

Wells Task Force Meeting

6th November 2019

Attendees:

Steve Phimister, Shell
Gunther Newcombe, OGA
Alan Quirke, Repsol Sinopec
Doris Reiter, BP
Martin White, Halliburton
Peter Wilson, Valaris
Claus Vissing-Jorgensen, Total
Joe Narducci, Apache
Katy Heidenreich, OGUK
Ian Ferguson, Shell
Marian Bruce, OGA (Secretariat)

Apologies:

Karl Tolson, Chrysoar
Glen Brown, OGA

Welcome & Introductions

- Gunther Newcombe welcomed everyone to the first meeting of the newly formed Wells Task Force (WTF) and asked the members to introduce themselves.

Scene Set – Steve Phimister

- Steve Phimister advised that the objective for the meeting was to ensure that task force members were aligned on why the task force was set up, what the objectives would be and the desired outcomes.
- The WTF is intended to be a consolidation of all the existing efforts into one coherent wells value chain. The overall objective is to have a more streamlined, efficient and effective way for the oil and gas industry to achieve the OGA Wells Strategy. The OGA Wells Insights report highlights that there is a gap in performance.

Well Strategy/Insights – Gunther Newcombe

- Gunther provided an overview of the OGA's Wells Strategy, the ambition of which is to:
 - Increase the value of new wells and existing well stock thus enabling the economic delivery of incremental projects and the deferment of Cessation of Production on existing fields.
 - For well decommissioning (P&A) costs to decrease in line with industry targets whilst protecting reservoirs with potential future use

- Wells activity is at a historically low level, well performance has not improved compared with other industry KPI's such as PE & UOC
- There are 3 focus areas in the Wells Strategy:
 - Regulatory compliance
 - Business processes to increase activity levels
 - Improve activity performance
- A new Wells Stewardship Expectation has recently been launched this is a framework for what good looks like.
- There is possibility of including wells data in the 2020 stewardship survey, which could be used for benchmarking or KPI's.
- Gunther requested WTF assistance to identify relevant questions for future surveys.
- A new Wells Insights report will be published before the end of 2019.

Background – Katy Heidenreich

- Katy provided background and a progress update on the work that had been undertaken to-date by the different wells task groups.
- Work undertaken includes
 - Right scoping document published and 2 well scrutiny sessions have been held and further sessions are planned for 2020.
 - Multi-operator campaigns – 12 operators on board with 2 activity streams in progress
 - Performance improvement workshops – 3 have been held, further workshops to be held
 - Develop KPI's
 - Unlocking investment guidance, expected to be published before the end of the year
 - Well decommissioning
- It will be important going forward to maintain connectivity with the other existing task forces especially the Asset Stewardship and Decommissioning.
- The WTF will need to decide which of the activities currently being worked on they will continue to support.

Mission Statement/Task Force mechanics and next steps

- The Wells Task Force is an industry task force, supported by the OGA, looking at the Wells value chain to integrate, streamline and add value to the well delivery, management and removal process. Delivering the Wells Strategy, part of MER UK.
- The TOR's were issued prior to the meeting and were agreed by the WFT members.
- It was proposed that the following 5 work groups, some of which already exist, be reviewed (ensure no duplication) and TOR pulled together by work group leads and be shared with WTF members for discussion at the next meeting.:
 - Right Scoping– Ian Ferguson, Shell
 - Deliver both leading and lagging indicators and benchmark process
 - Waste Removal - Claus Vissing-Jorgensen, Total

- Share equipment, equipment reliability & service delivery, in-hole problems, competence
 - Improved Partnerships – Pete Wilson, Valaris; Martin White, Halliburton
 - Multi-operator campaigns (MODU's); Multi-operator campaigns (LWIV's)
 - Reservoir & Wells Optimization – Doris Reiter, BP
 - Develop key leading and lagging performance KPI's
 - Achieve top quartile levels of well surveillance and interventions
 - Well Decommissioning– Alan Quirke, Repsol Sinopec UK Ltd
 - Deliver improvement to achieve 35% cost reduction or more
- It was agreed that the WTF should develop a useful set of leading and lagging indicators across the life cycle of well, that can be used by the OGA and industry to measure performance.
- Task group leads to develop objectives, TOR's for their groups and give thought to what the right KPI's should be, to be discussed and agreed at the next meeting.

AOB

- The question was asked if there was scope to invite other representatives to join the WTF.
- It was agreed that it would be more appropriate to invite interested companies to join the task groups. This could be revisited once the WTF was more established.
- It was agreed that OGUK's wells forum would be an important forum where information could be shared. A representative would be given a agenda slot at the next WTF meeting and a representative from the WTF could speak at the wells forum meeting.
- Steve Phimister reiterated what had been discussed/agreed during the meeting:
 - TOR's for the WTF
 - The structure and composition of the WTF
 - A number of issues had been raised and addressed about managing interfaces with other groups and task forces.
 - Task group leads were asked to pull together a formal TOR's for their group – what, why, when and who should be involved. Template will be provided so there is one format.
- The focus for the next meeting will scrutinise the templates and decide what the level 1 plan should be for the WTF – what the focus areas will be to achieve the objectives and who is going to do what.
- Any other topics for the agenda should be sent to Steve.
- Meetings will be held every 2-3 months
- Members that that not familiar with the Wells Strategy, insight report should familiarise themselves with this as

- It was highlighted that when participating in the task force and associated tasks that members will represent the UK oil and gas industry as a whole and not their individual companies.
- OGA's role in the WTF is to influence and promote
- Date of the next meeting on 25th February 2020

Table of Actions

Action	Who	When
Task group leads to develop formal TOR's for their group – what, why, when and who should be involved.	Task Group leads	17 th Feb 2020 (for issue as a pre-read for next meeting)
Develop Template for above	Steve Phimister Katy Heidenreich	31 st Jan 2020
Become familiar with: OGA Wells Strategy OGA Wells Insight Report OGA Wells Asset Stewardship Expectation	All	25 th February

Useful links:

Wells Strategy:

<https://www.ogauthority.co.uk/news-publications/publications/2019/oil-and-gas-authority-publishes-first-wells-strategy/>

Wells Insight Report:

<https://www.ogauthority.co.uk/news-publications/publications/2018/wells-insight-report-2018/>

Stewardship Expectations:

<https://www.ogauthority.co.uk/exploration-production/asset-stewardship/expectations/>