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# Well Late Life and Abandonment

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Opening address

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# Today's Agenda



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State of the Basin



The late well life opportunity



Well P & A



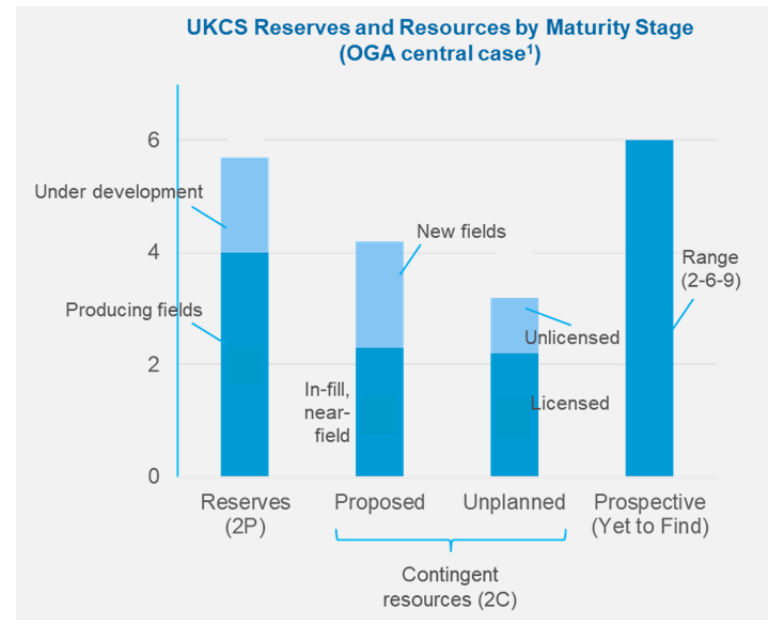
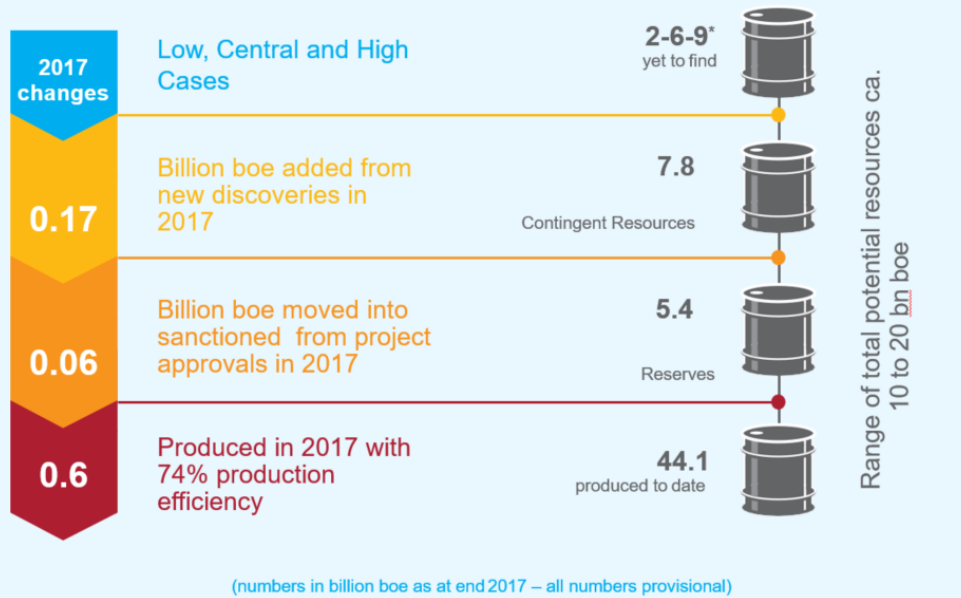
Conclusions



# Reserves & Resource Estimates 2017

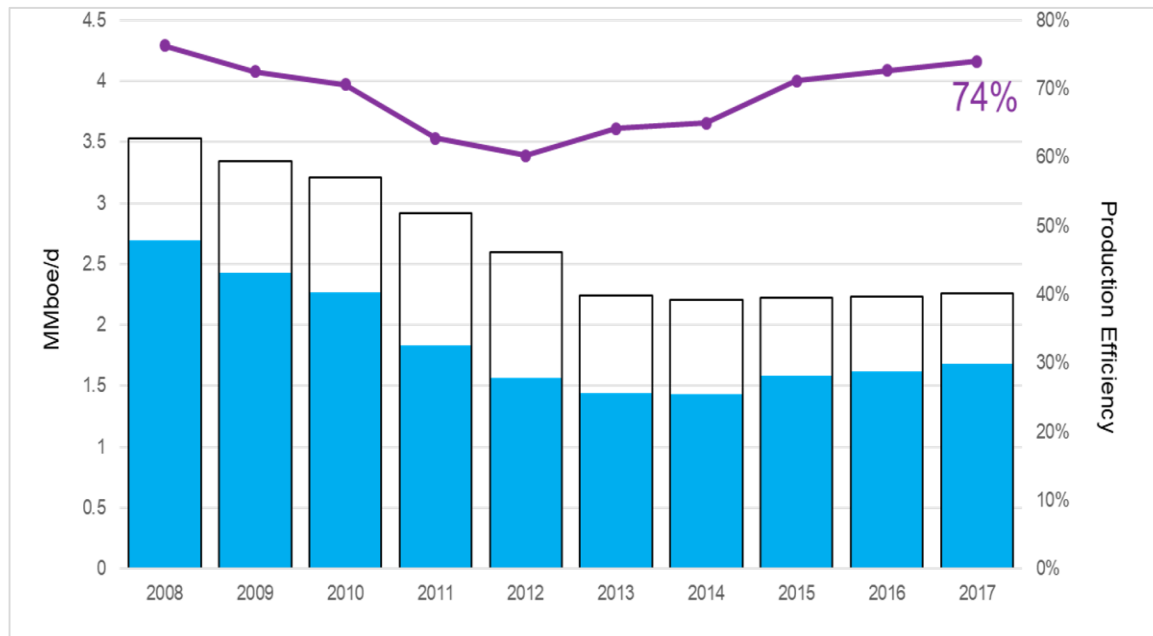


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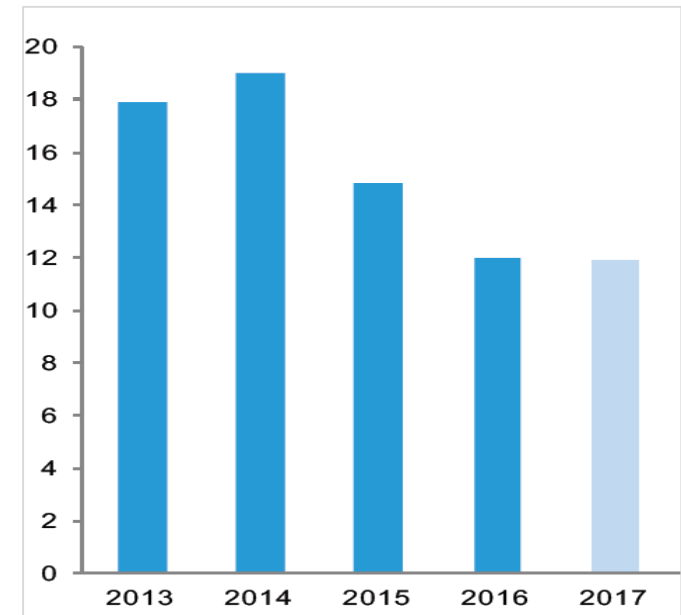


Healthy inventory of hydrocarbon resources

## Production Efficiency

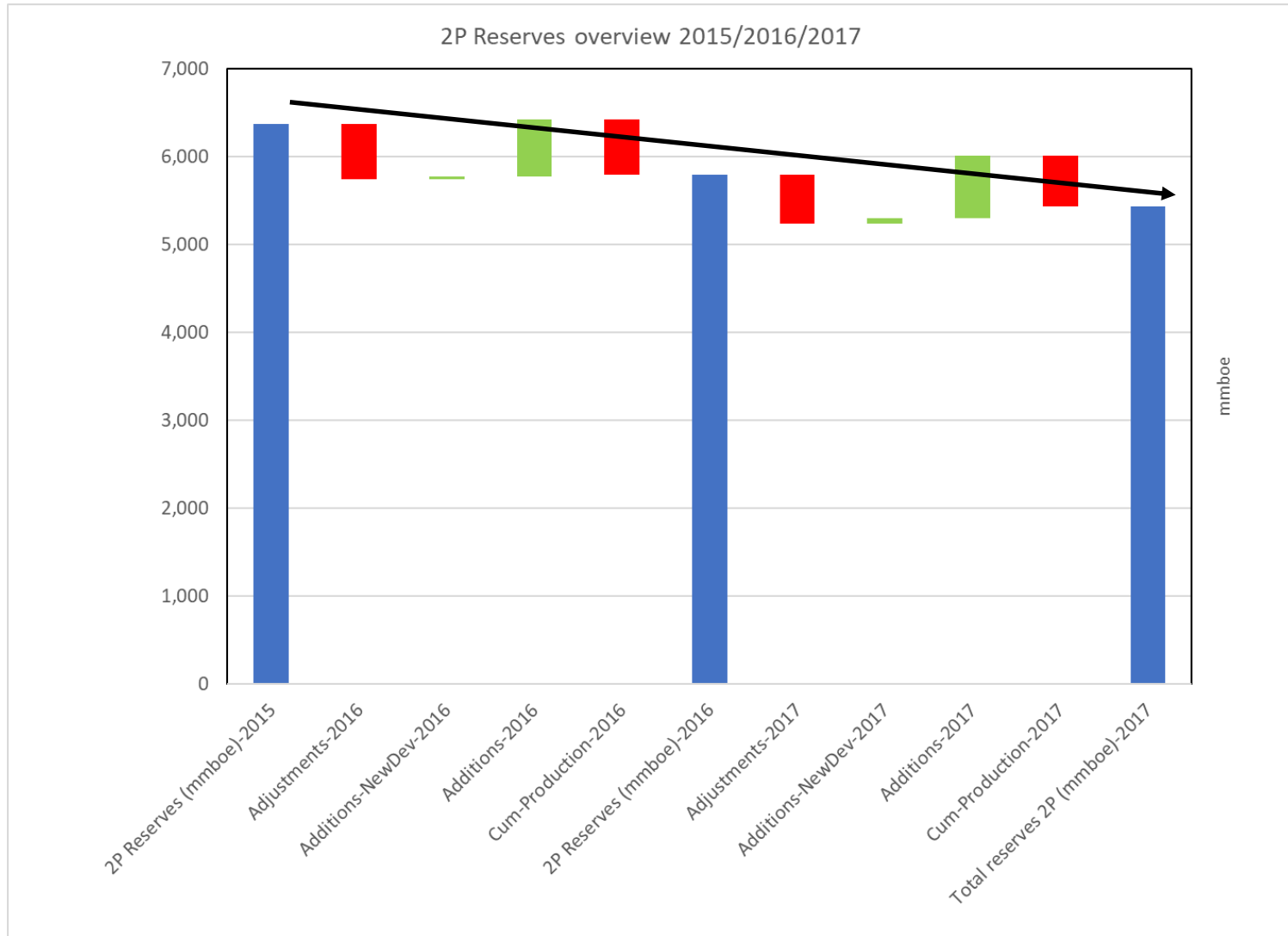


## Unit Operating Cost (£/boe)



Sources OGA (2017)

# The Challenge

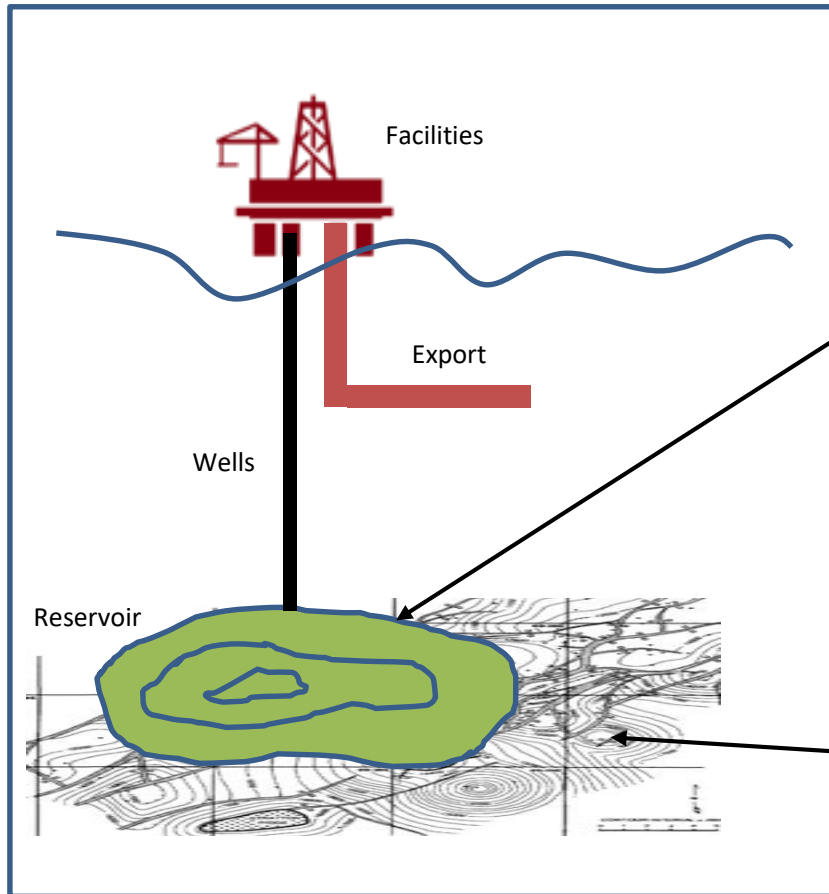


Sources OGA (2017)

# Late Well Life Opportunity



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Improve economic recovery

Shut in wells

Reducing well losses

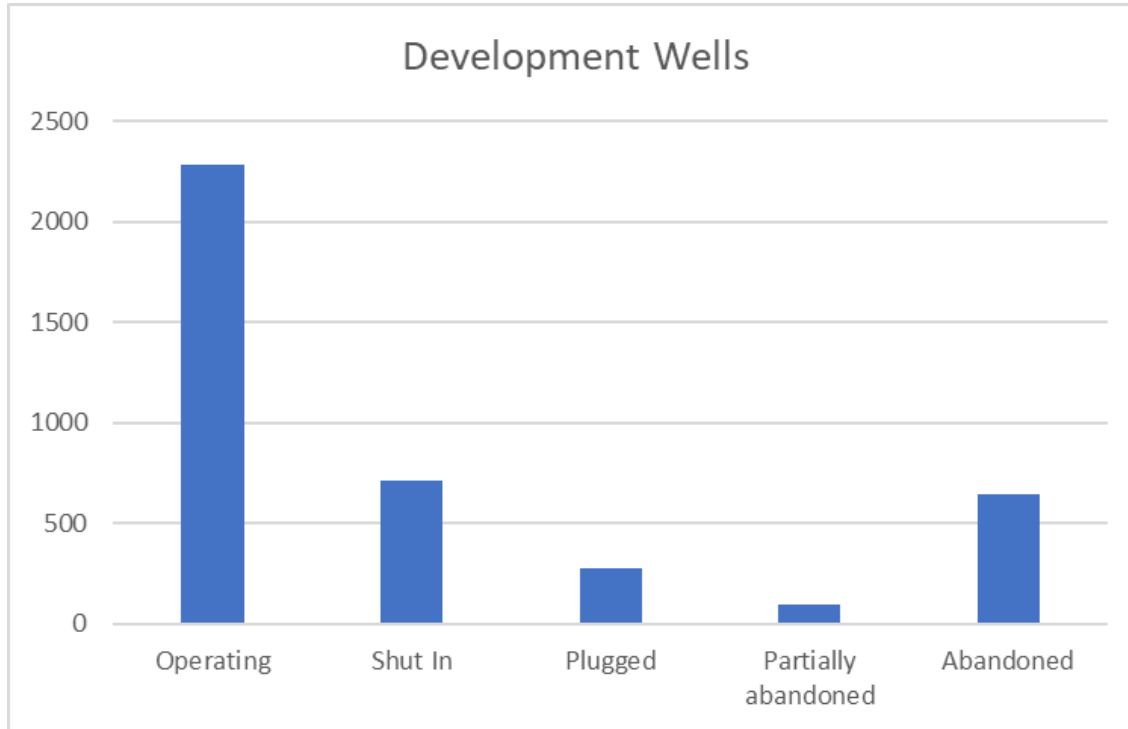
Incremental gains from near field activity

Opportunities are linked...needs an integrated approach

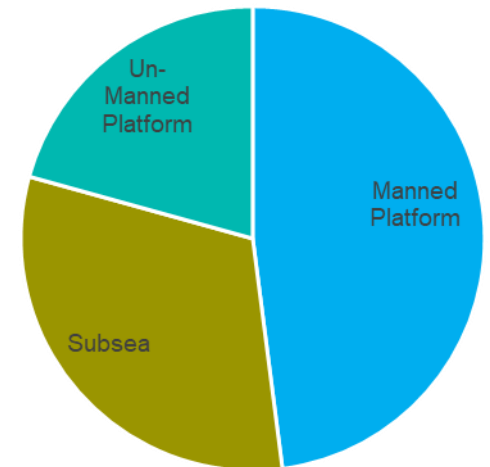
# Development Wells



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## Wells associated with Facilities



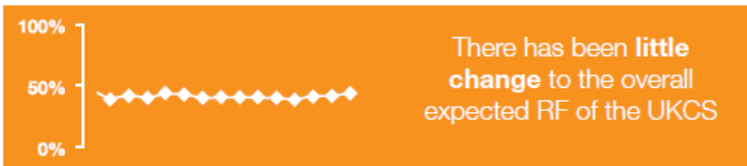
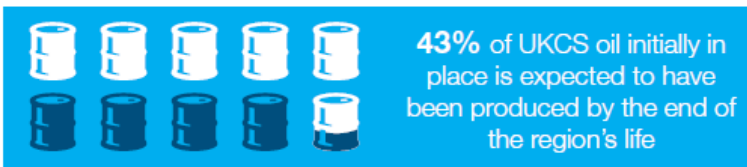
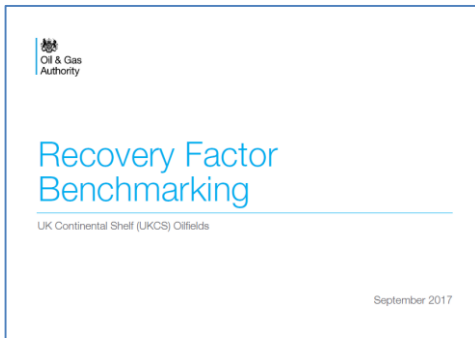
Development Wells ownership with  
c. 30 operators

c. 7800 development wells have been drilled in the past 50 years on the UKCS

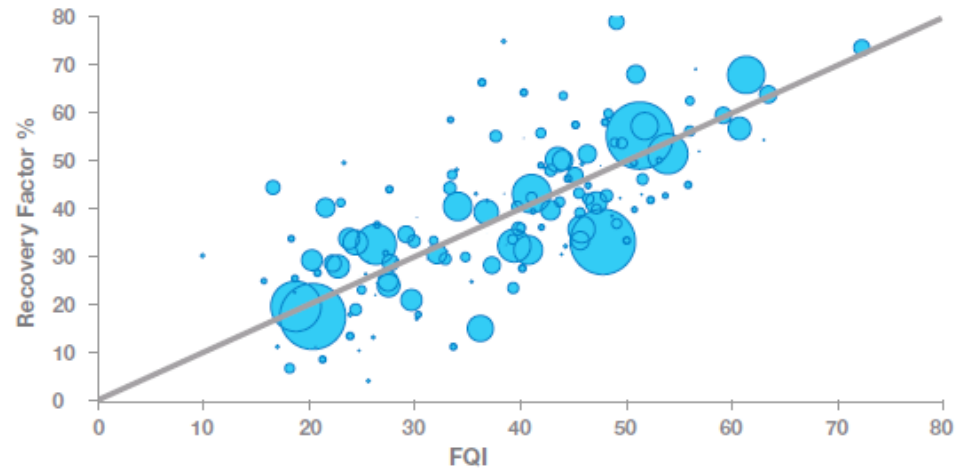
# Improve Recovery



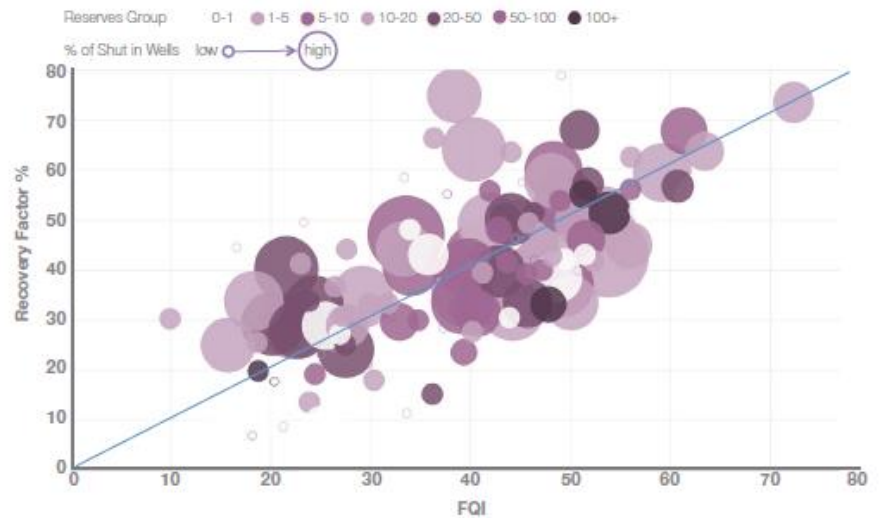
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Remaining Reserve size against FQI



% shut-in wells against FQI

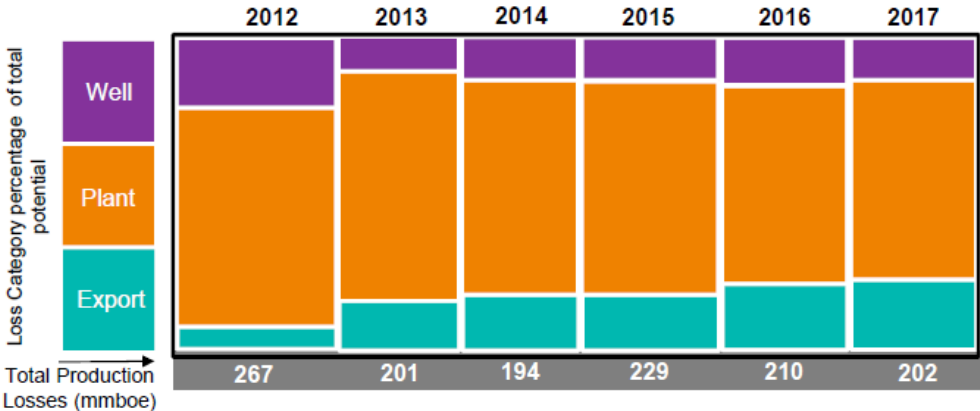






## Production Losses 2012 - 2017

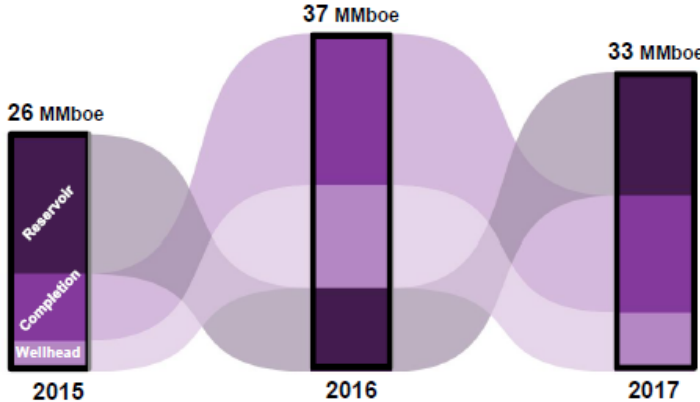
UKCS production losses, 2012 to 2017



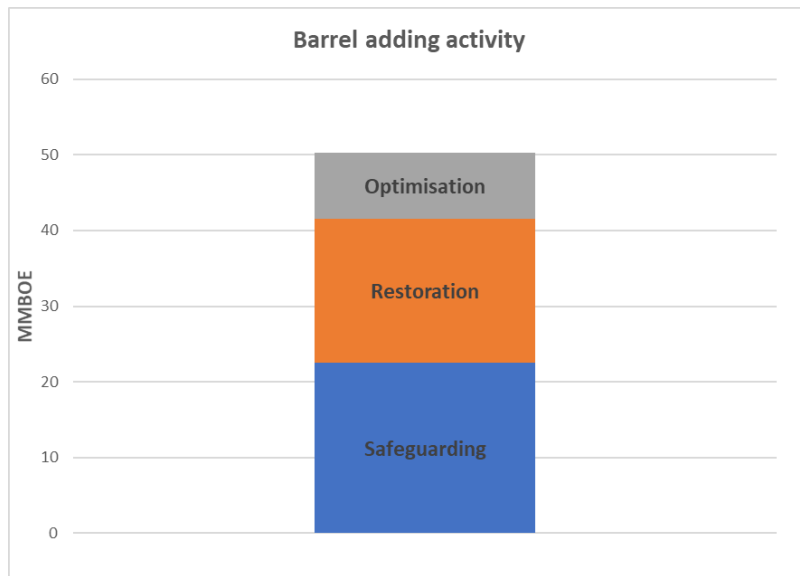
Top Quartile wells opportunity  
c. 90 k boed

## Well Losses

Well losses / 2015-2017

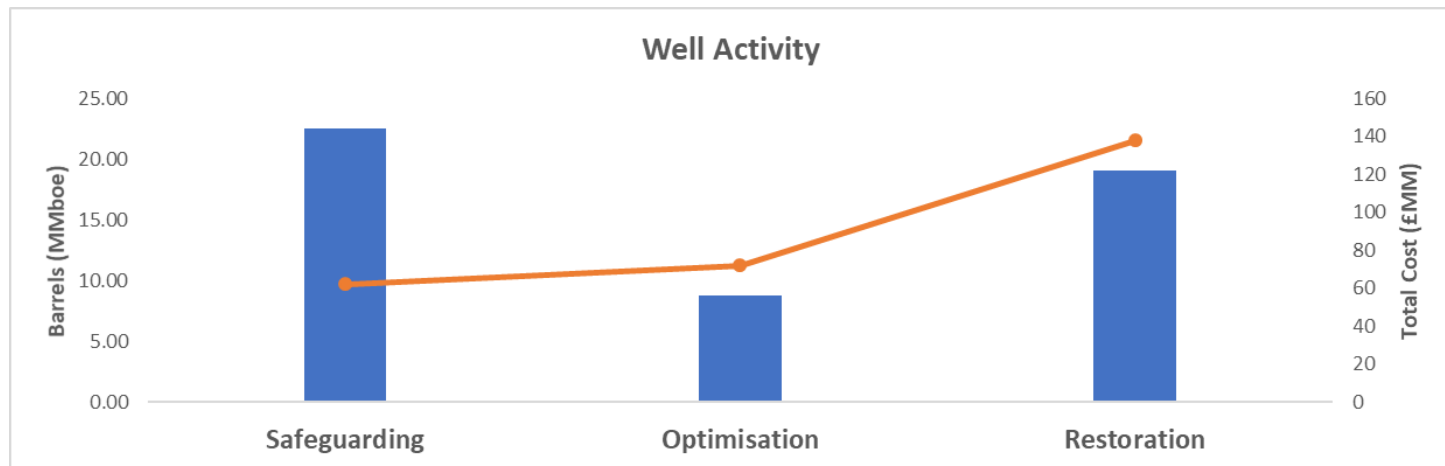


# Well Intervention Performance



**50 mmboe achieved through well activity**

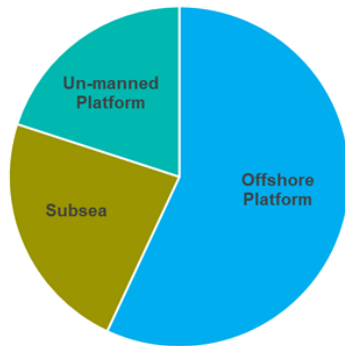
- £398m on P&A activity
- £287m on production-related interventions.



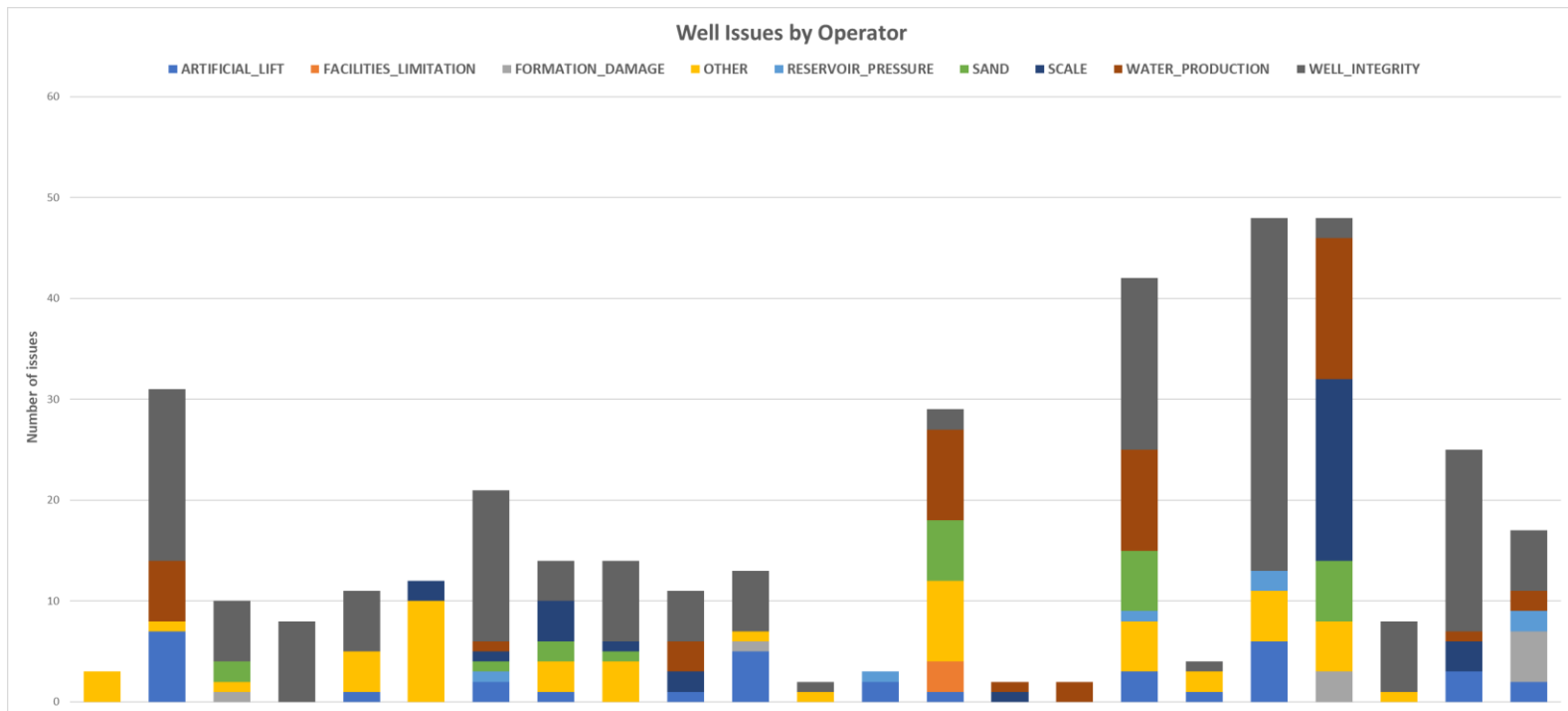
Total well intervention spend in 2017 was £685m

# Safeguarding/restoration- Well Issues

Well Issues - Asset Breakdown



396 well issues reported  
266 issues in operating wells  
158 actions taken

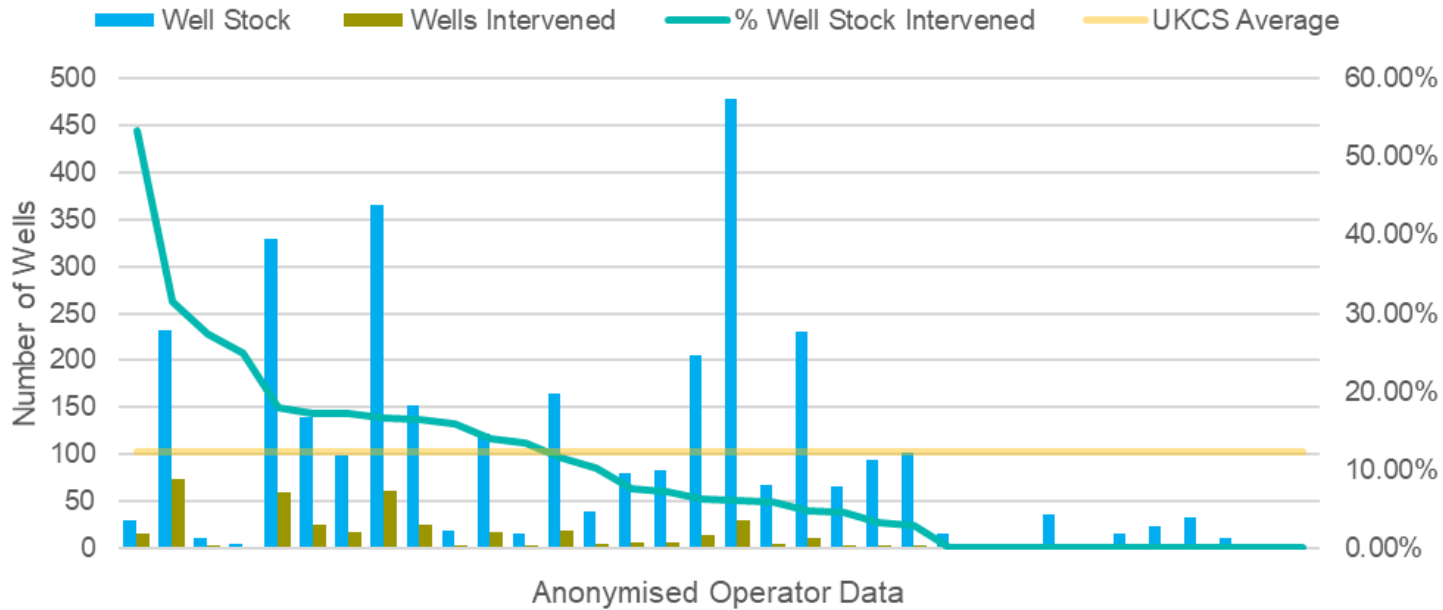


60% of issues actioned from 23 operators

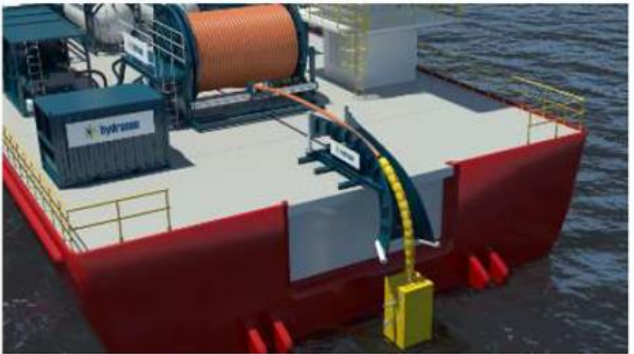
# Well Intervention Activity UKCS



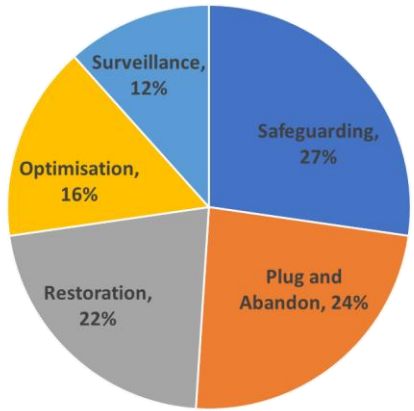
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## Coiled Hose Interventions



627 interventions were carried out in 2017 on UKCS wells across manned platform, un-manned platform and subsea assets.



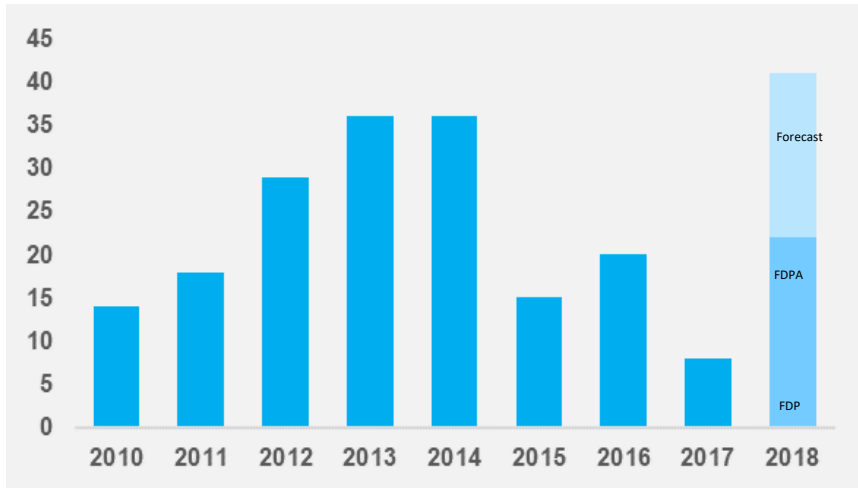
Operators intervened in 14% of the available well stock for production related purposes

# In Field Development activity



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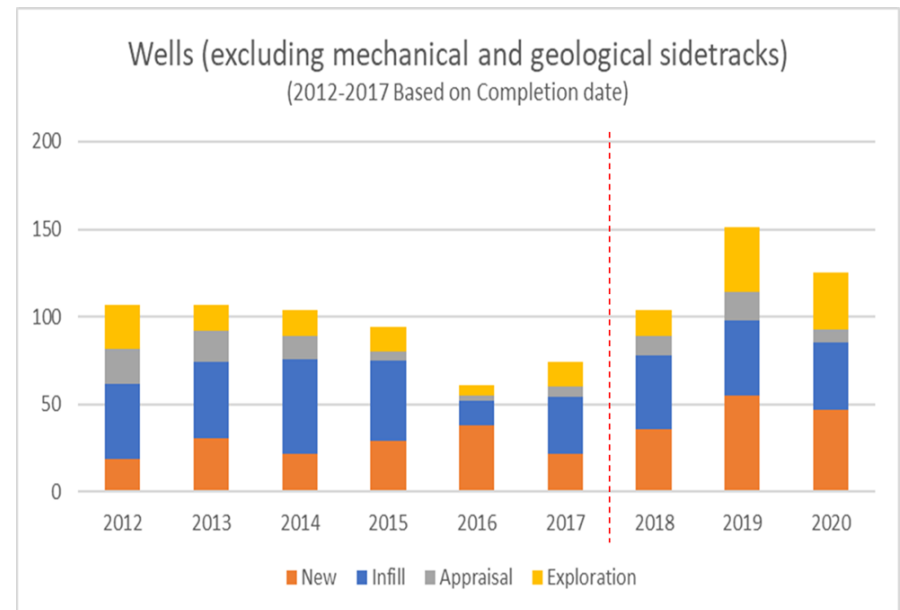
Number of FDP / FDPAs



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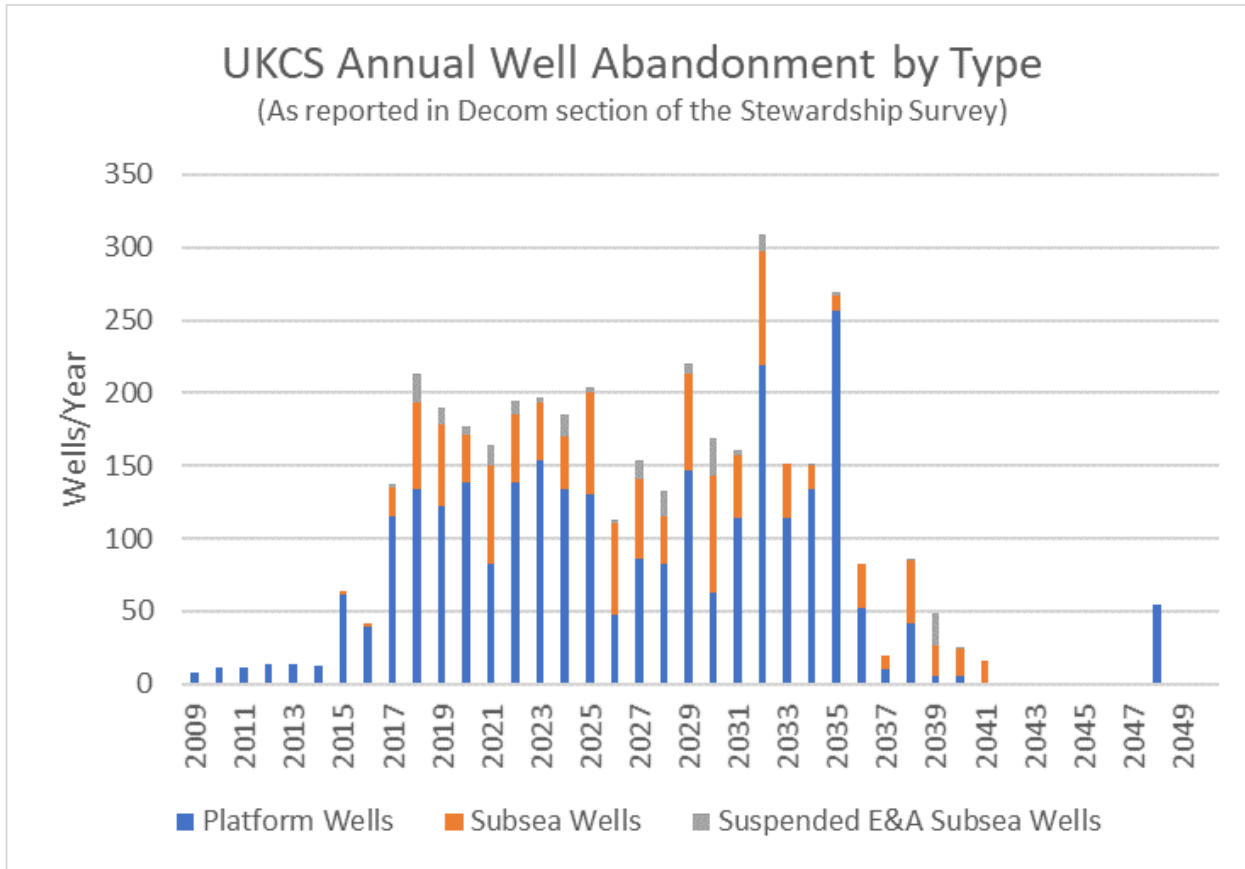
- Significant hopper of FDPAs under discussion with the OGA

Drilling activity predictions



Source: OGA WONS (Development Well Analysis)

# Well abandonment schedule



**Transformational technologies**

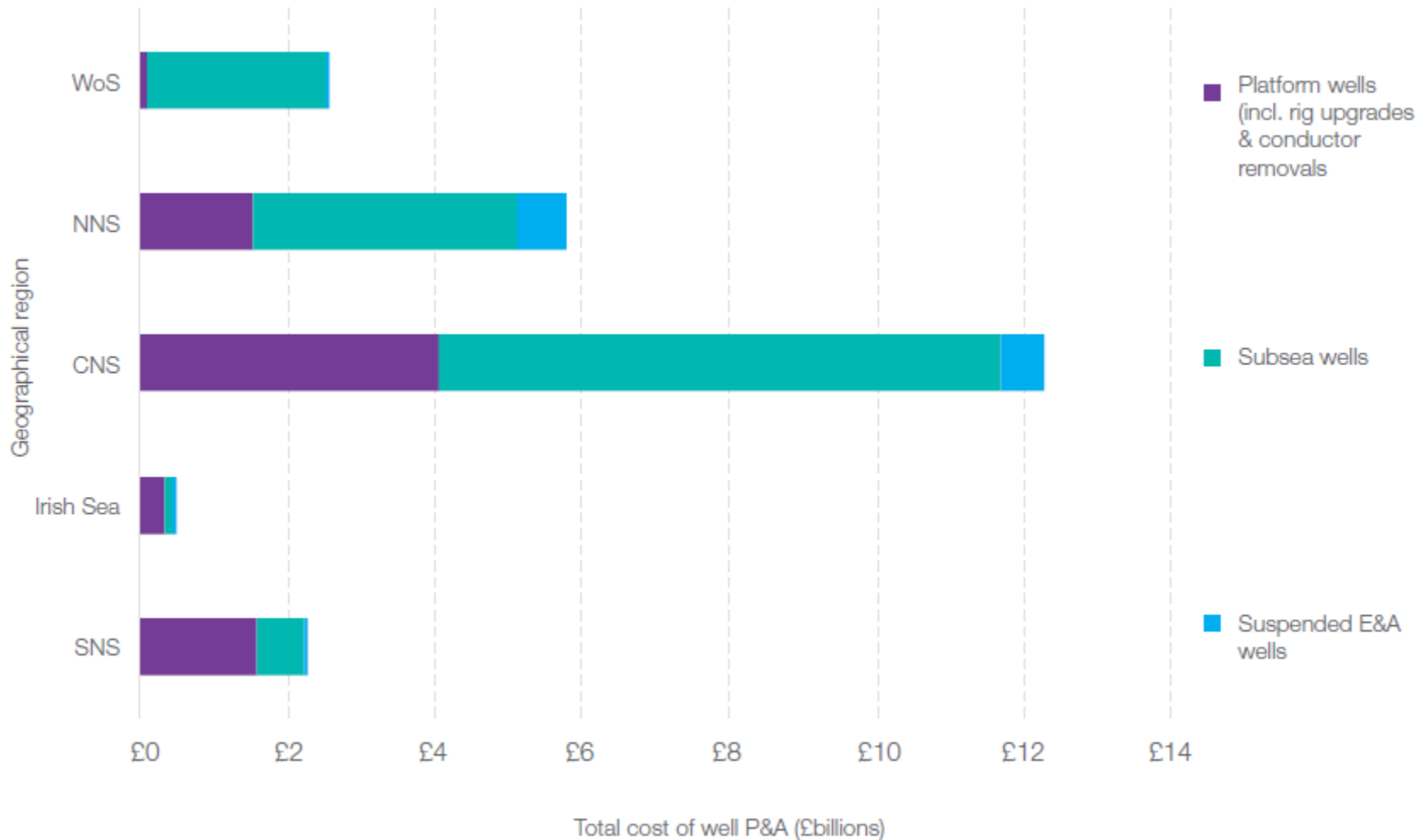
**Collaborating strategies**

**Fit for purpose execution best practices**

# Well Abandonment Cost



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Well abandonment 40% total decommissioning cost



To fully deliver MER UK opportunity industry needs to focus on well intervention efficiencies, and transformational technologies



OGA to issue well report and decom cost report with suggested actions



OGA will continue to use stewardship process to work closely with operators on upcoming plans



OGUK-led wells forum vital, OGA keen to fully support







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# Thank you

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