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## Offshore Decommissioning Conference

DELIVERING THE FUTURE TOGETHER

# UK Continental Shelf Decommissioning Insight 2014

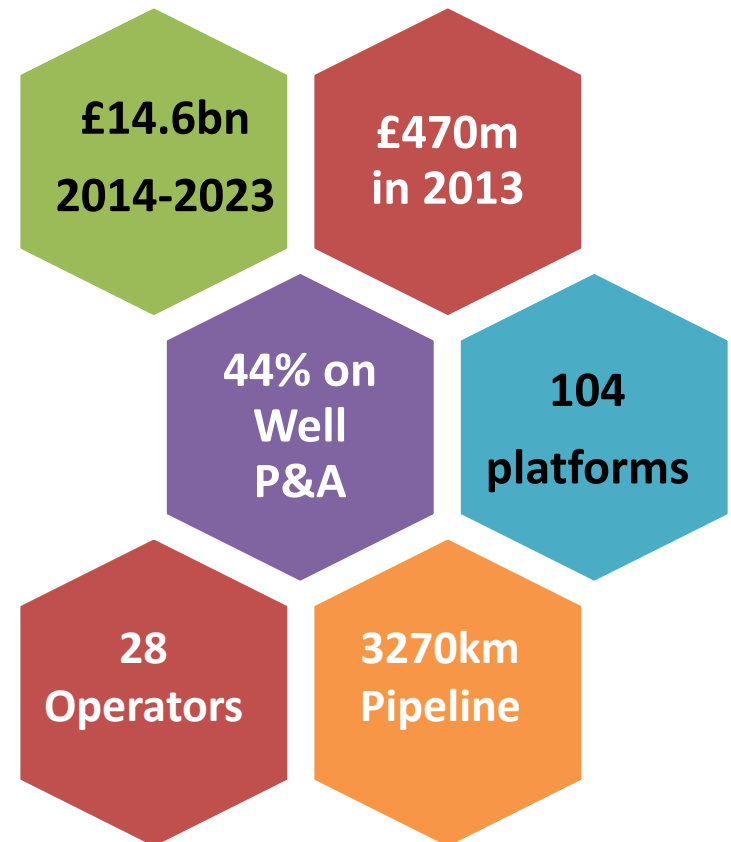
Karis Vieira, Oil & Gas UK

The Offshore Decommissioning Conference is jointly organised by:



# Contents

- Survey Improvements
- Market Insight Results
  - Expenditure
  - Well P&A
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  - Pipeline Decommissioning
- Conclusions

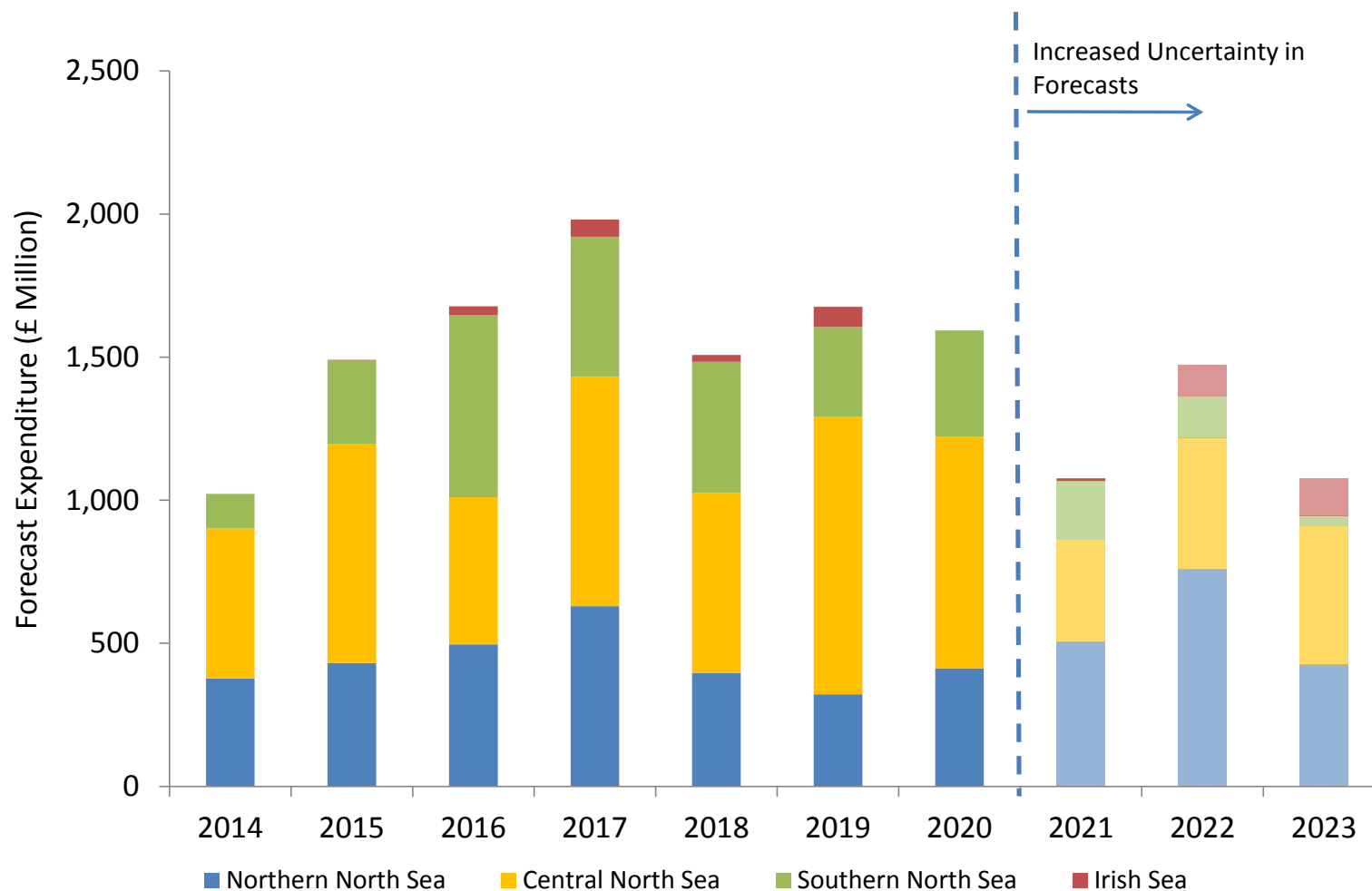


# Survey Improvements



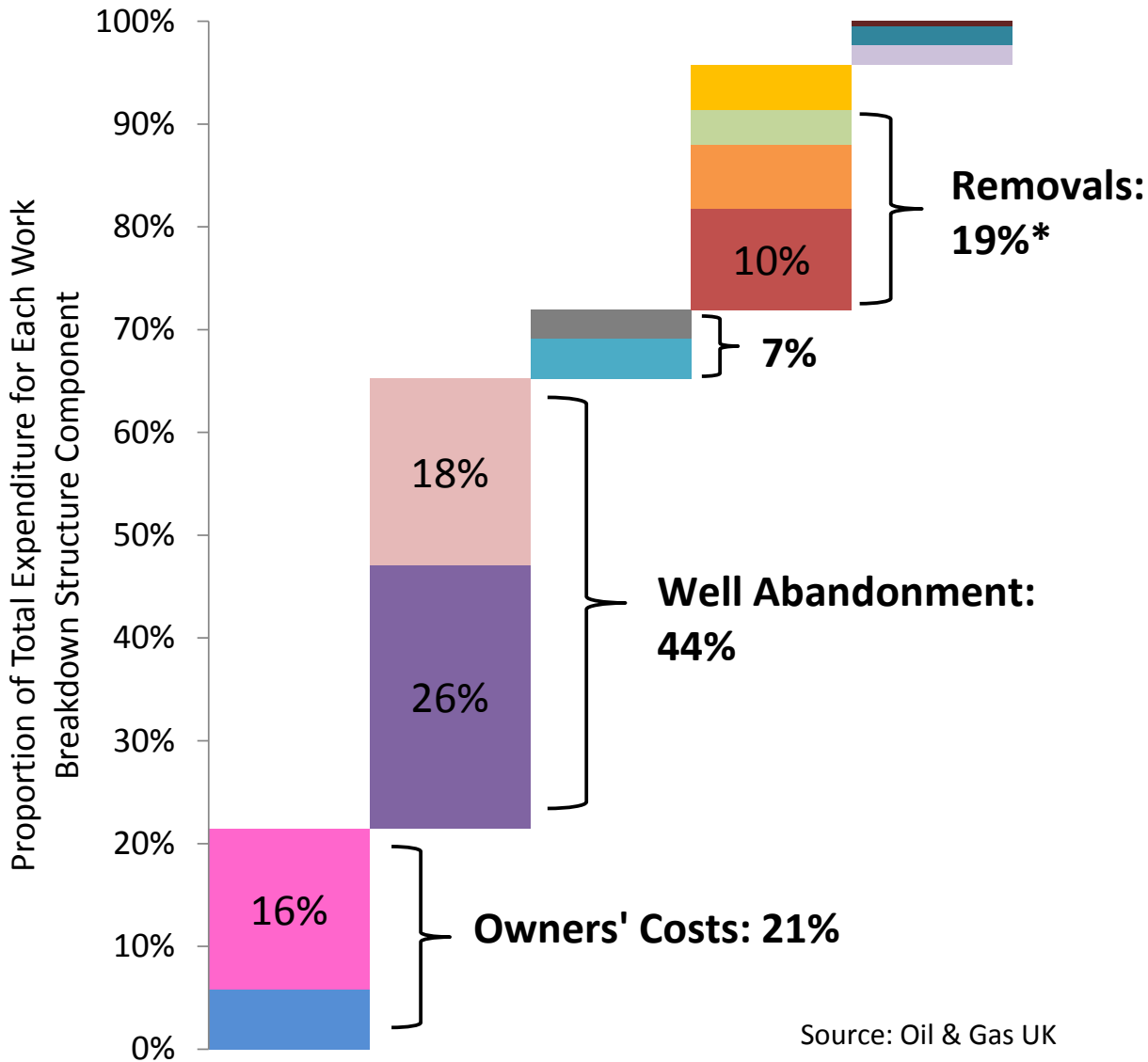
- Focus on decommissioning activity
- Additional decommissioning activities captured
- Historical analysis of trends
- 28 operators

# Forecast Expenditure (2014 to 2023)

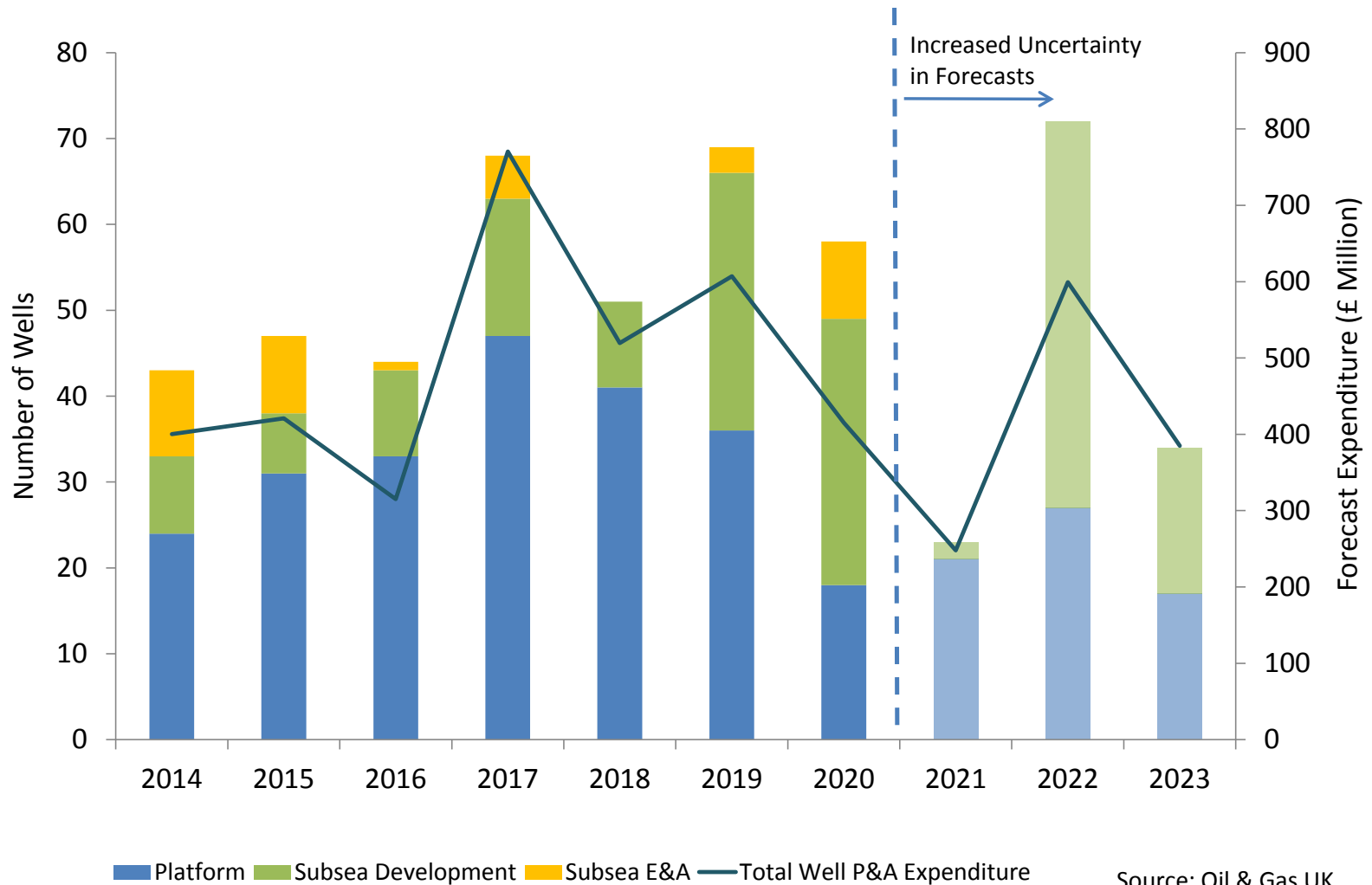


Source: Oil & Gas UK

# Expenditure by Component of Work Breakdown Structure

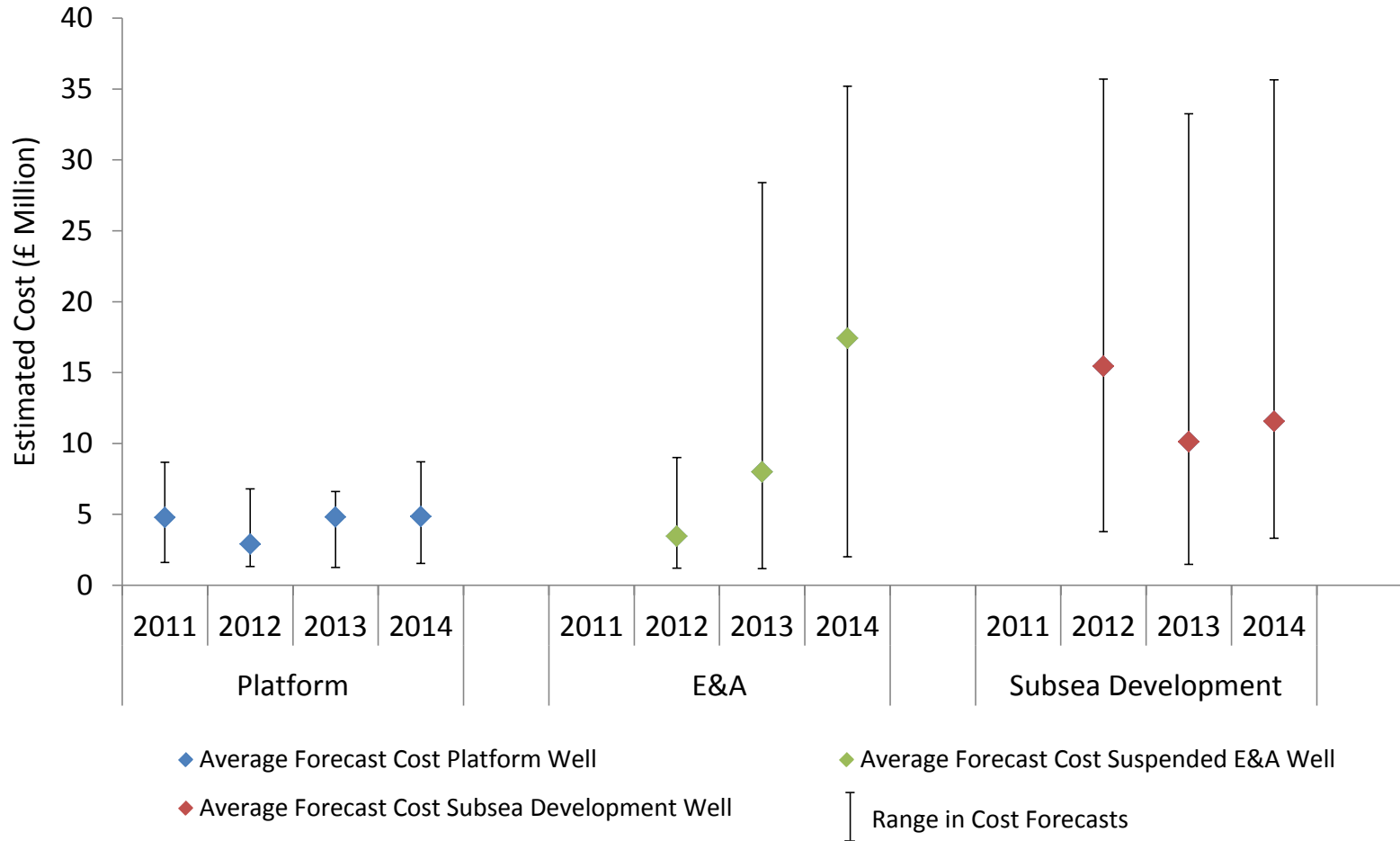


# Well P&A Forecast - CNS + NNS



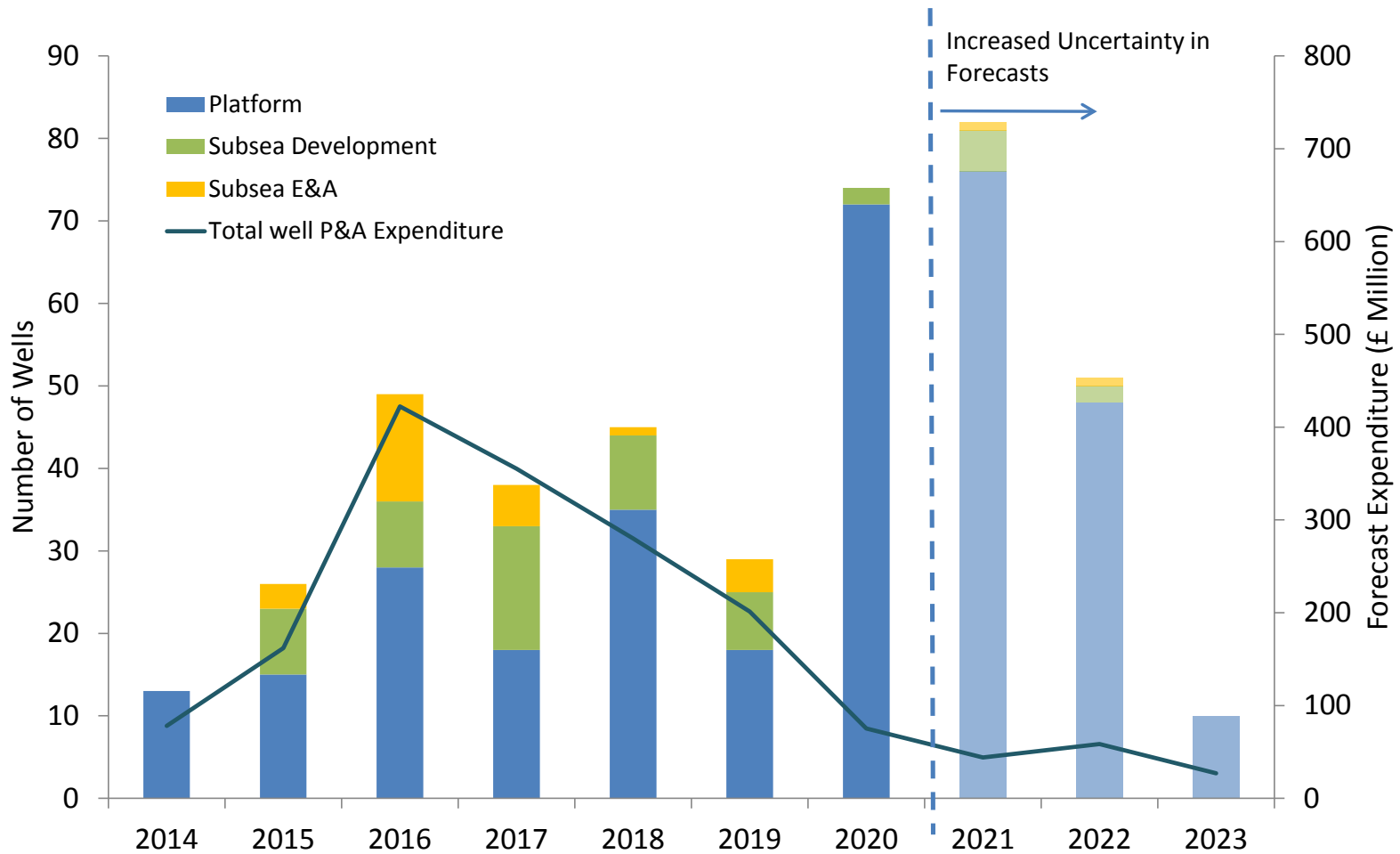
Source: Oil & Gas UK

# Historical Well P&A Forecasts-CNS + NNS



Source: Oil & Gas UK

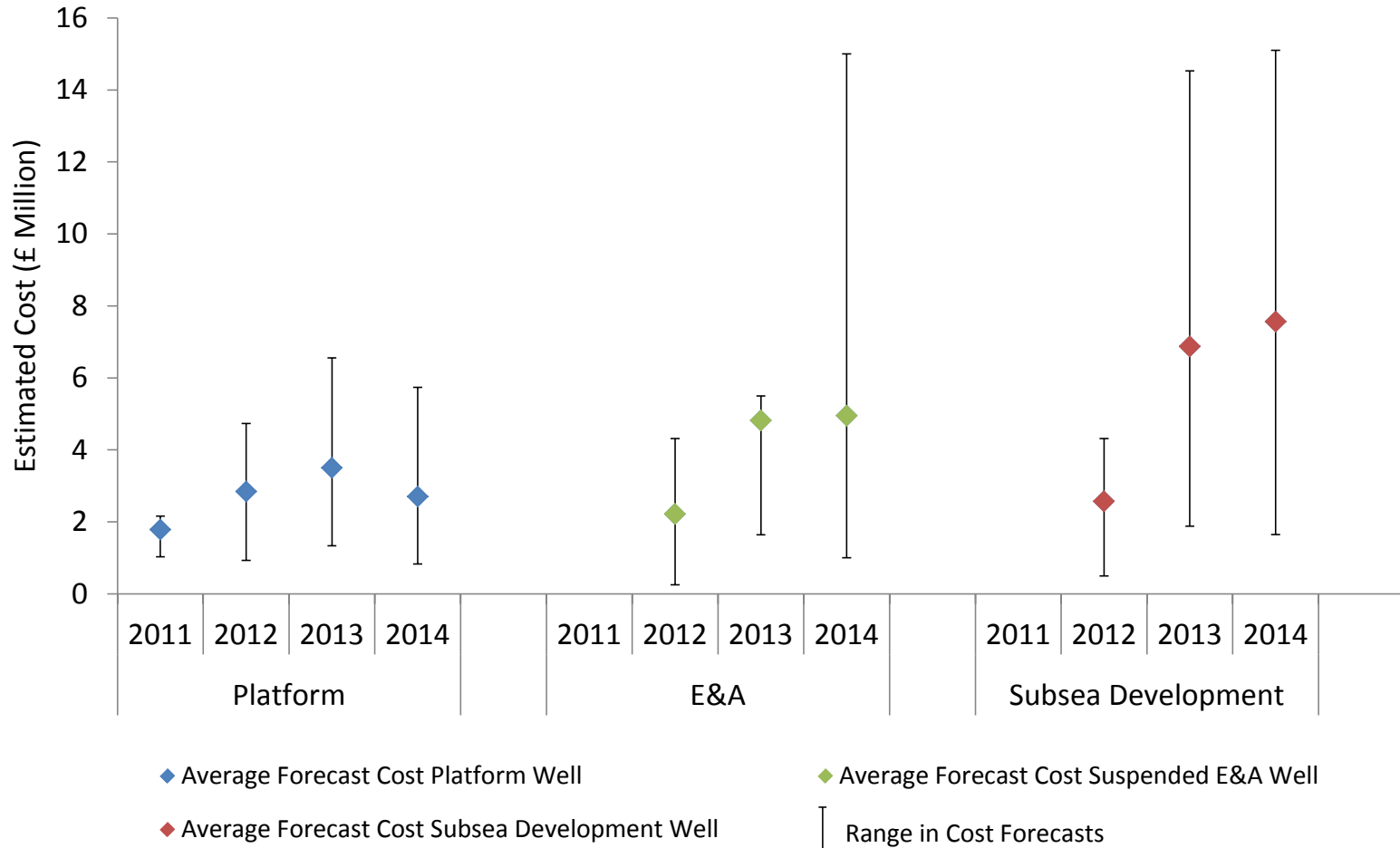
# Well P&A Forecast – SNS + IS



Source: Oil & Gas UK

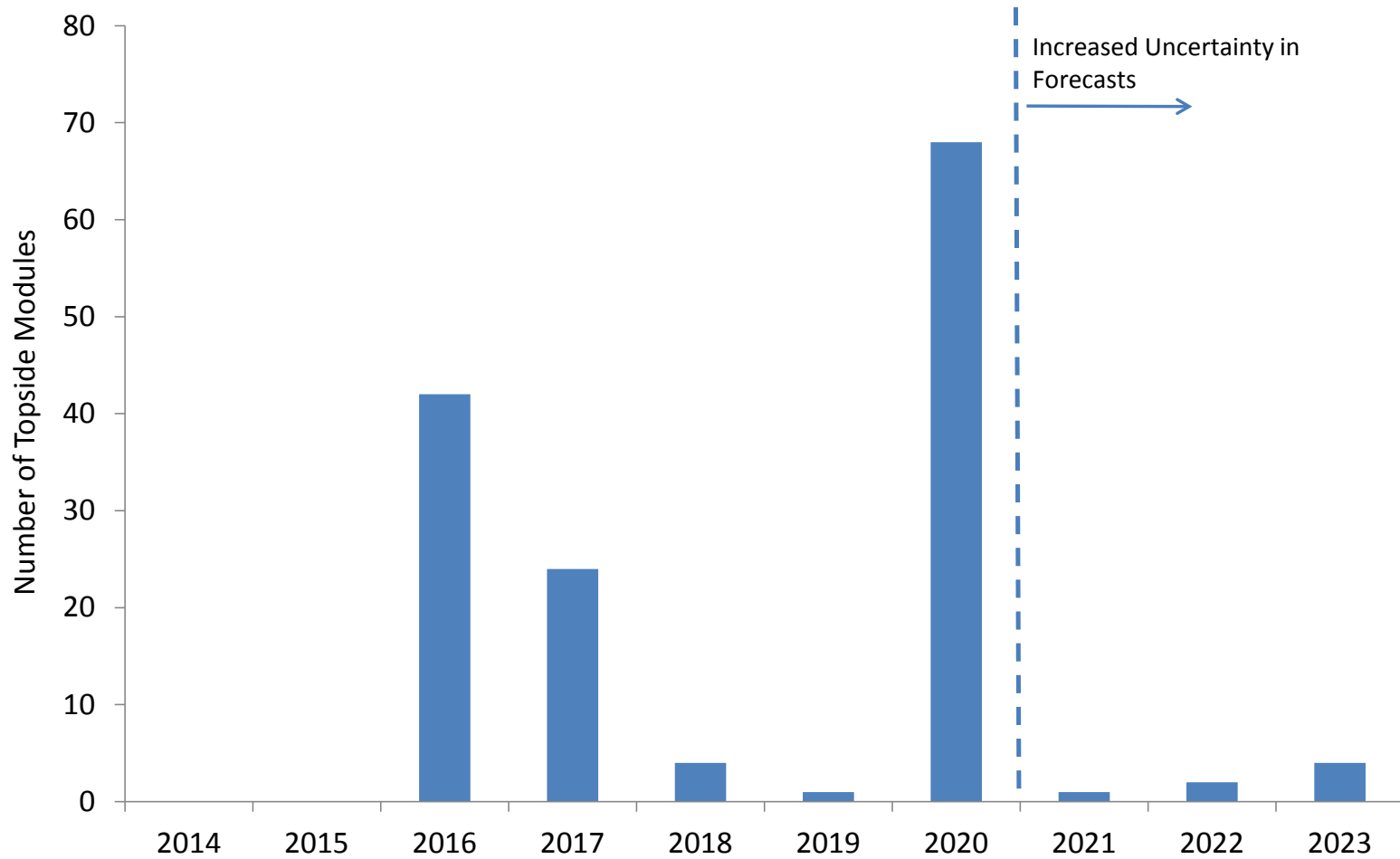


# Historical Well P&A Forecasts – SNS + IS



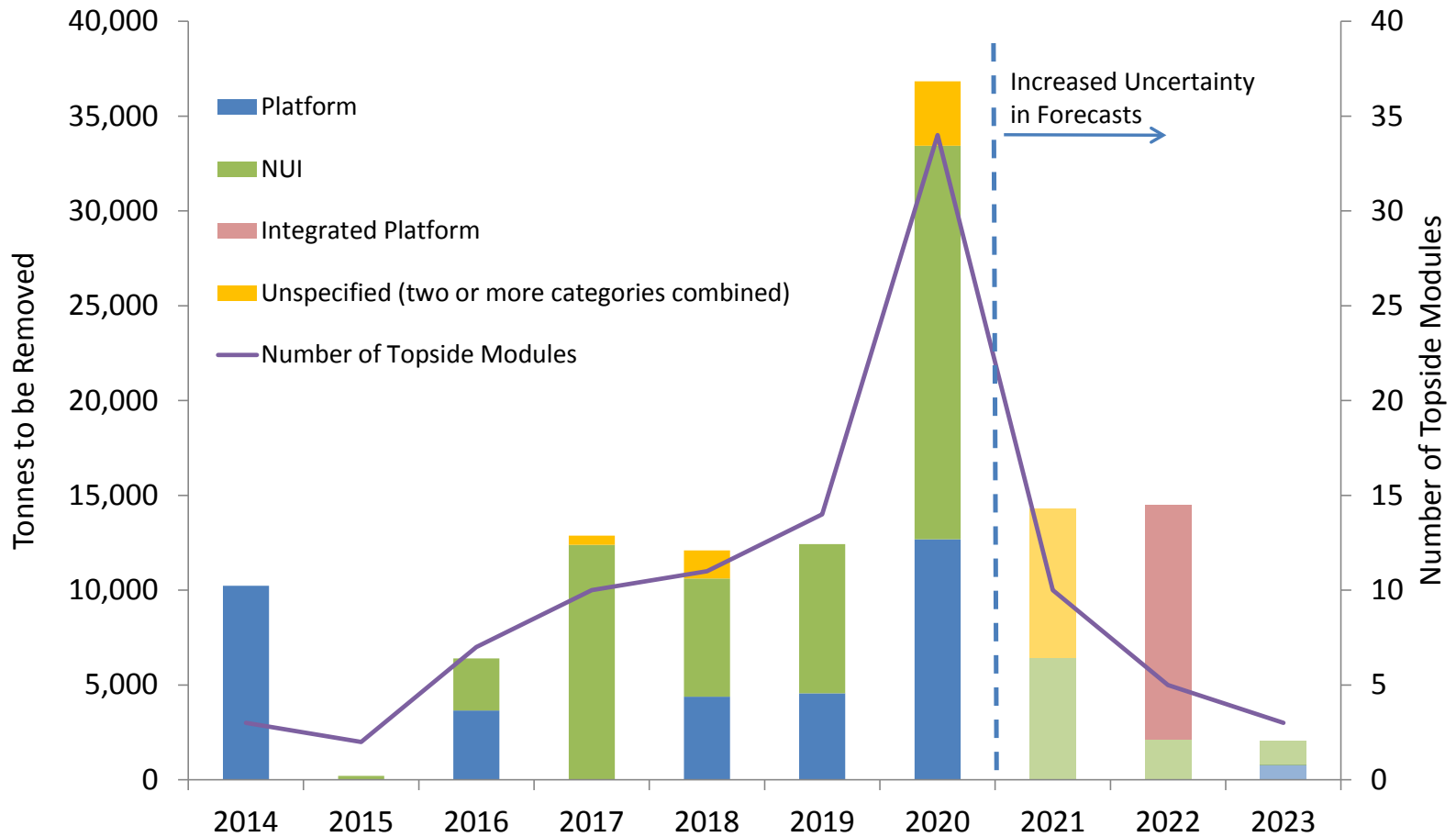
Source: Oil & Gas UK

# Topside Removal- CNS + NNS



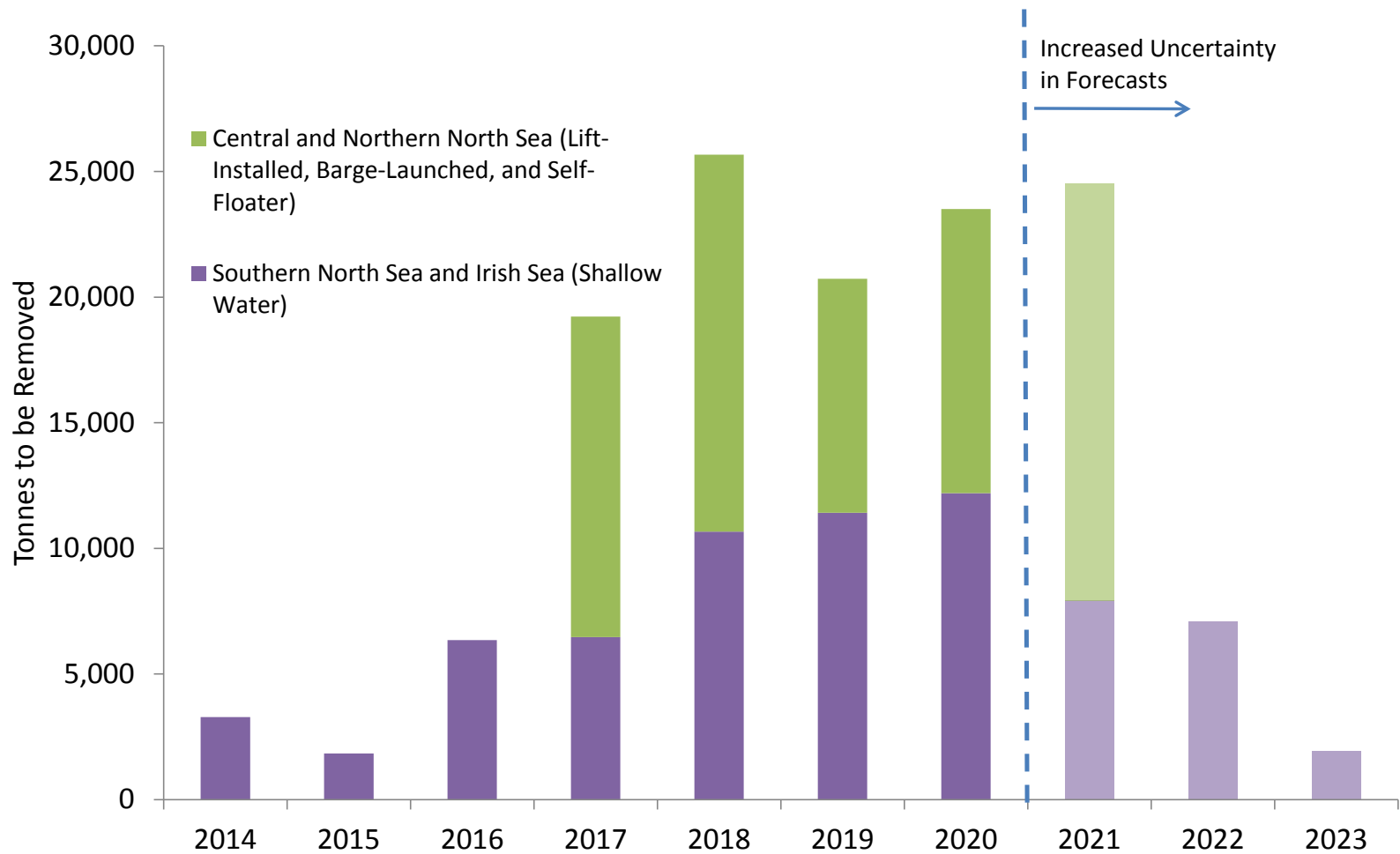
Source: Oil & Gas UK

# Topside Removal- SNS + IS



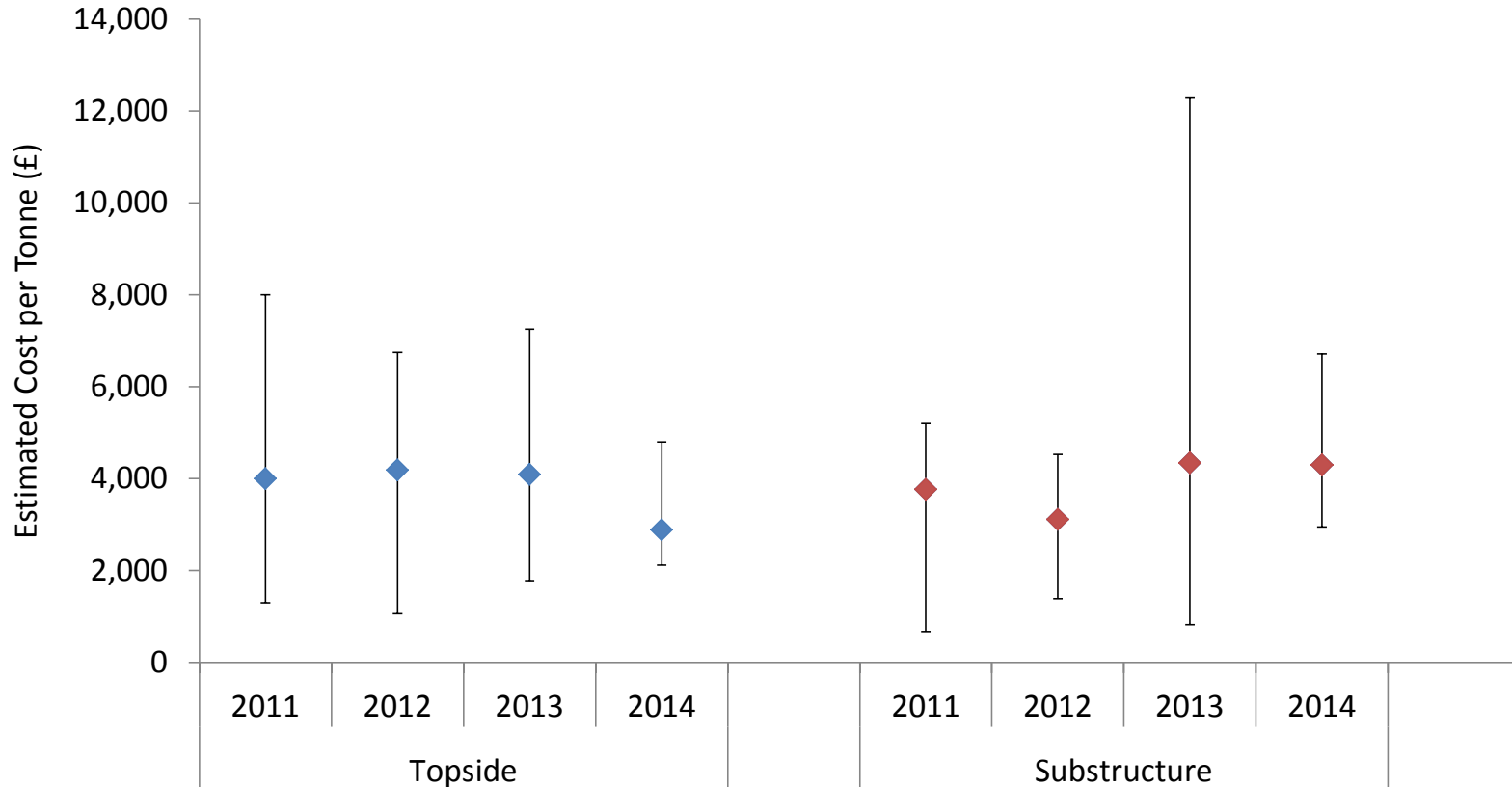
Source: Oil & Gas UK

# Substructure Removal- UKCS



Source: Oil & Gas UK

# Historical Cost per Tonne Forecasts CNS + NNS

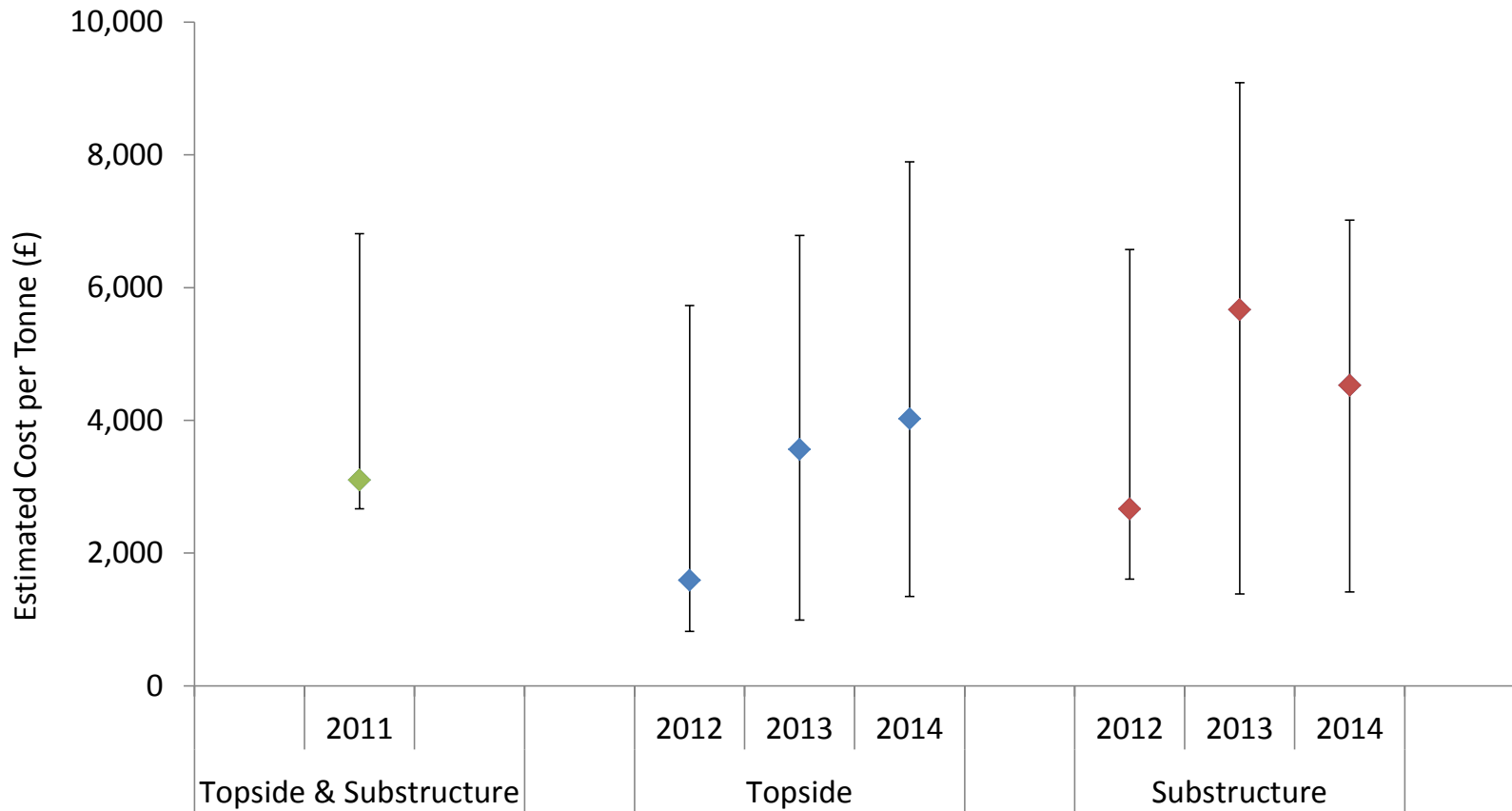


- ◆ Average Forecast Topside Removal Cost Per Tonne
- ◆ Average Forecast Substructure Removal Cost Per Tonne
- ┌ Range in Cost Forecasts

Source: Oil & Gas UK

# Historical Cost per Tonne Forecasts

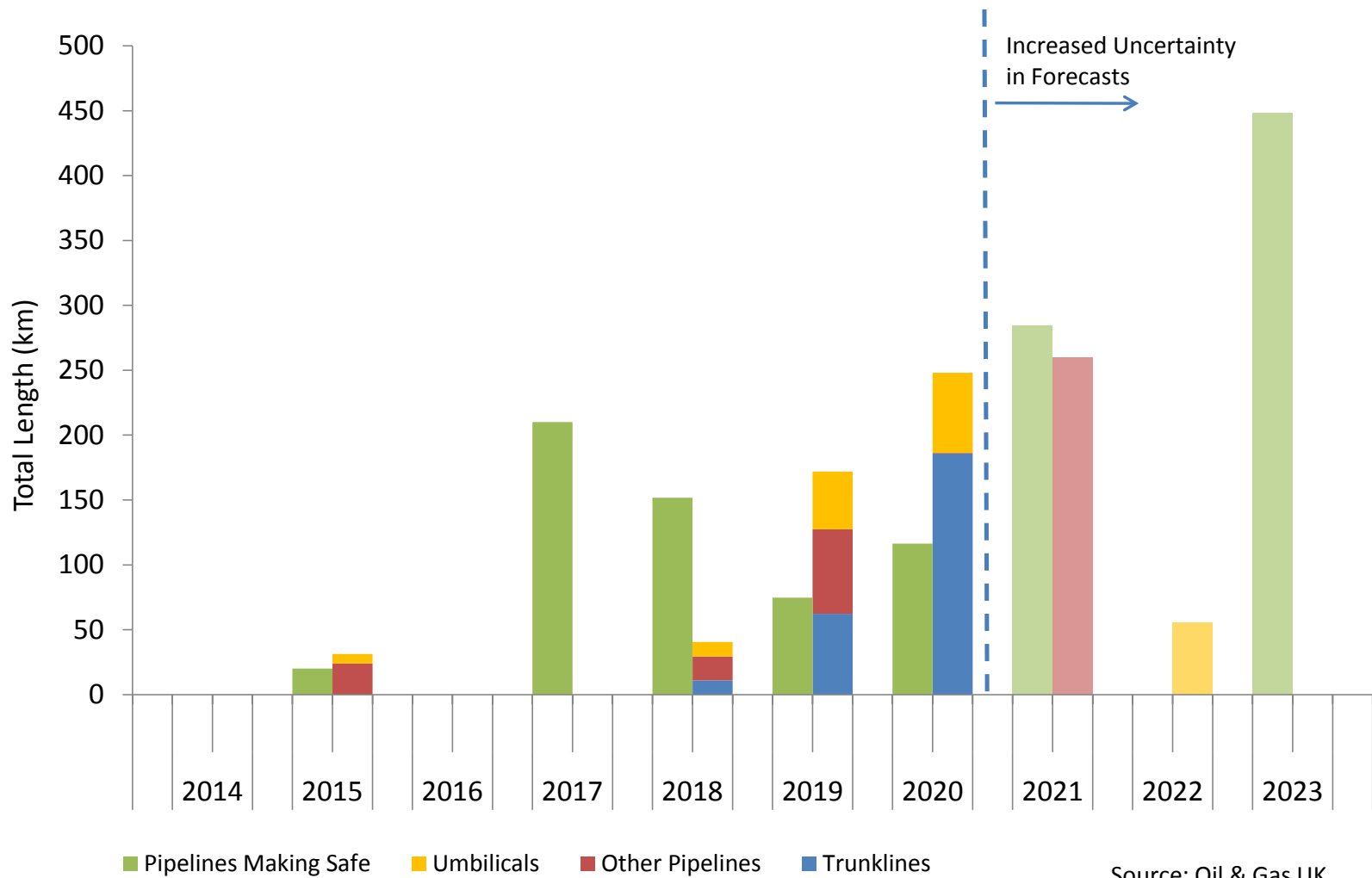
## SNS + IS



- ◆ Average Forecast Topside Removal Cost Per Tonne
  - ◆ Average Forecast Substructure Removal Cost Per Tonne
  - ◆ Average Forecast Topside & Substructure Removal Cost Per Tonne
- ┌ Range in Cost Forecasts

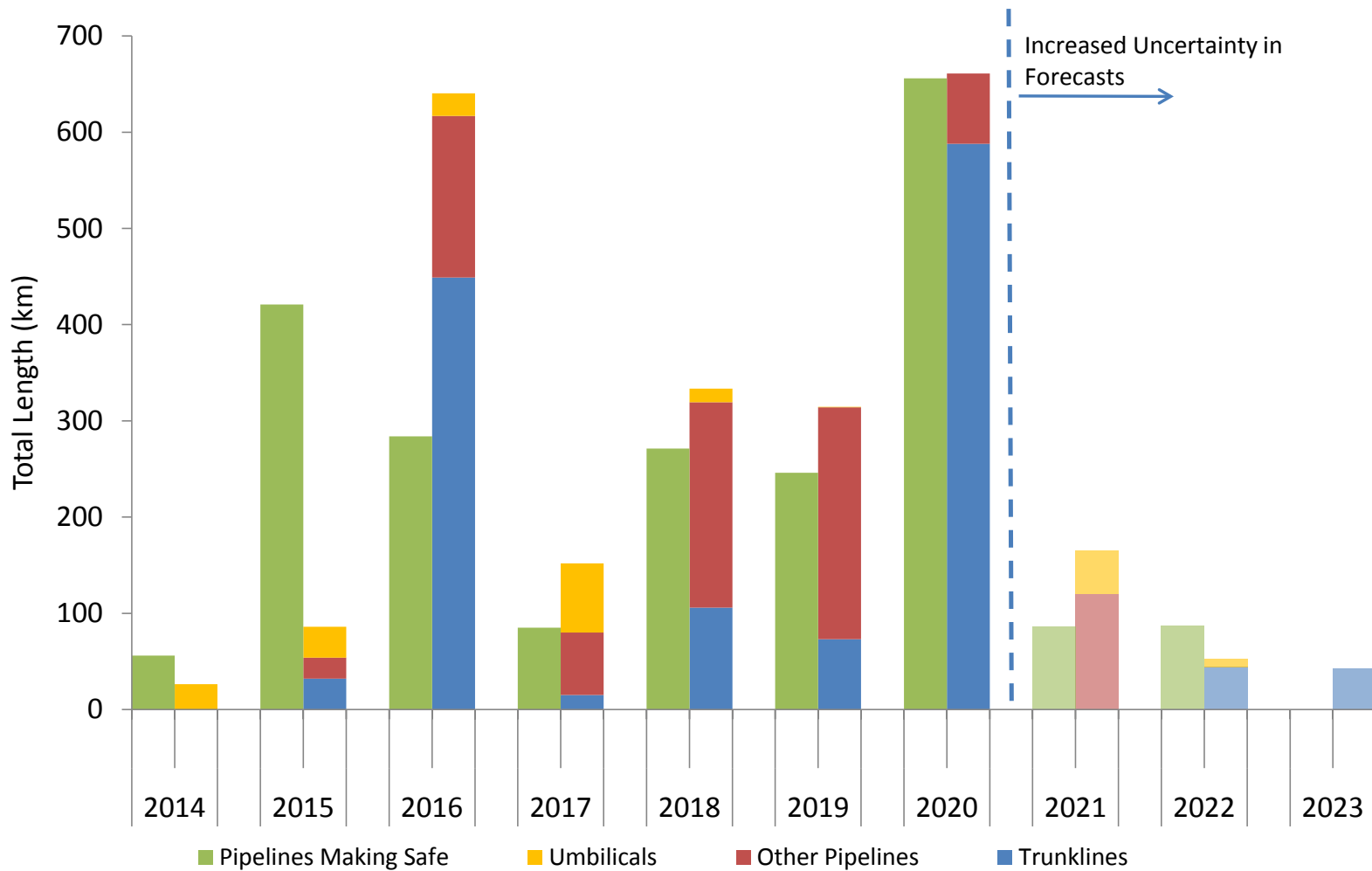
Source: Oil & Gas UK

# Pipeline Decommissioning- CNS + NNS



Source: Oil & Gas UK

# Pipeline Decommissioning- SNS + IS



Source: Oil & Gas UK



# Conclusions- UKCS Decommissioning



- The decommissioning market is here and it's growing.
  - In 2013 £470 million was spent on decommissioning.
- £14.6 billion Forecast from 2014 to 2023 compared with £14.4 billion capital expenditure in 2013.
- Most projects are in the early scoping stages.
- There is an opportunity to collaborate.

Where next?

- Awaiting responses to Norwegian Survey



**Thank you**

**A copy of the report is available at  
[www.oilandgasuk/publications](http://www.oilandgasuk/publications)**