

May 17th 2023

North Sea Lessons for a Global Portfolio

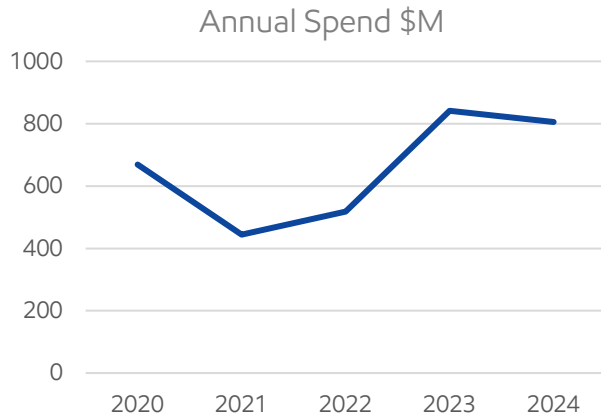
Energy lives here™

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Decommissioning Adviser

ExxonMobil Decommissioning

Global Portfolio

- \$9.7G Asset Retirement Obligation
- \$800M annual spend - comparable to 50% of total UKCS



Zafiro Producer, Equatorial Guinea, May 2023



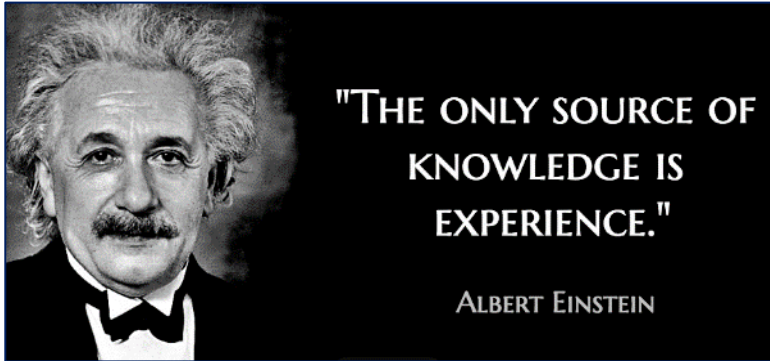
Sable Removal, Nova Scotia, June 2020

How Valuable Is Experience?



"Experience is a good school. But the fees are high"

– Heinrich Heine



- Owners teams and many Service Companies/Contractors usually executing their 1st Decommissioning Project
- Many teams disbanded after project completion and the value of experience is lost
- Few industry senior managers and leaders have any decommissioning planning, execution or field experience

ExxonMobil 30 years North Sea Operated Decom



Ezzo Odin, 1997



Mobil Camelot CB 2003 (1st re-use)



Ezzo Jotun B 2020 (jacket removal record)



Sable Decommissioning 2020, 1st Trans Atlantic

30 Years JV Partner (All Shapes and Sizes)



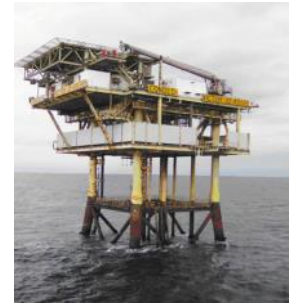
Brent Spar (Shell)



NW Hutton (BP)



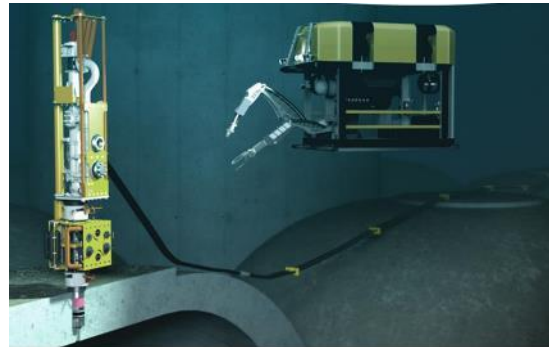
Inde (Shell)



Victor, Jupiter (CoP/Harbour)



Brent (Shell)



Curlew (Shell)

Current Projects



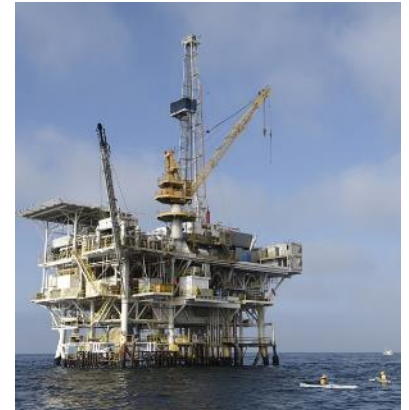
Zafiro, Equatorial Guinea



Gippsland Basin, SE Australia



Gippsland Basin, SE Australia



Holly, US West Coast)

New Lessons Or Old?

Right Scope

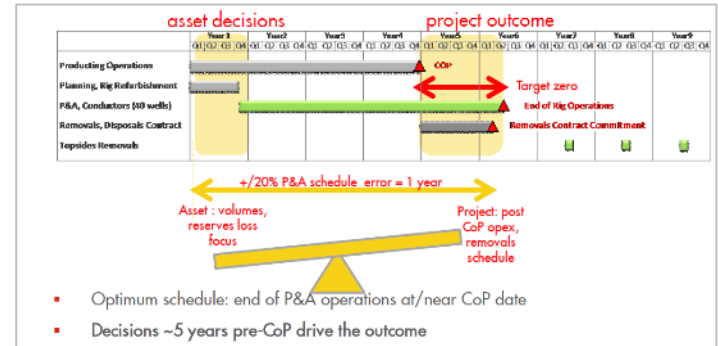
- Prioritise end of field life planning
- Regulator/Stakeholder engagement early enough to influence outcomes

Right Technology

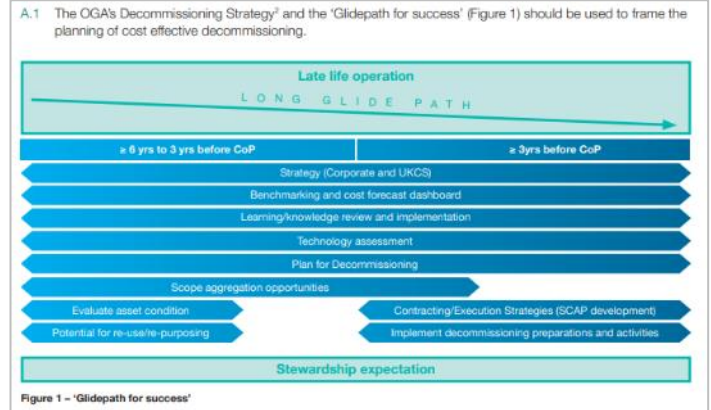
- Think big... justify investment to deliver step changes and avoid just in time, low cost “race to the bottom”
- Technology vision is easier than execution

Efficient Execution

- Value, plan, develop and maintain skills
- Be specific & deliberate; “campaigns”, “learning curves” and “collaboration” aren’t delivering



Brent Decomm, NPF Bergen, February 2013



NSTA "Glidepath for success"

Facility Removal Step Change



Contractor led dramatic improvement in facility removal outcomes
(e.g. NW Hutton jacket > 100 HLV days,
Brent Alpha jacket < 30 days)

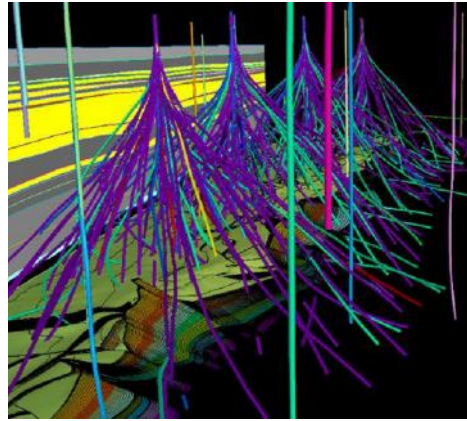
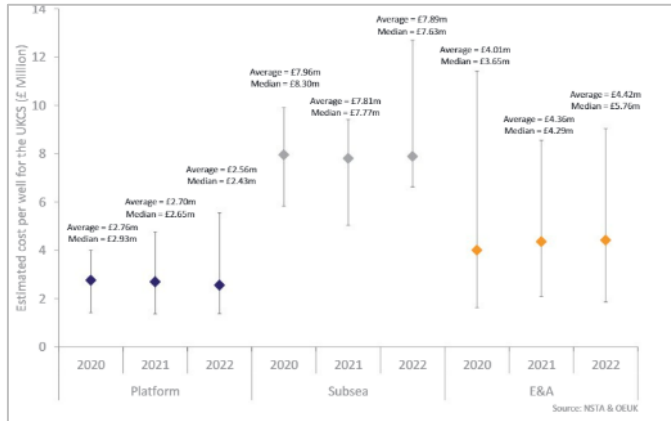
How/Why?

- Major Project mindset
- Skilled contractors
- Aligned incentives; Lump Sum

P&A Largest Unrealized Opportunity

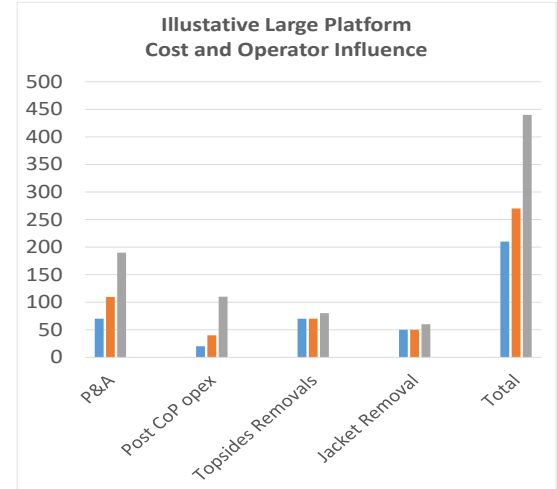


- Owner/Supply incentives misaligned
- Refurbished 1970's rigs
- Adapted drilling and workover
- Short term planning
- Too many non-specialists?
- Reliance on incremental improvement
- **Are we preparing for subsea and deepwater P&A ?**



People

- What is the “Decommissioning Mindset” ?
- Is Decommissioning competitive ?
- What is “Collaboration” and what results have been delivered ?
- Are “campaigns” the solution ?
- “Technology” or “Execution” ?
- ***If nothing changes in terms of the way the people in the organisation think, behave or react then nothing has been learned***



Thank you

ExxonMobil