

Regional perspectives in decom

Sam Long | Decom Mission

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Decom Mission



Advocates for late life and decommissioning in the energy sector

- Independent trade association
- Membership based, Not For Profit
- Networking, intelligence, best practice, events
- Subject matter experts
- Oil & gas, nuclear and renewables
- Established 2009
- UK based, global perspective





North Sea: UKCS



Remains the largest decommissioning market

- '23 forecast, pa: GBP £2.2bn / USD \$2.8bn / AUS \$4.2bn
- '26-'32: high activity window, 60% of topsides/subsea
- '23-'32 estimate: £20.59bn / USD \$26.4bn / AUS \$39.9bn
- Wells remain dominant: 200+ pa / 51%
- Innovative Supply Chain based in Scotland, UK and NS in general

Despite this, challenging headwinds

- Economic: inflation and taxation
- Competition for capital and services
- Demographics: ageing workforce, declining interest

North Sea: Norway and Netherlands



Netherlands remains #2 decom market in North Sea

Gronigen P&A campaign largely complete

Nexstep multi-operator P&A campaign completed

Comparator: '24-'32: 403 wells

Like Australia, Norway is still growing

Continued greenfield / brownfield, E.g. AkerBP USD \$5.5bn / AUS \$8.32bn

But improving definition of decommissioning for the future

Equinor in "execute mode", e.g. Heimdal

Comparator: '24-'32: 301 wells

Continued uncertainty re OSPAR and removal capabilities

North / South America



Largely self-serving, GoM is arguably oldest decom market

- Driven to date by shallow water focus
- Deepwater GoM gaining traction: USD \$24bn AUS \$26bn estimate (Louisiana State)
- Significant "boomerang" asset portfolios emerging
- Vast onshore well abandonment demand from Alaska to Louisiana Brazil has notable activity underway
- Emphasis has moved from shallow water to pre-salt assets
- '24-'28: USD \$ 11.4bn / AUS \$17.25bn

South East Asia



Whilst ultra-competitive Brunei, Indonesia, Malaysia and Thailand remain active, accessible and repeatable

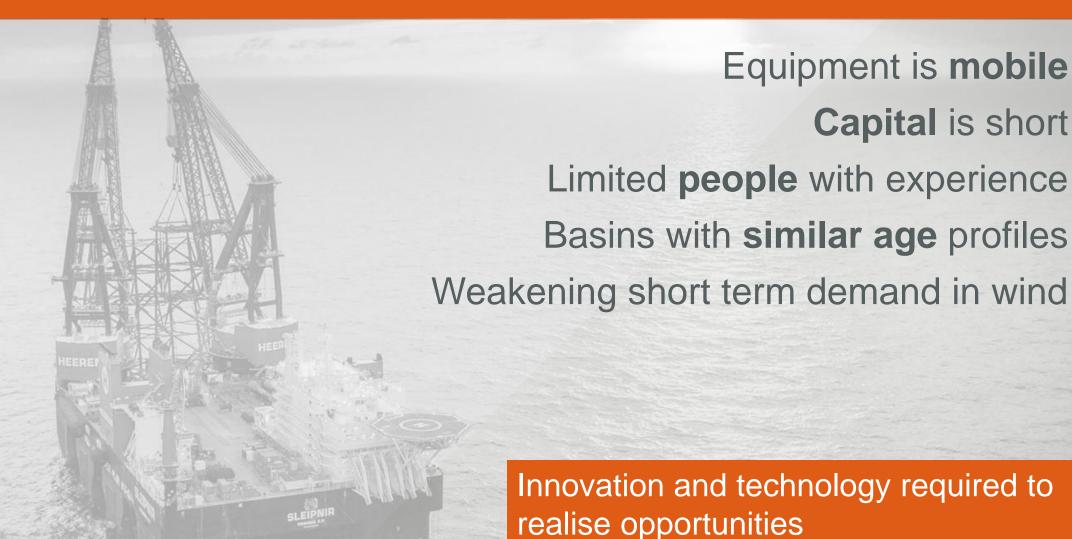
- 2,500+ fixed assets and supporting wells
- Shallow water, (gas) plays similar to Southern North Sea and inner Gulf of Mexico
- Challenges regarding Production Sharing Contract terms

Australia only serves to heighten regional appeal...



Hard choices lie ahead





decommission.net

Decom Week 2024



Decom specific conference and exhibition

- Ardoe House Hotel & Spa, Aberdeen, UK
- May 20th -24th
- Social events, including Awards Dinner and golf/cycling



Thanks...



