

Regional perspectives in decom

Sam Long | Decom Mission

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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



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Welcome to Perth, WA

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

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

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



Equipment is **mobile**

Capital is short

Limited **people** with experience

Basins with **similar age** profiles

Weakening short term demand in wind

Innovation and technology required to realise opportunities

Decom specific **conference and exhibition**

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

Decom
Week
20/24 MAY 2024

Thanks...



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