



Australia's Well Intervention Market

OWI2019 AUS PERTH
NOV 27-28
OFFSHORE WELL INTERVENTION CONFERENCE AUSTRALIA

1. How would you describe the current well intervention market in Australia?

Due to the geographical size of Australia, it's not really possible to describe one set of market conditions. East coast/Bass Strait wells have different requirements due to age, well type, more oil etc. Woodside activity tends to focus on gas wells which tend to have lower intervention requirements in general, highly productive reservoirs without much need for stimulation etc. We are seeing an increase in mechanical issues as wells age, especially around dry trees/dry trees maintenance. So, our work focuses more on repair and routine maintenance, rather than interventions to increase productivity. Additionally, the subsea Intervention market is limited due

to the prohibitive cost of subsea intervention. The geographical location of Western Australia means that the activity threshold for services to be viable is higher – for example we need more activities for service companies and vendors to justify regional presence and resourcing. We need to work together to ensure provision of tools, technology and capable people is managed with a strategic view rather than just ups and downs of a reactive market.

2. Do you believe intervention and workover activity is about to increase in the region & why?

In line with what I have said above, I do not see an increase in conventional intervention and workover however there is significant opportunity for a step change in the technologies available to remediate wells, to make intervention and workover more efficient. There is definitely a large

abandonment portfolio across the region and much of the intervention/workover type activity will be channelled towards executing this significant scope of work.



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3. Is well workover currently an important area of activity for your Woodside Energy?

We are currently planning for workover activity which may take place in 2020 and we forecast intermittent workover going out to the future. We have developed a strategy to enable reasonable rapid response to well failures if an intervention should be required. We are putting equal focus into remediating wells with alternative technologies - we have been searching the globe for solutions which may mean the exposure of full scale workover could be eliminated. Earlier this year, we were successful at removing a blockage from a SSSV control line which we had assumed required workover and we continue to seek alternatives for other wells currently out of service, whilst still ensuring we have compatibility for workover. Aging facilities have complex issues to manage, refurbishment, maintenance etc, and the number of personnel required to execute as well as the durations for full workover present simultaneous operation and logistical challenges on already at capacity platforms. Subsea wells require a full MODU drilling rig for workover which is prohibitive compared with drilling a new well in the current market.

4. What technologies do you believe could improve the efficiency and reduce the cost of well intervention projects?

Technologies to support sand cleanout, water shut off, use of coil, digital slickline, and greater capability of Light Well Intervention Vessels as an alternative to MODU for subsea workover. As important as new technologies are, there is significant opportunity to develop multi skilled people in the region who can run multiple technologies and tools offshore. Due to the remote nature of Western Australia, it can be difficult to attract suitable qualified people to the region. I would like to see development of local talent, including opportunities for indigenous community, to ensure we have local people able to support the industry here going forward and move away from the boom/bust resourcing and expense and administration of bringing in expats.

5. What do you hope to achieve from your participation at OWI AUS, November 27th & 28th in Perth?

A great opportunity to share ideas and common issues and network with others throughout the industry.

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