

NWECS Late Life & Decommissioning – Market Update - Aug 2018

Decom North Sea Bitesize Event

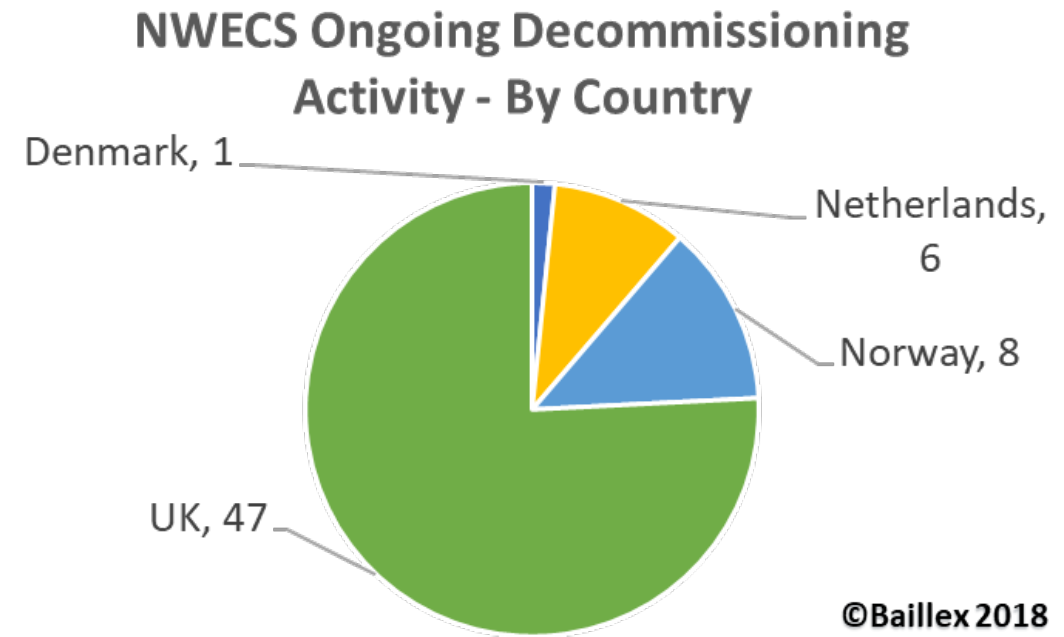
Source:

NWECS Decommissioning Projects Assessment Data *[detailed projects list]*

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Market dynamics – current activity

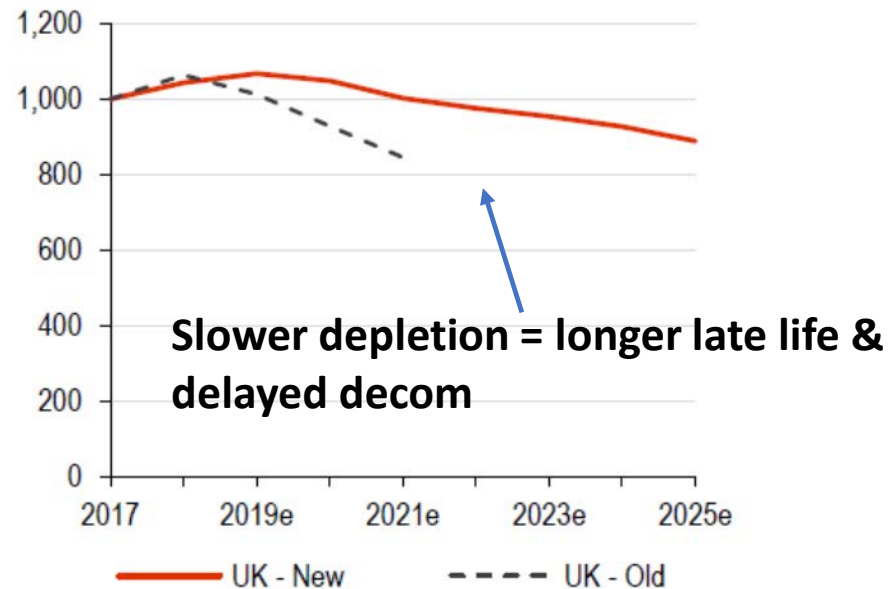
- Increase in **ongoing decom** projects across NW Europe
 - now up to **62 fields** (end July 2018);
- x13 projects started decommissioning in 2017
- x23 projects likely to start decommissioning in 2018
 - 14 started offshore ops in Q1
 - 4 started offshore ops in Q2
 - 5 likely to start in 2H 2018
- An increasing number of projects are **starting offshore activities pre-CoP**
 - *This is making identification of opportunities more challenging and CoP dates less important*



Market dynamics & trends – looking forward

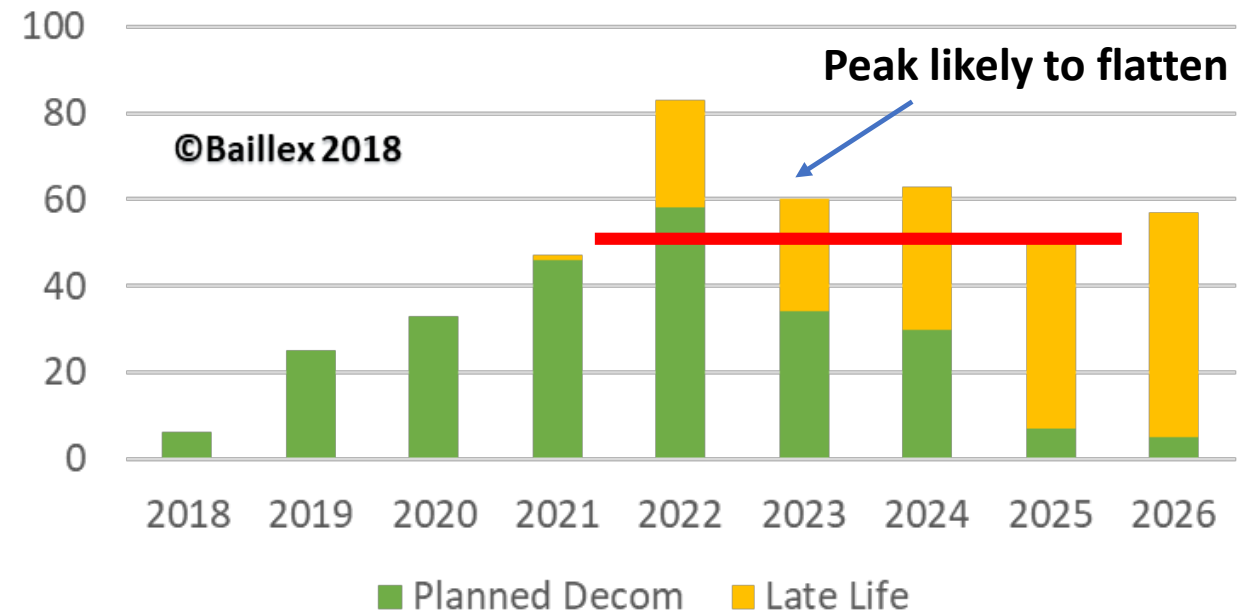
- **Late Life** fields are benefiting from improving economics and many are moving to the right
- **Late Life** fields are depleting slower than expected, delaying decommissioning decisions
- *Mid 2020s peak is likely to flatten to average 40-50 fields per year being decommissioned*

UK oil production estimates (kbd)



Source: HSBC estimates. Includes crude oil, condensate and NGLs

NWECS Planned Decom & Late Life Activity



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- **NWECS Decommissioning Projects Assessment Data**

- *Detailed list of all late-life & decom fields across NWECS including dates, status etc..*
 - *subscription with quarterly updates*

Delivering the detail behind the headlines....

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