

# Late-life Operations: Optimal Operating Model BG Group View



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Laying cable from Gaupe to  
Armada production platform

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# Where we work



# Then: A relatively homogenous industry

Well suited to global scale and transferable capabilities

**Gas**



**Resource  
Type**

**Oil**



**Onshore**

**Offshore**

**Environment**

# Now: Varied resources and operating environments BG GROUP



With increasingly different drivers and capability requirements

*Unconventionals*



*Mature Fields*



*Gas*



*Oil*



*Onshore*

*Offshore*

*Deepwater*

*Arctic*

# What is a Late Life Asset?

## Mature Asset

Characterised by off plateau production but where viable and economic hydrocarbon maturation opportunities for value and/or production growth (or slower decline) exist and would require the infrastructure to operate well beyond the intended design life.

## Late Life Asset

Characterised by off plateau production where there are limited foreseen viable and economic hydrocarbon maturation opportunities for growth or additional production. Nominally it would be expected that cessation of production is in the range of 6-10 years.

Plateau  
Production

## Life Extension

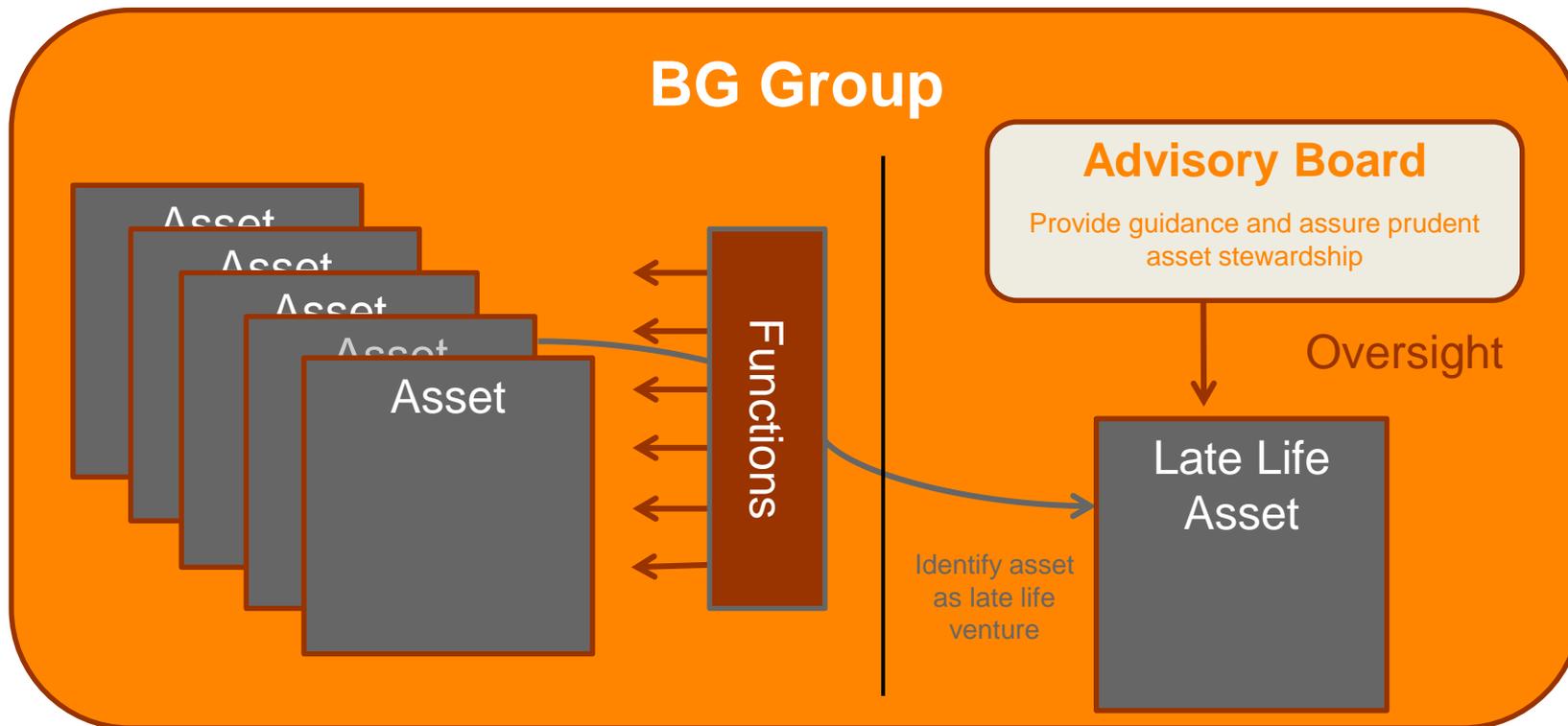
Period beyond the original defined period for which a facility is to operate while still maintaining acceptable standards of operational and technical integrity.

## Cessation of Production (CoP)

Planned date to stop producing hydrocarbons from the asset.

# New Operating Model & Governance Structure

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# Late Life Model: five Goals

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**1** Zero accidents and no harm to the environment

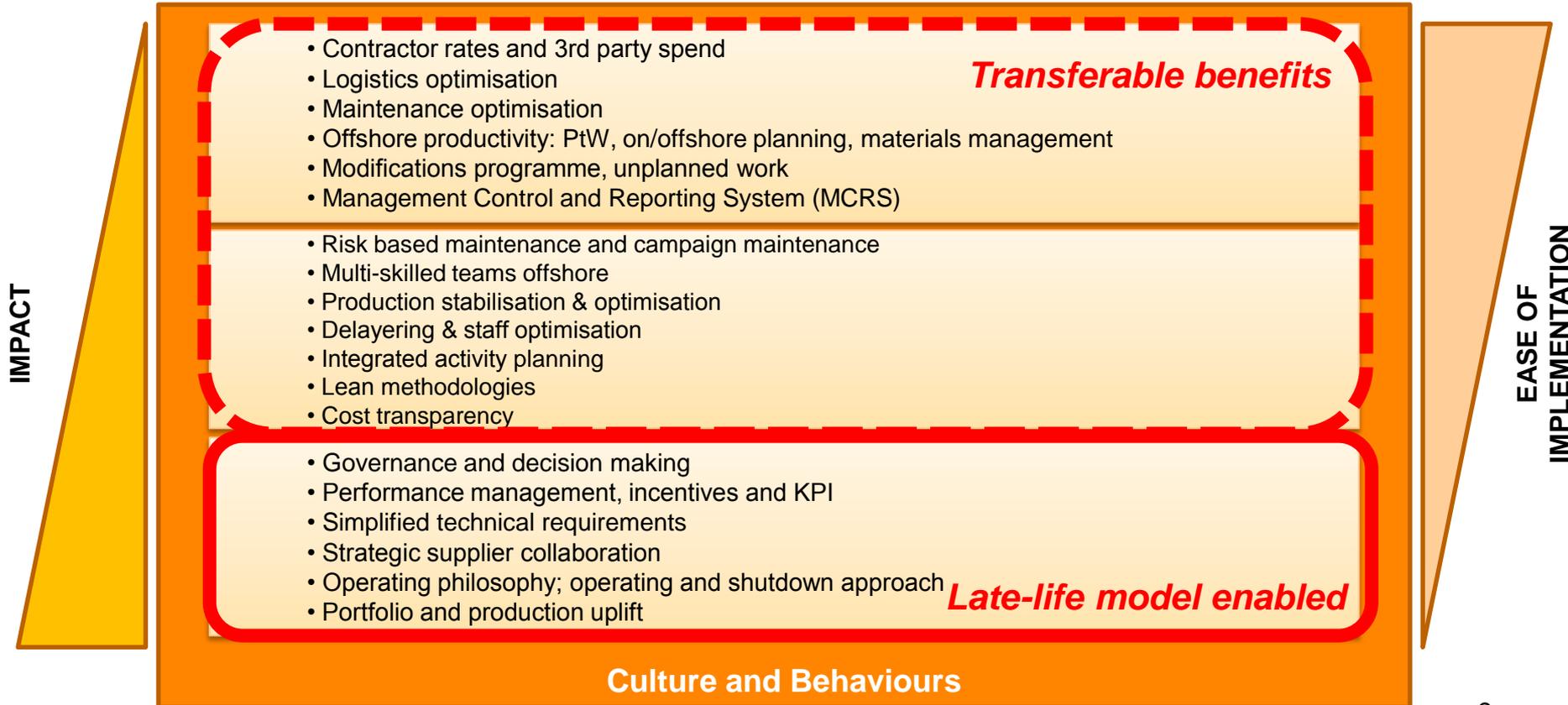
**2** Stay cashflow positive in the current price environment

**3** Achieve a competitive Unit Operating Cost

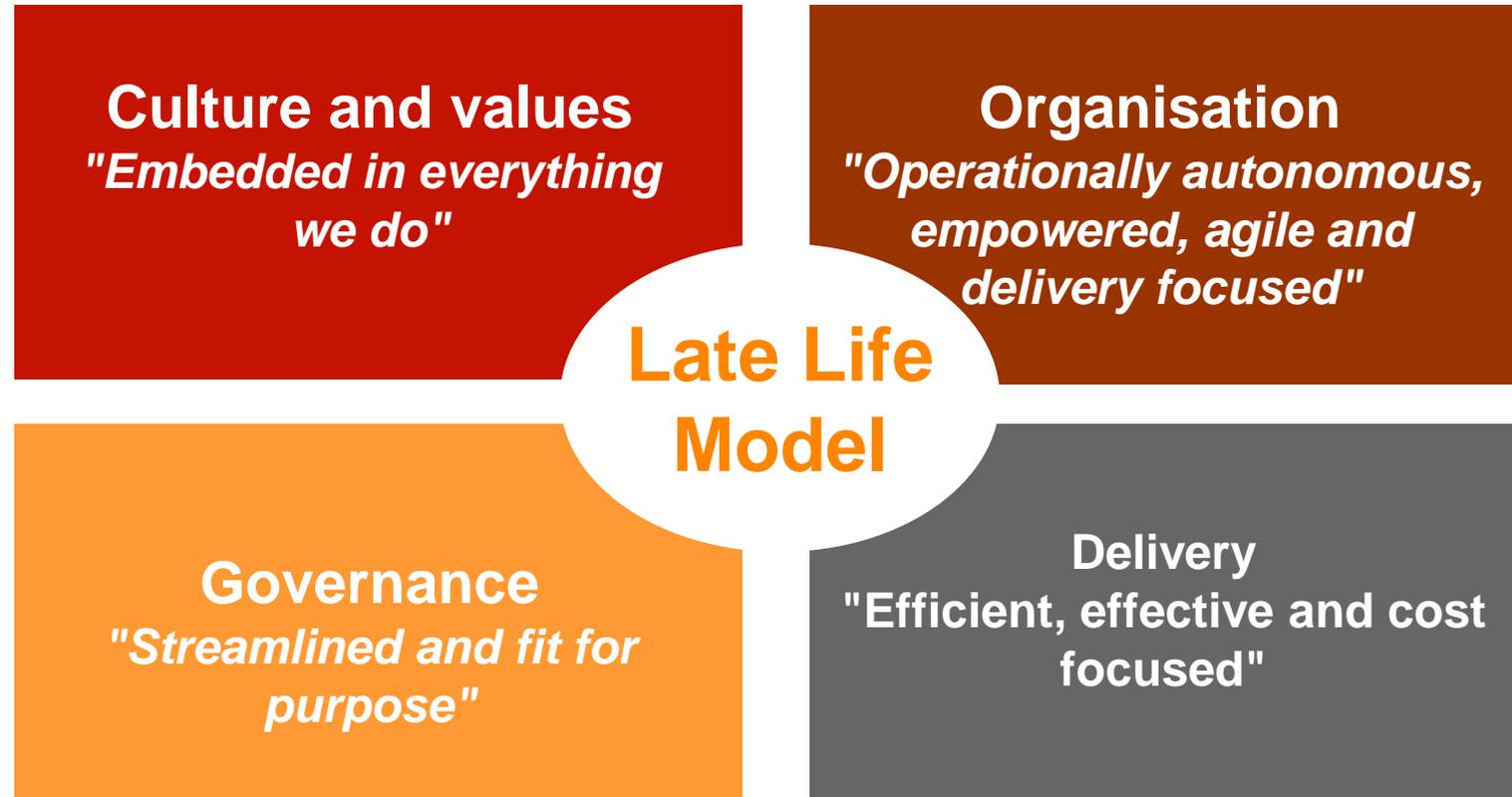
**4** Enable Decommissioning Excellence and minimise decommissioning costs

**5** Extend Field Life: deferring CoP

# How efficiency gains are realised



# Late Life Operating Model: adapting our ways of working



**END**