

Bring on the future!

Fast-track field development

Ivar Aasheim, SVP Field development NCS

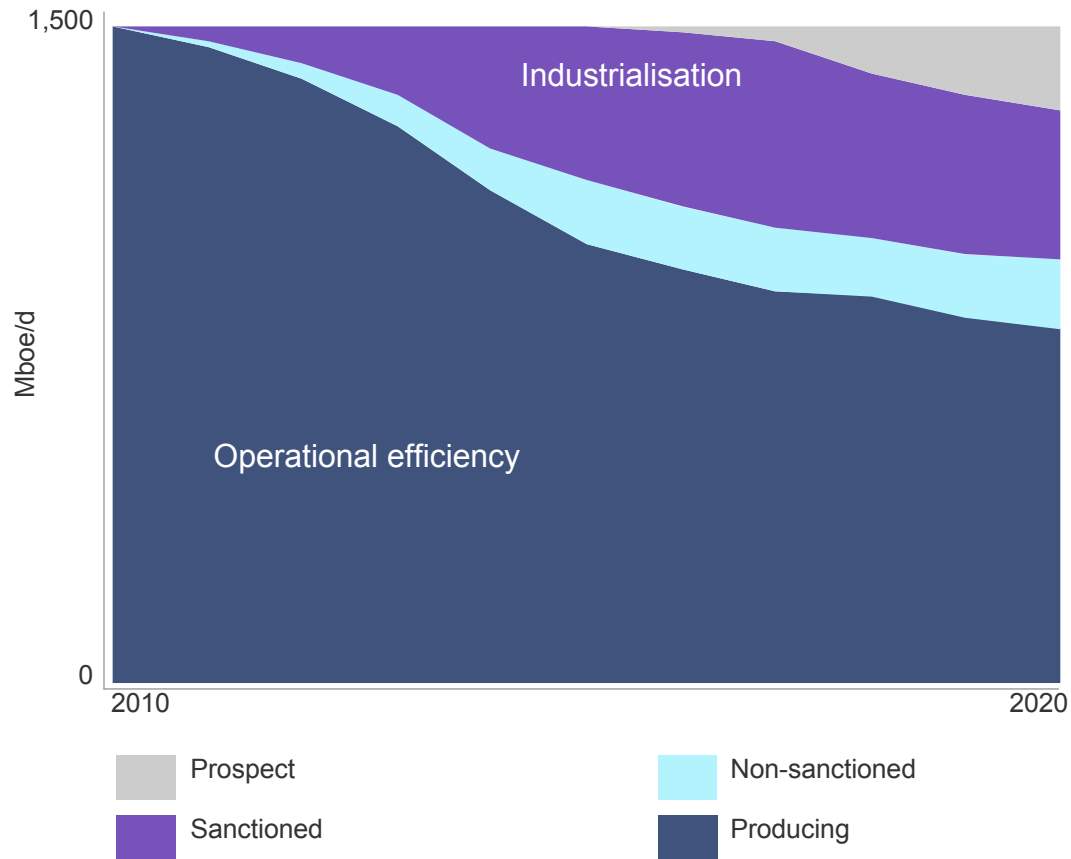
Halfdan Knudsen, VP Fast track portfolio

Siri Kindem, SVP Technology excellence

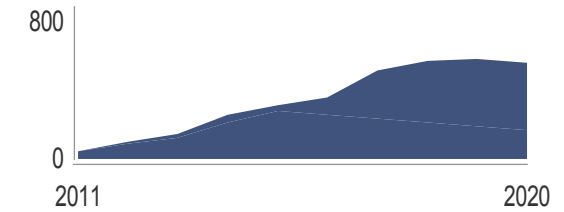
Kjetel Digre, SVP Project execution



Maintain steady production towards 2020



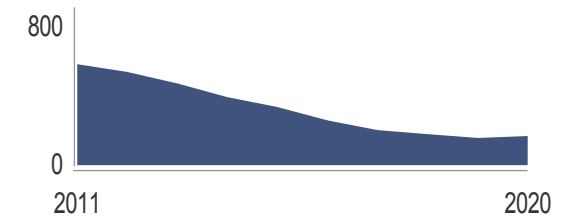
New projects mboe/d



Stable production (incl. IOR) mboe/d



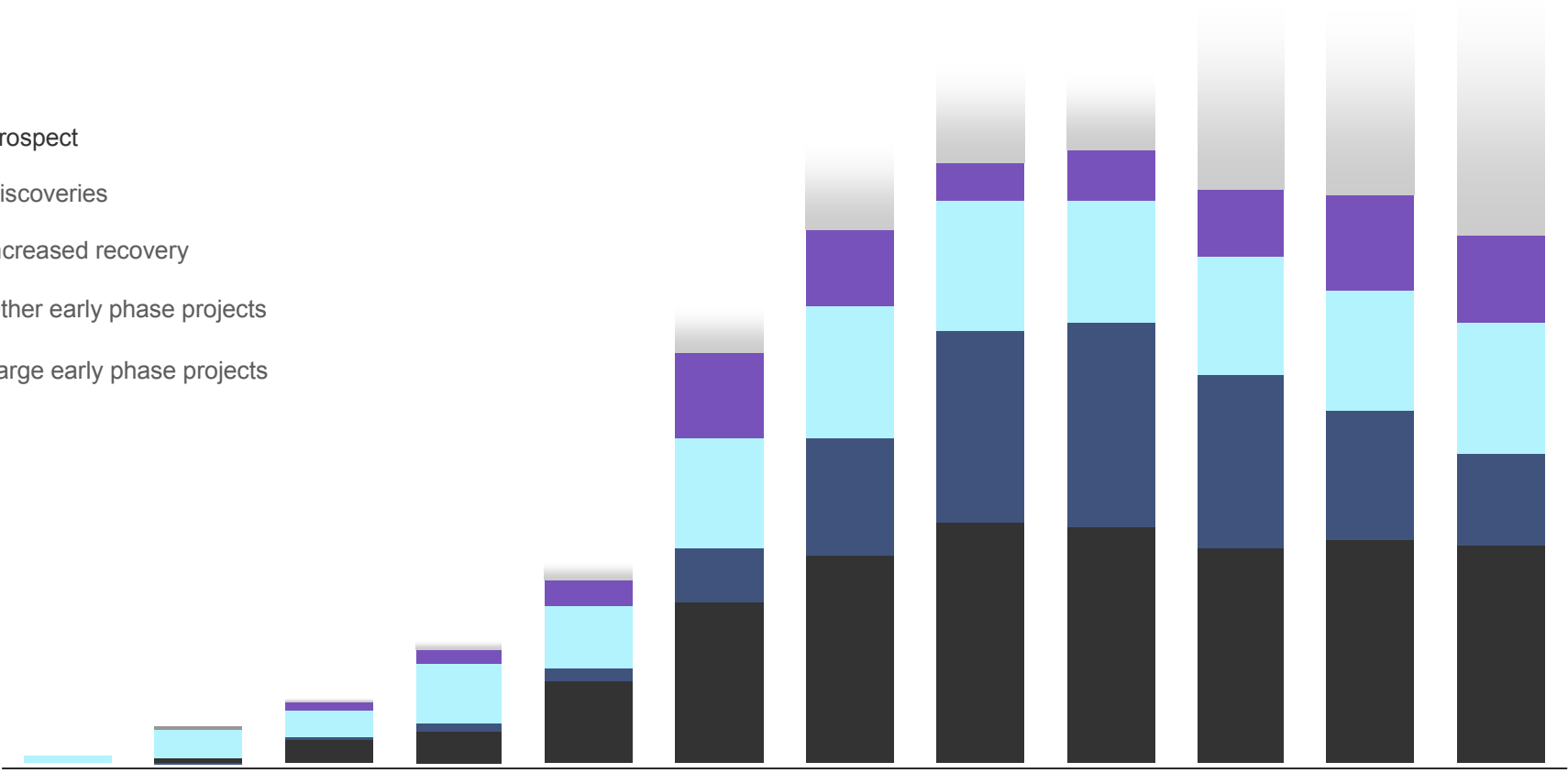
Decline (incl. IOR) mboe/d



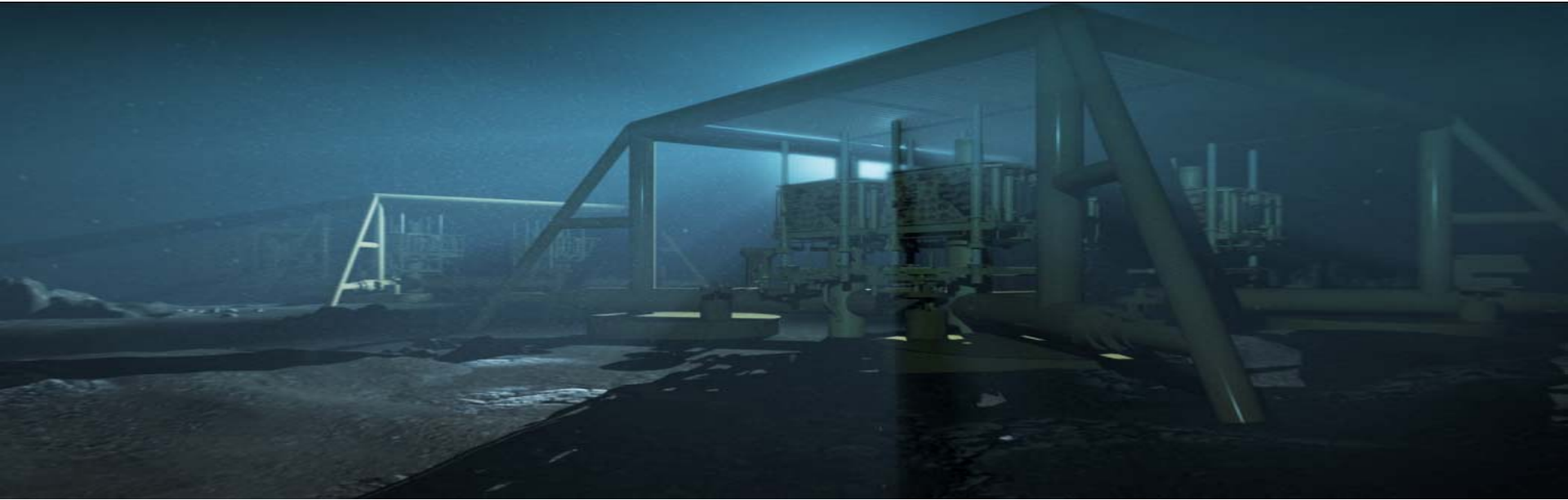
The early phase portfolio

Stylised growth profile

- Prospect
- Discoveries
- Increased recovery
- Other early phase projects
- Large early phase projects



From tailoring to ready-made



- **Three out of four development candidates on the NCS are classified as small**
- **Industrialisation and standardisation of the field development portfolio**
- **Well established infrastructure is the key to making also small discoveries profitable**

The background image shows an offshore oil rig structure in the distance, with its legs extending into the water. In the foreground, a yellow subsea wellhead is visible on the seabed, connected to a yellow pipeline that runs across the seabed. The water is dark blue, and the seabed is a light greyish-brown color.

**Times have never been better for good ideas
- fast-track field development**

Halfdan Knudsen

Time to industrialise the Norwegian continental shelf

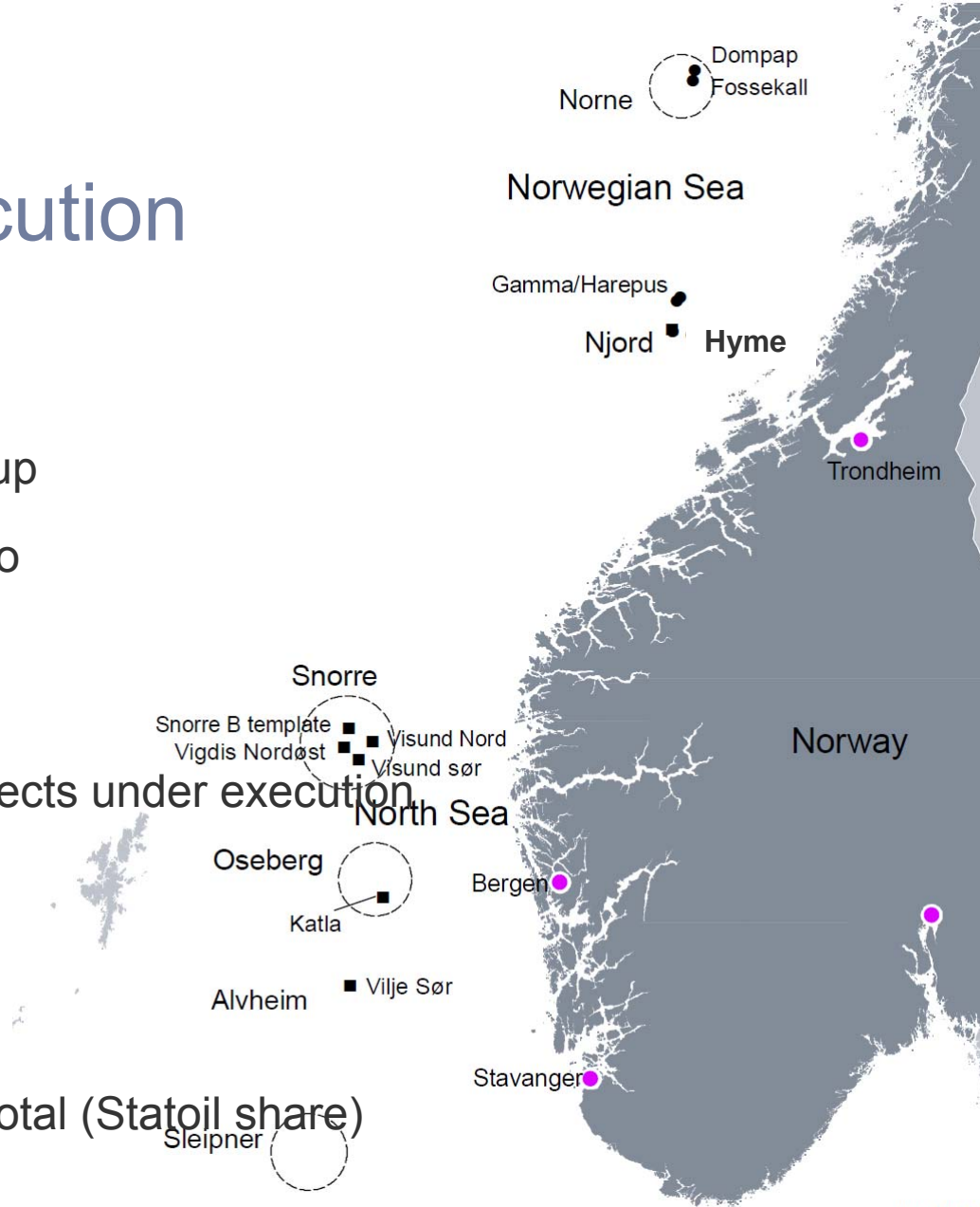
Simplify process and project set-up

- Drive cost reductions through
 - Standardisation and industrialisation
 - Keep system design simple and robust
 - Pre invest in standard equipment
- Use field proven technology, competence and infrastructure
- Carry out according to our safety standards

Fast-track 2011

- from concept to execution

- Established portfolio
 - Four "first phase" projects as start-up
 - Continuous development of portfolio
five new projects established
 - Areas identified
- PDO handed over and "first phase" projects under execution
- Evaluating six discoveries
- Production volumes will give
app. 87.000 oeb/d 2014 and 176 mboe total (Statoil share)



COS 110174

Turn opportunities into developments



GammaHarepus (2013)

Snorre B template (2013)

Visund Nord (2013)

Katla (2013)

Hyme (2012/2013)

Vigdis NØ (2012/2013)

Fossekal / Dompap (2012)

Visund Sør (2012)

Vilje Sør

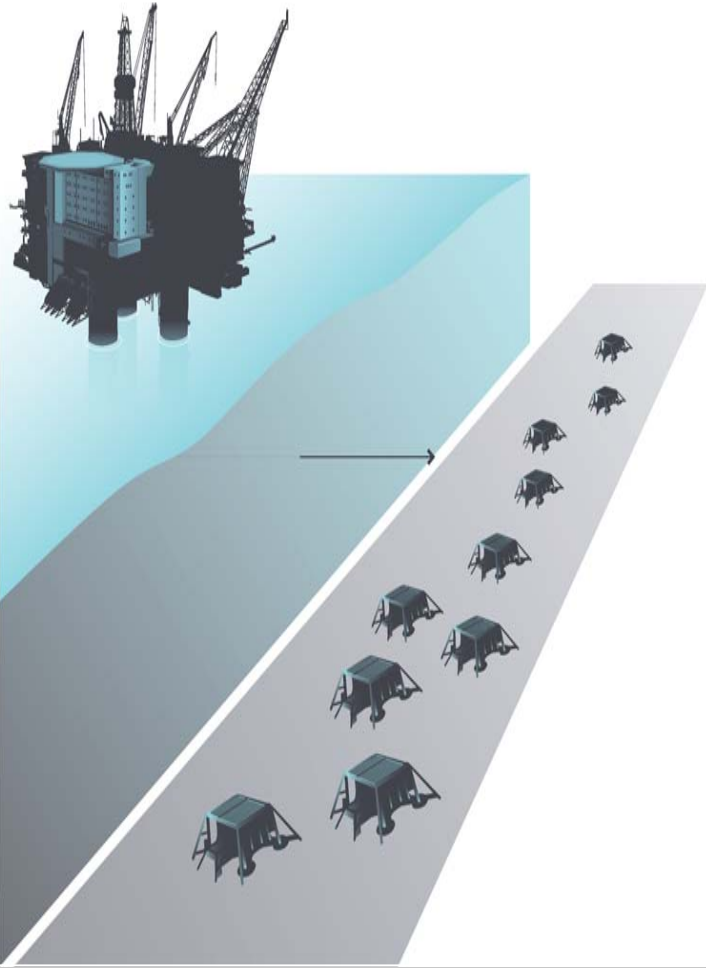


Bring them in!

Siri Kindem,
SVP Technology excellence

Accelerate production and reduce cost

Subsea standard catalogue



- Standardised to meet fast-track project schedule requirements.
- Configurable from “bare bone” to “high functionality” solutions.
- Cost effective to enable development of marginal fields.
- Based on proven technology to reduce project risk.
- Compliant with technical requirements.

Increased flexibility

Workover systems



- Used on all subsea wells
 - installing equipment
 - preparing well for production
 - maintenance
- Standardisation gives increased flexibility & cost efficiency
- Efficient measure to increase oil recovery

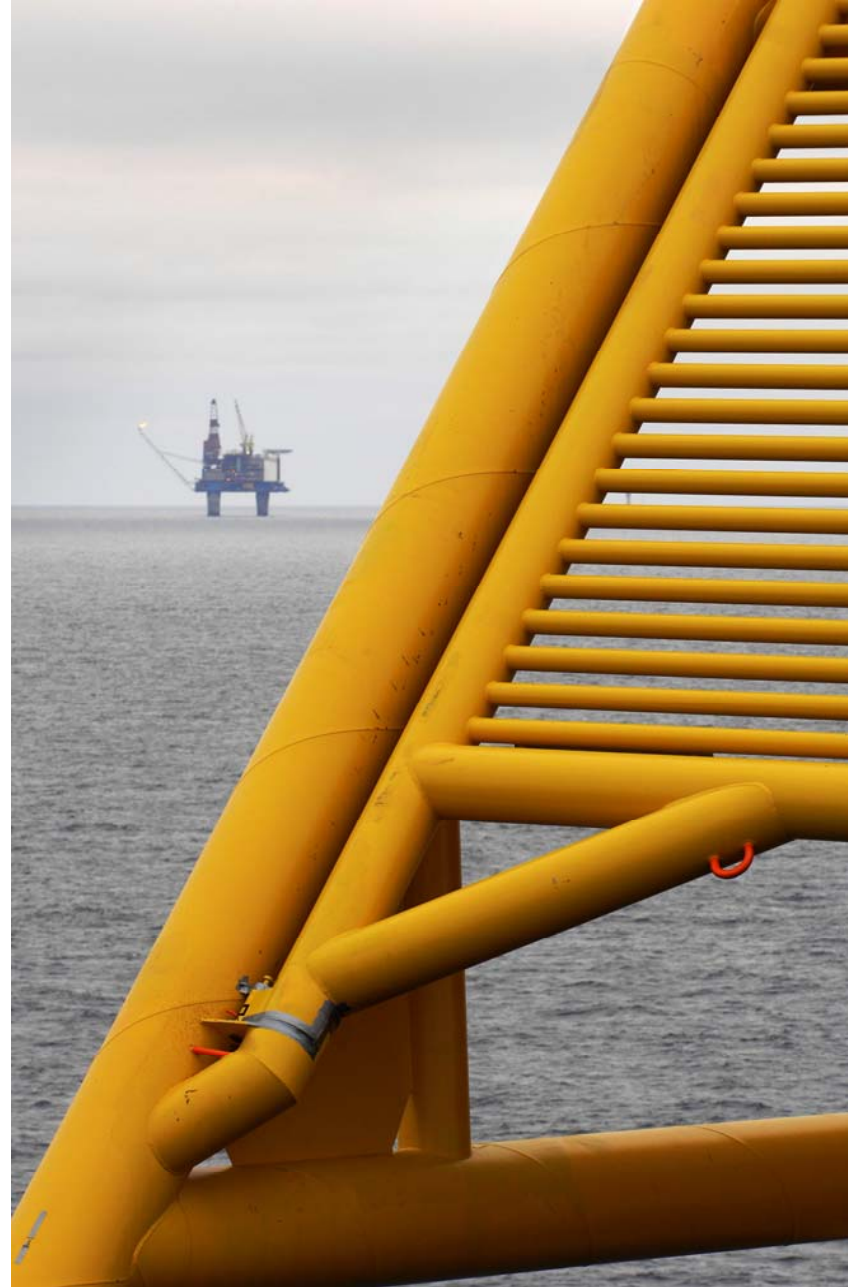
Competitive market

Fast-track suppliers

- Use of frame agreements
- Competitive bidding
- Bundle scope to increase synergies

Contracts:

- Subsea production system (SPS)
- Workover systems
- Drilling and well
- Linepipe
- Marine installations
- Topsides modifications



Execute!

Kjetel Digre,
SVP Project execution

A step change in project performance

- Competitive target cost & schedule
- Greater HSE performance
- Deliver on quality
- Smarter project execution



Visund Sør

2012

September– Production start

2011

August – Start drilling

May – Major construction milestones and start marine operations

January – Handed over PDO to MPE

2010

December – Start execution phase
September – start construction

October - Start engineering phase

April – start contract awards

March – Start concept phase and feasibility studies

2008/2009

Discovered

Volumes: 67 mboe

Standard subsea development

Tie-in to Gullfaks C

Fast-track will continue to deliver on the step change in project performance

Fast-track model

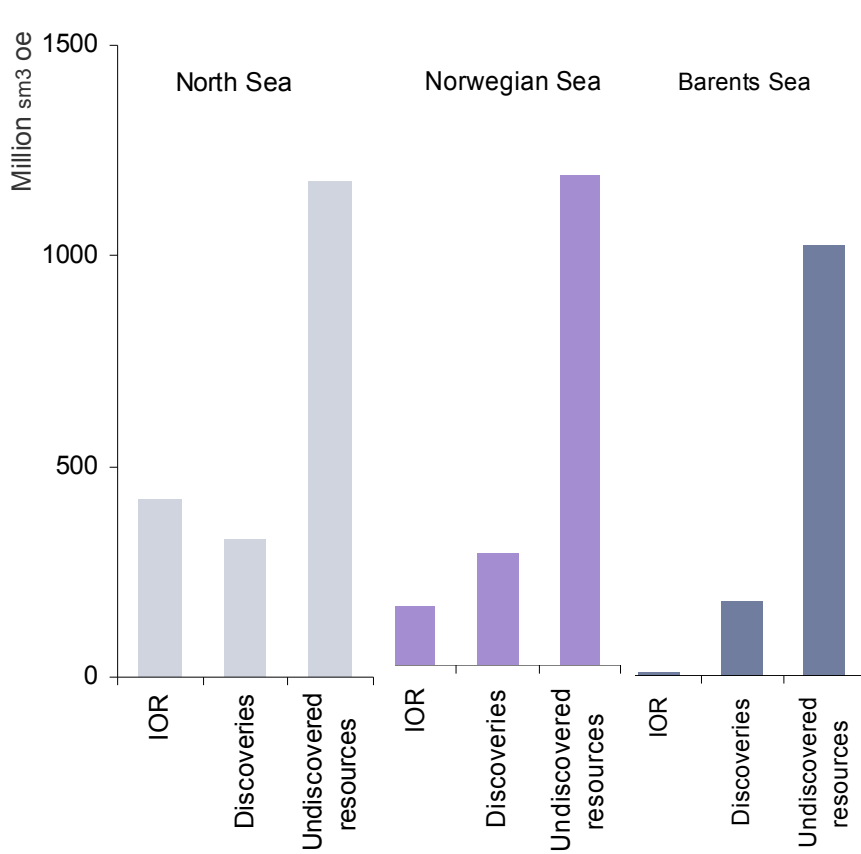
- Understanding task complexity
- Marine and Rig puzzle for multiple projects
- Concept maturity and discipline in execution
- Manage internal and external capacities

**Times have never been better for good ideas
fast-track – fast teams – fast volumes**



BACK UP

Seas of opportunity



Source: NPD

