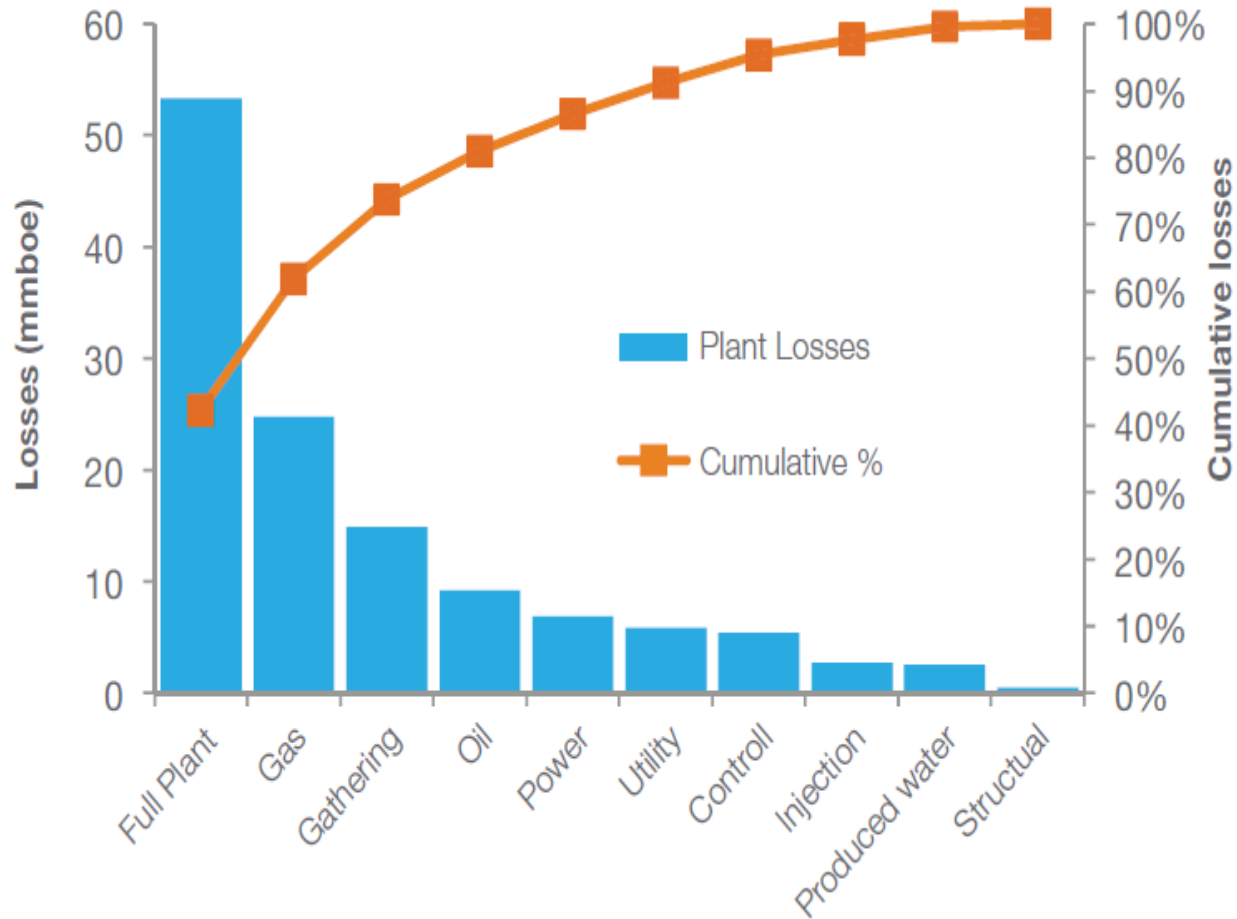
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'Plant' Loss Categories

60% of all production losses (126 mmboe)



- TARs are included in 'Full Plant'
- TAR over-runs
- Wrench time
- Isolations
- Gas compression
- Rotating equipment



73% Production Efficiency. Good progress. Much more to be done



220 mboe/d prize for raising underperformers to 80% PE



Biggest impact by focusing on TARs, Plant and Terminals



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Thank you
