

# Perspectives for Oil and Gas on the Norwegian Continental Shelf

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# A focused portfolio on the NCS



## Skarv / Ærfugl

Solid base performance and area upside potential



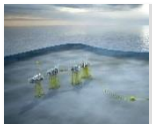
## Alvheim area

High production efficiency and low operating cost



## Ivar Aasen

Production ramp-up and IOR opportunities



## Johan Sverdrup

World class development with break even price below 20 USD/bbl\*



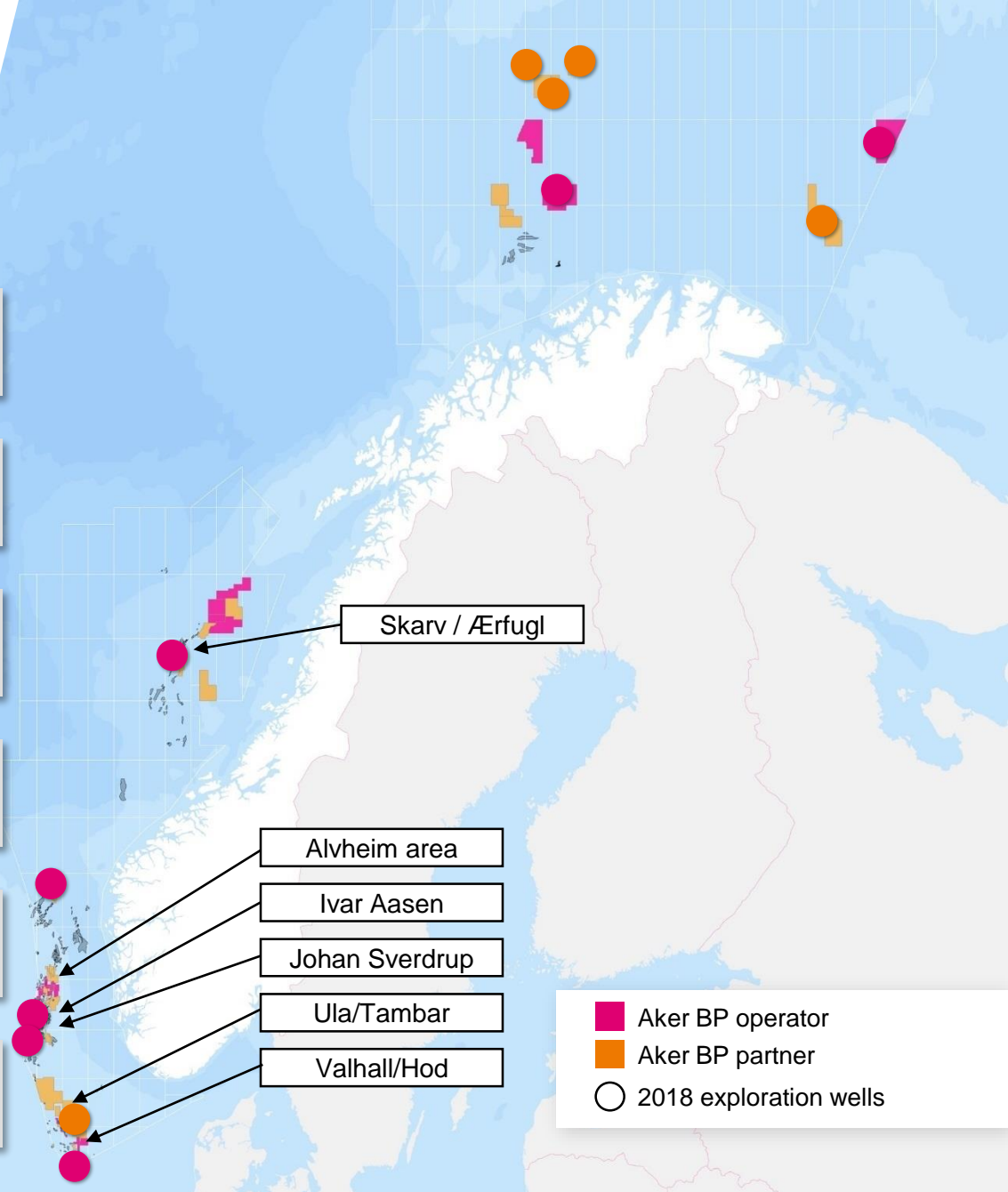
## Ula/Tambar

Late life production with significant upside potential



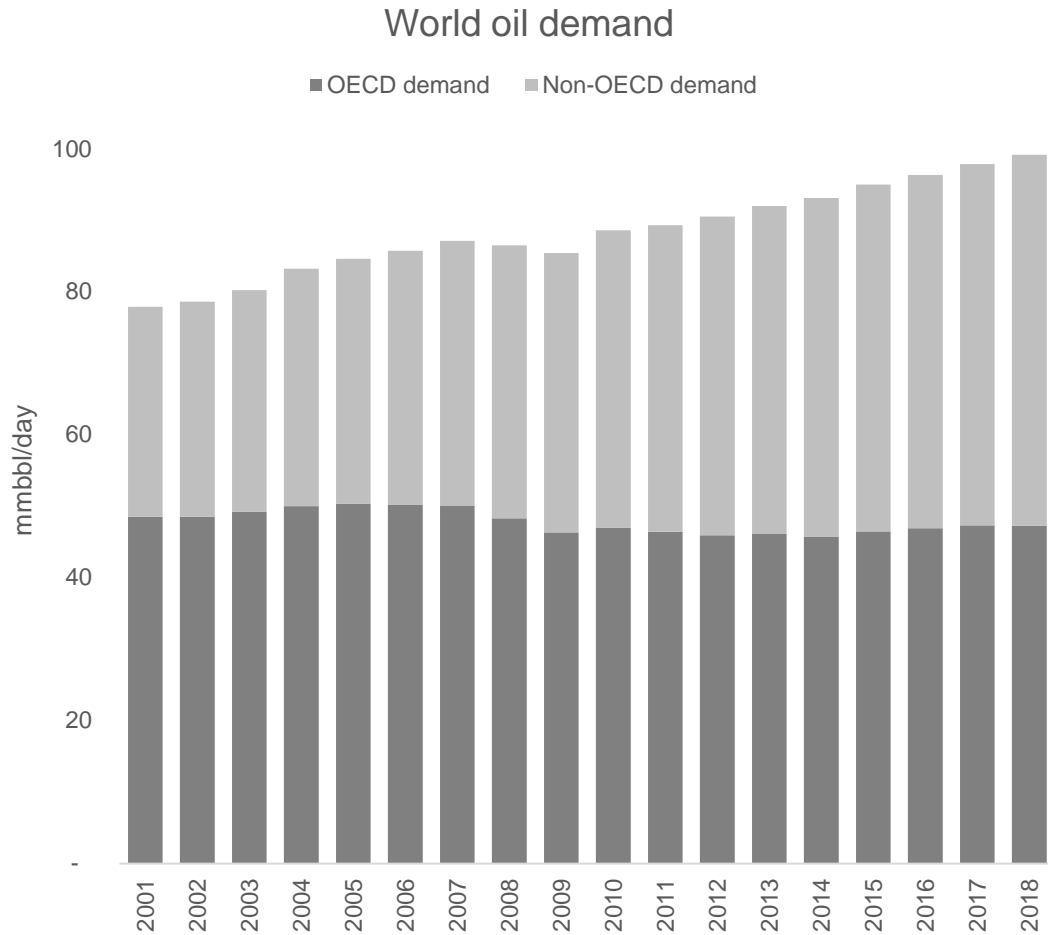
## Valhall/Hod

1 billion barrels produced, ambition to produce additional 1 billion barrels

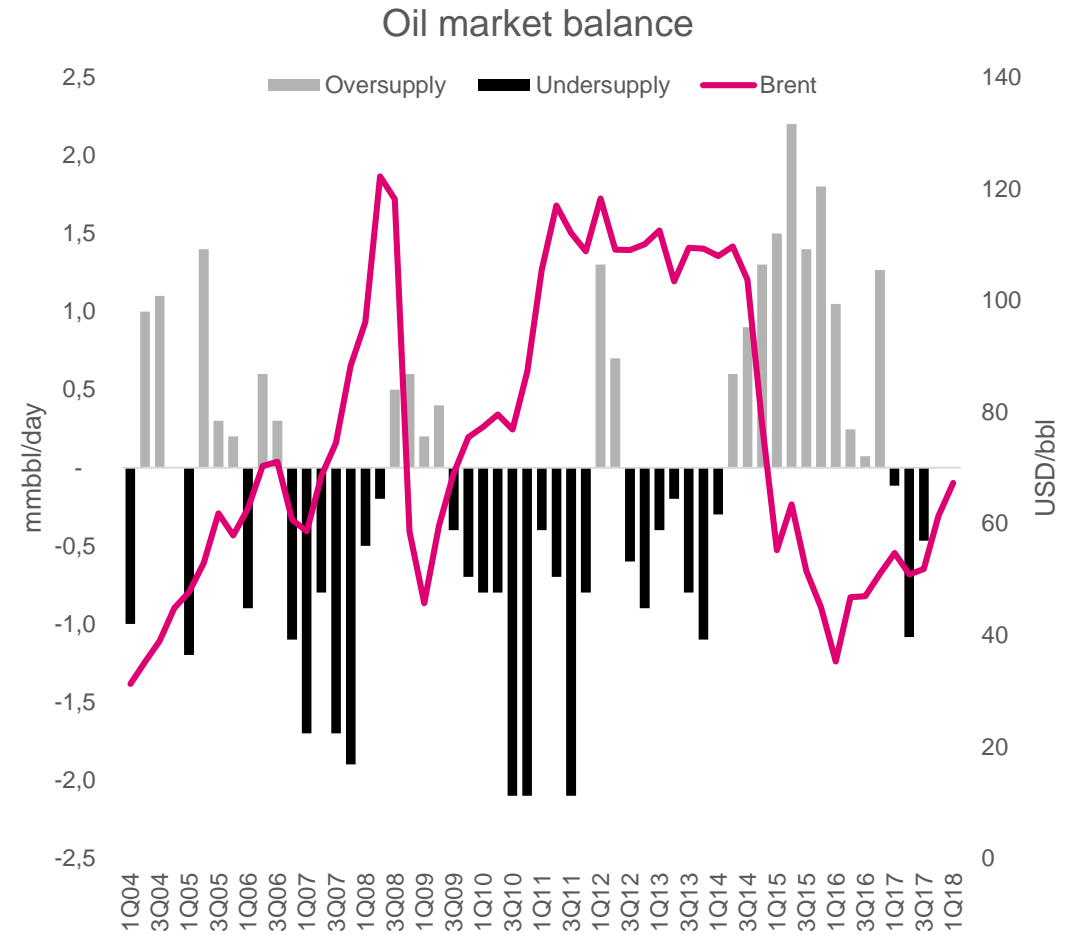


# Oil market volatility calls for resilient strategy

## Steady growth in oil demand



## Cyclicality is the name of the game



# Aker BP aims to build the benchmark offshore E&P company

Use the downturn to create  
a company for the future...

## Execute

- Deliver on existing projects
- Realize value of resource inventory
- Integrate acquisitions

## Improve

- Deliver on improvement agenda
- Strengthen improvement capabilities
- Develop new improvement initiatives

## Grow

- Be opportunistic and exploit market opportunities
- Selective growth that is value accretive
- Secure new exploration acreage

... by building the benchmark E&P company  
together with our suppliers



- Reorganize the value chain by **strategic partnerships and alliances**



- **Digitize** the E&P value chain



- Value chain based on shared **LEAN** understanding, toolbox and culture



- **Flexible business model** ready for growth and volatility

EXECUTE

# High activity level

Investing in value-accretive projects across the portfolio



## Alvheim

- Boa wells on stream
- Infill drilling
- Skogul development
- Frosk oil discovery with follow-up potential



## Valhall

- Drilling of IP wells
- Valhall Flank West
- Valhall Flank North WI sanctioned
- Continued P&A



## Ula

- Tambar wells on stream
- Oda development



## Ivar Aasen

- Drill two water injectors
- Exploration well on Slengfehøgda and Hanz appraisal



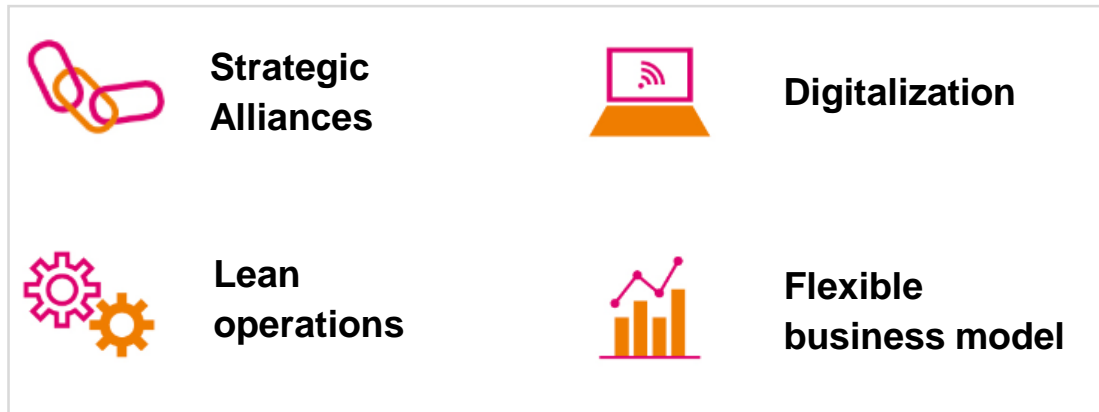
## Skarv

- Repaired two wells
- Ærfugl development
- Kvitungen Tumler dry
- Ærfugl appraisal

IMPROVE

# Targeting significant efficiency improvements

Great savings possible – requires new way of thinking



Target production cost below 7 USD/boe

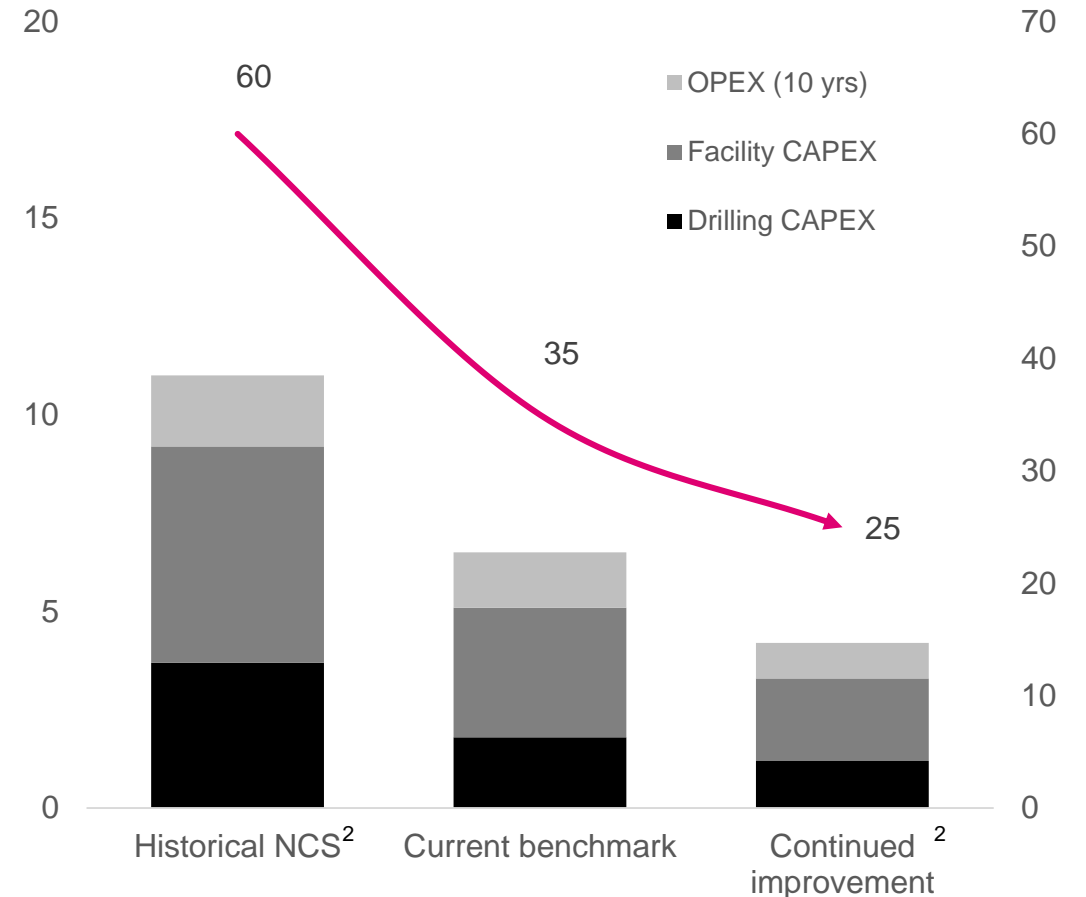
Target full cycle break-even below 35 USD/bbl



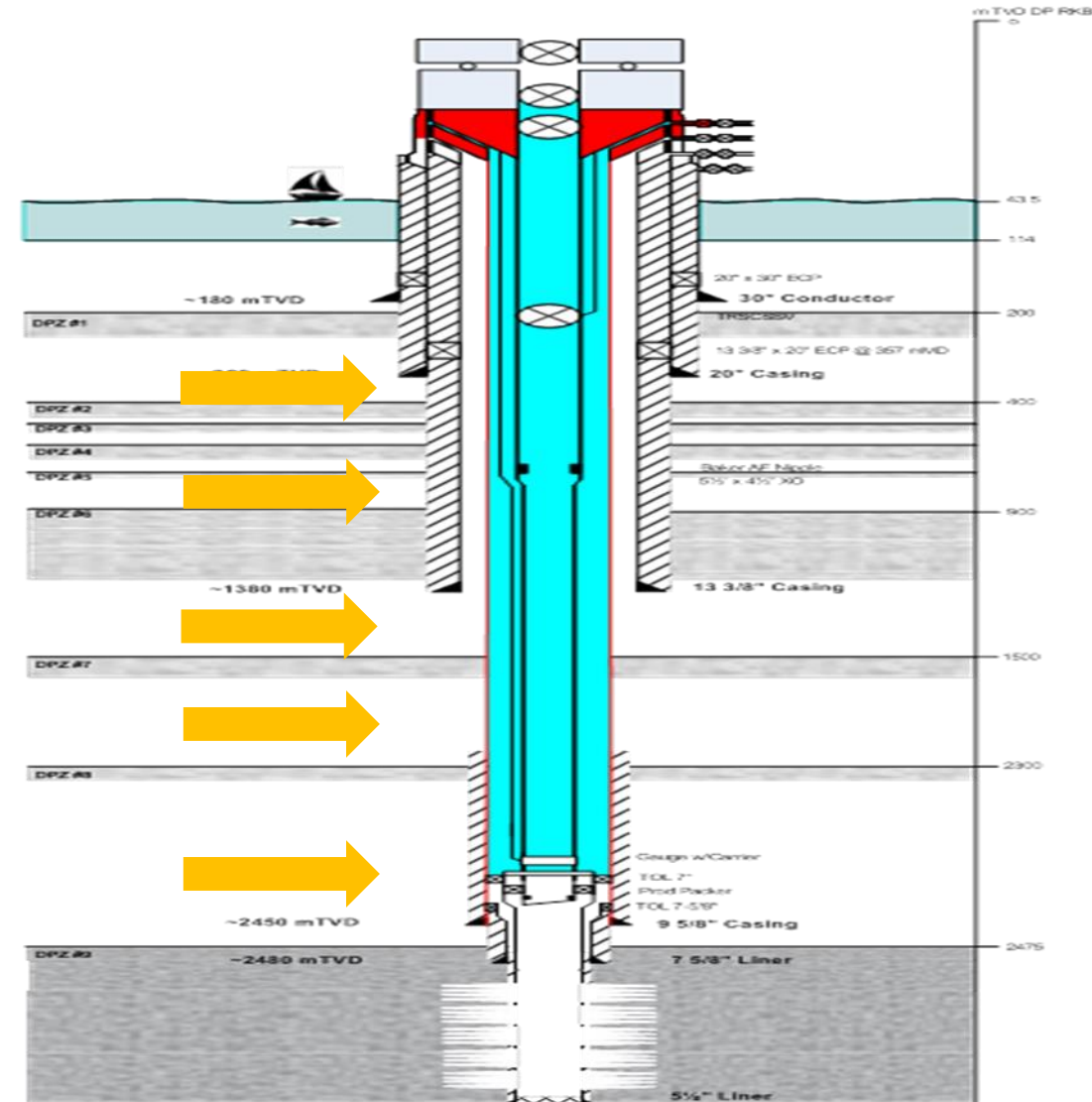
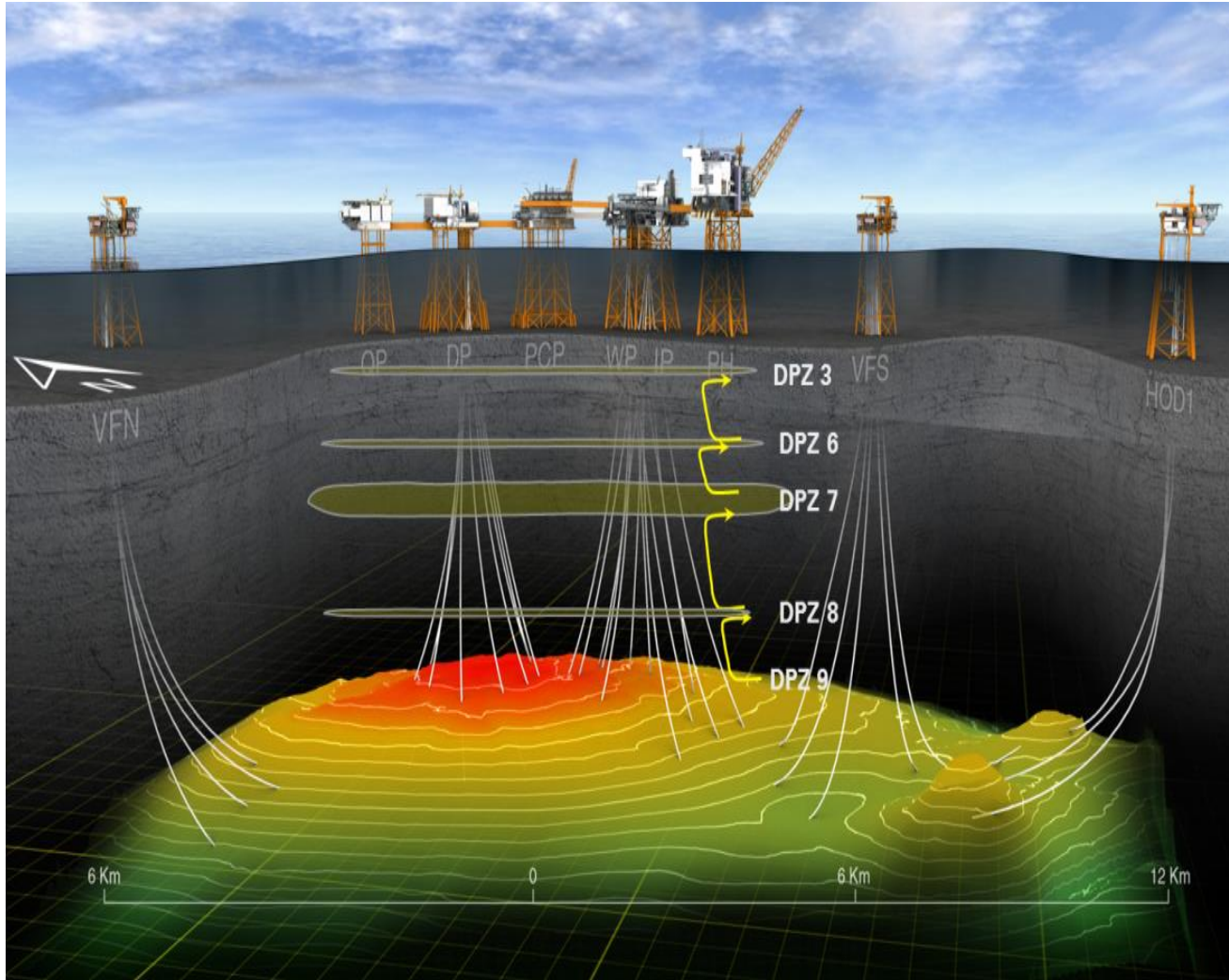
## Illustrative project economics (USD/boe)

Development cost<sup>1</sup> (USDbn)

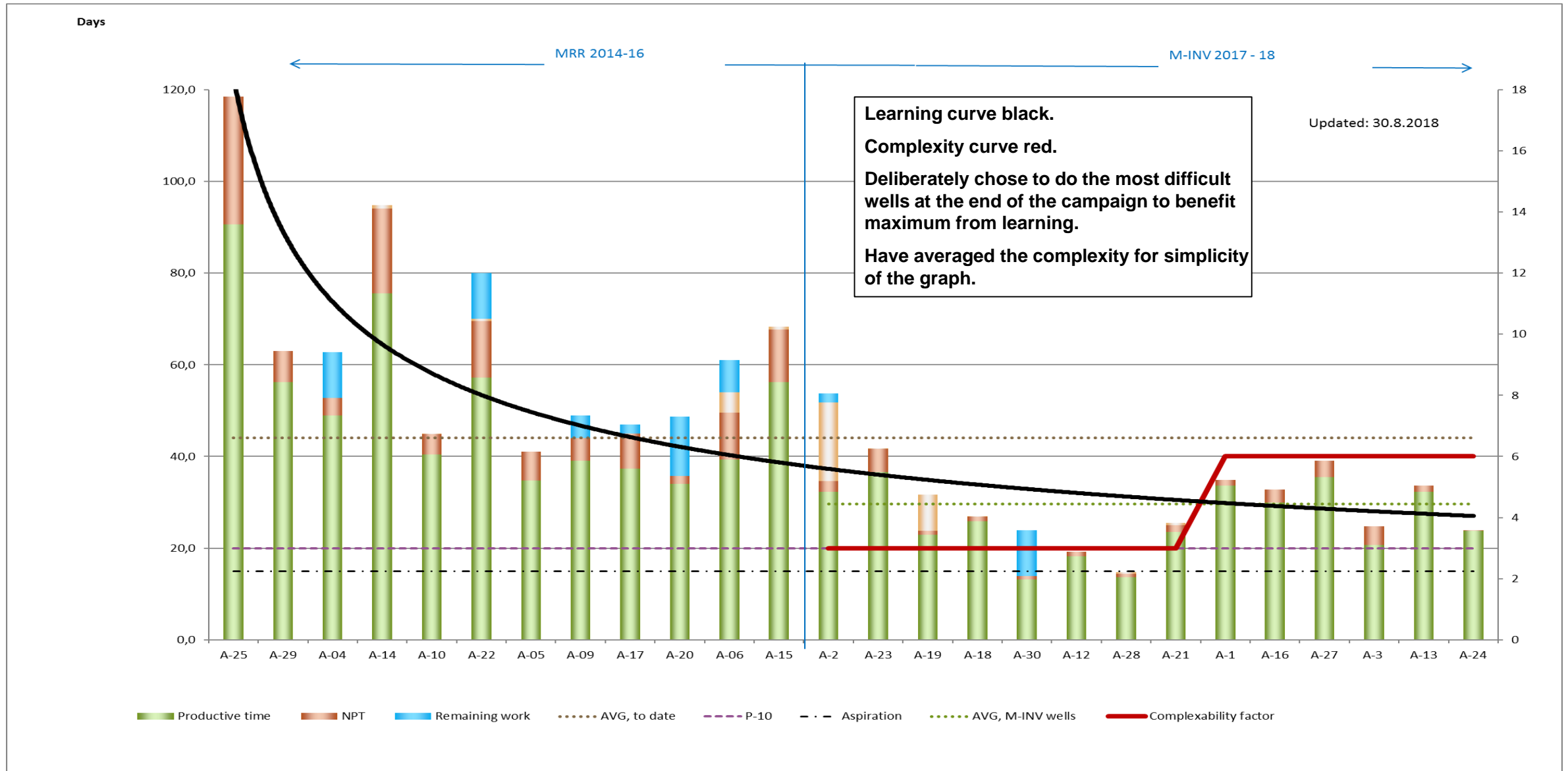
Break-even (USD/boe)



# Valhall Field – Overburden



# WELL ORDER VS. COMPLEXITY







[www.akerbp.com](http://www.akerbp.com)