

Perspectives for Oil and Gas on the NCS

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18 September 2018



Agenda

1 Corporate strategy and market view

2 Execute

3 Improve

4 Grow

A focused portfolio on the NCS



Skarv / Ærfugl

Solid base performance and area upside potential



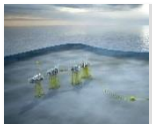
Alvheim area

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*



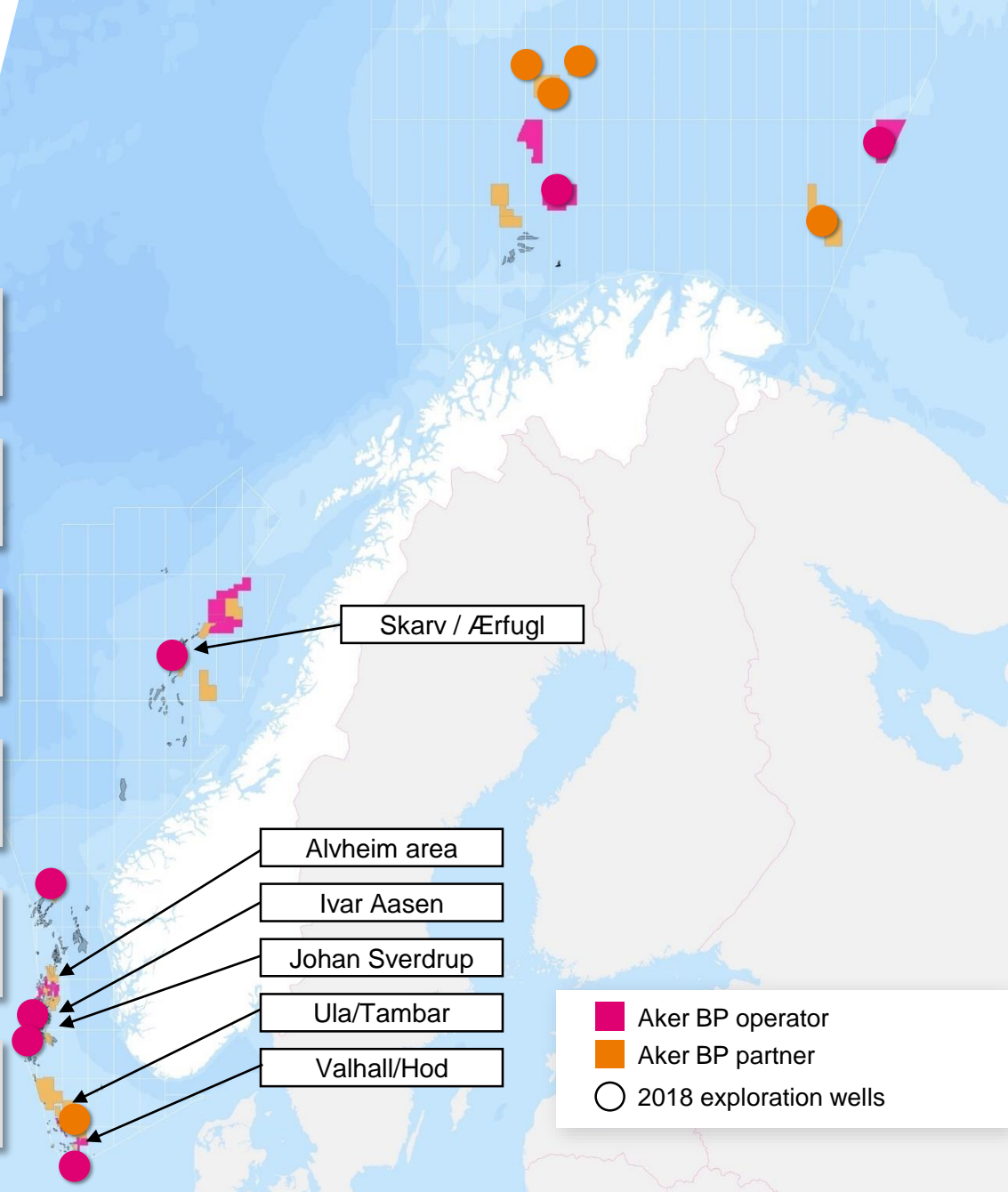
Ula/Tambar

Late life production with significant upside potential



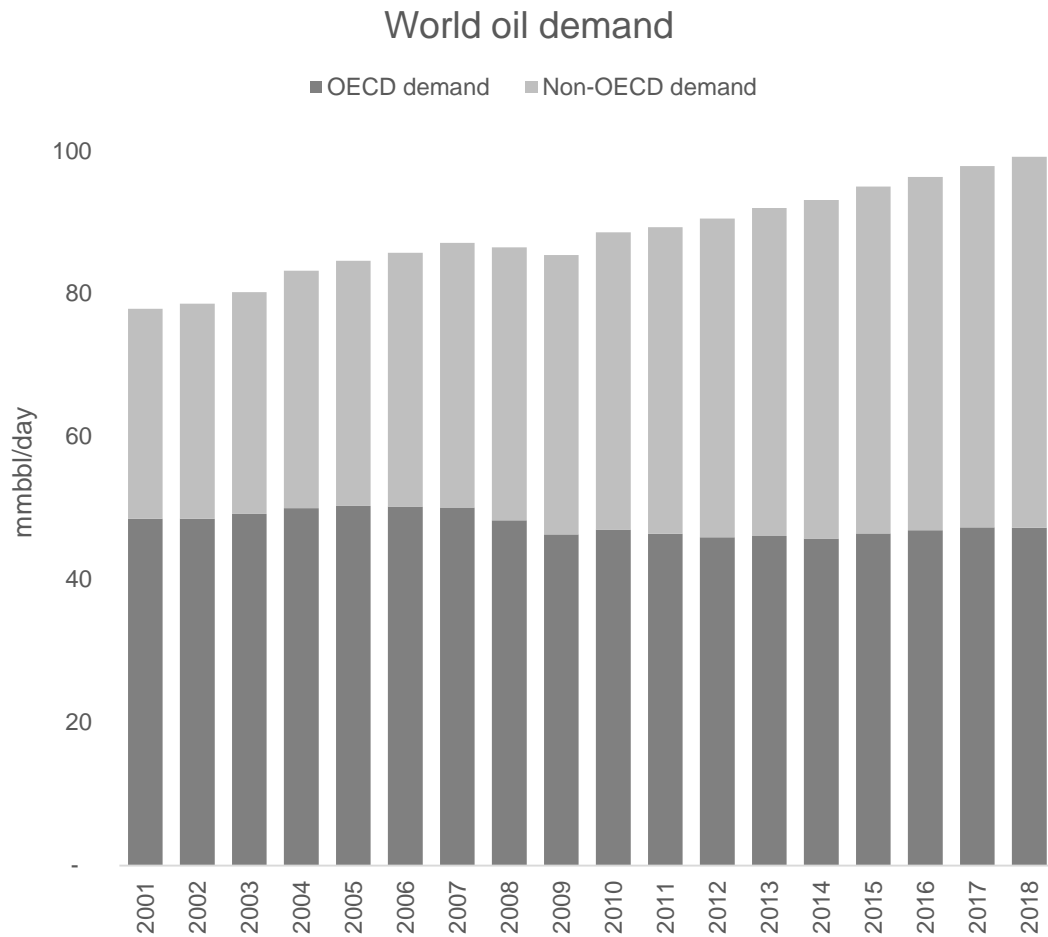
Valhall/Hod

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

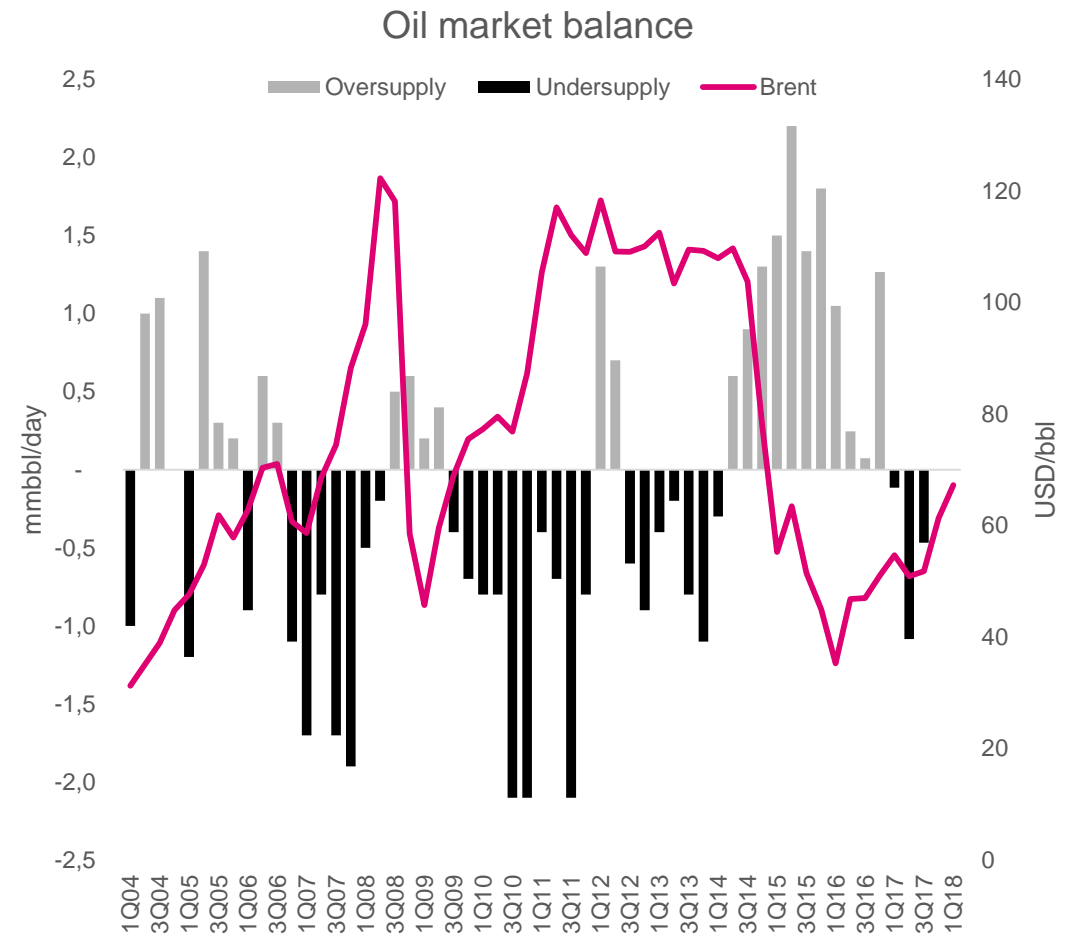


Oil market volatility calls for resilient strategy

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

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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

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IMPROVE

Targeting significant efficiency improvements

Great savings possible – requires new way of thinking



Target production cost below 7 USD/boe

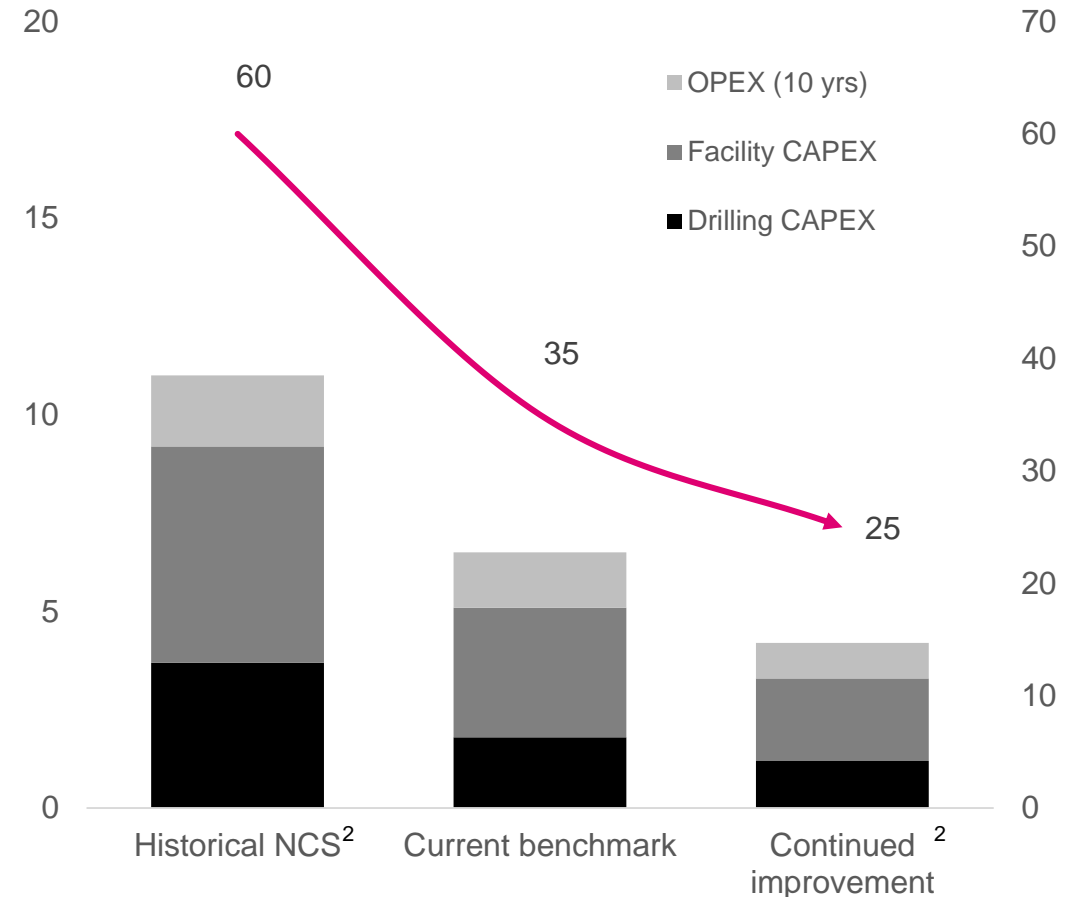
Target full cycle break-even below 35 USD/bbl












Illustrative project economics (USD/boe)

Development cost¹ (USDbn)

Break-even (USD/boe)

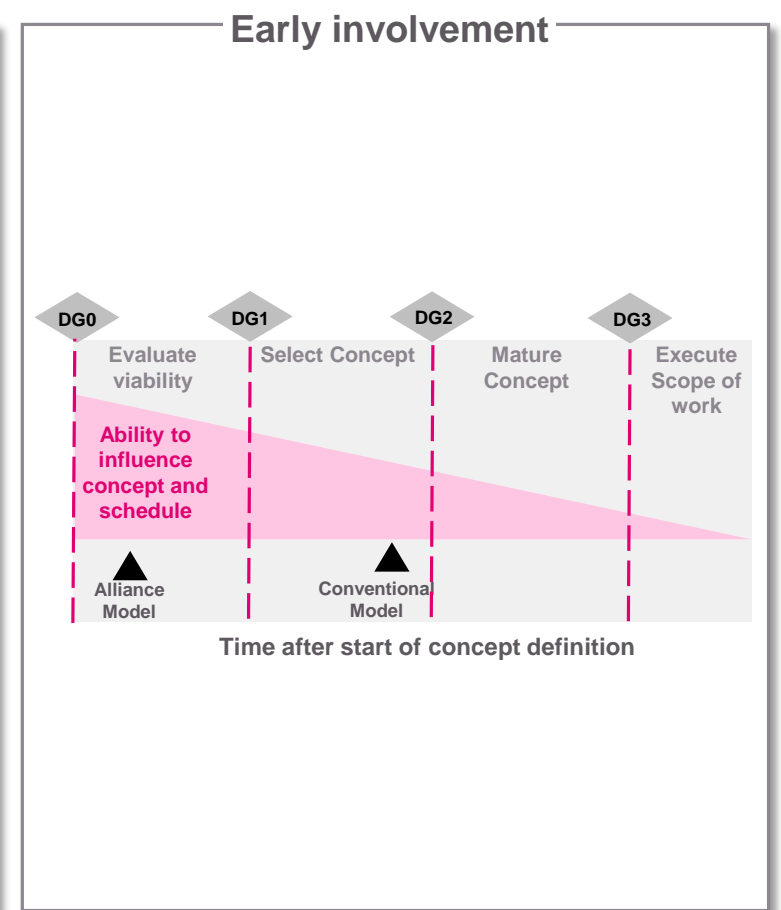
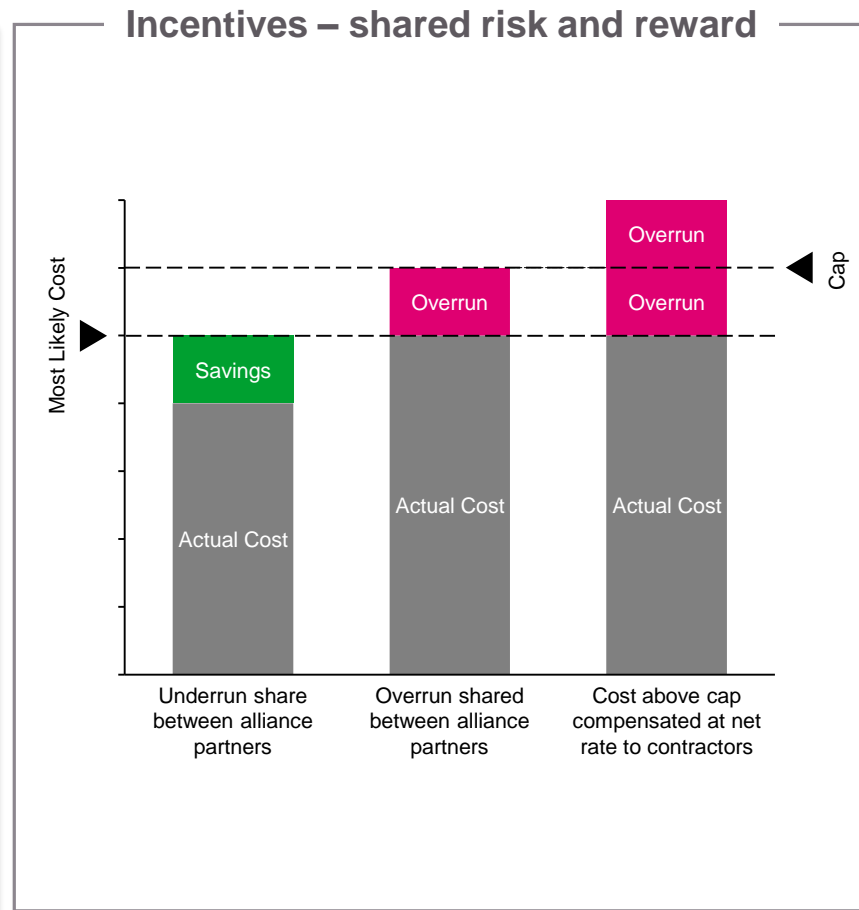
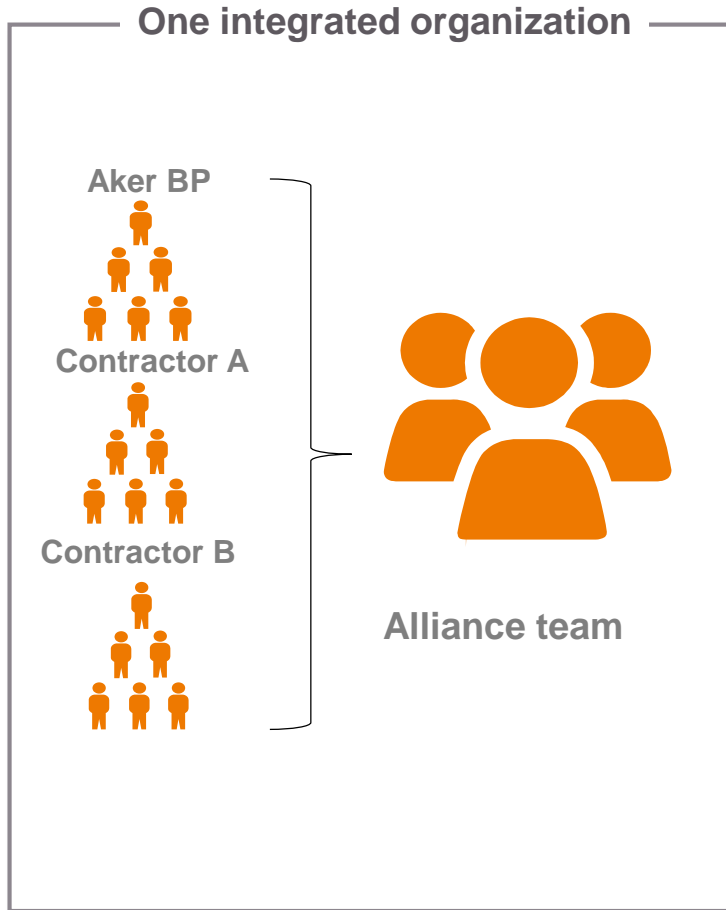


The problems with traditional supplier relationships

	Alliance	Traditional
 Time horizon	Long-term	From project to project
 No. of suppliers	Minimum sufficient	Several
 Risk sharing & Incentives	Aligned incentives and shared upside and downside risk	Dis-aligned incentives, no risk sharing
 Team Organization	Integrated team, empowered team, <i>"best person for the job"</i>	Separate organizations with interfaces and hand-overs
 Geography	Co-location of teams	Many teams in separate locations
 Leadership	Trust-based leadership	Control and transaction based
 Documentation	Minimum sufficient	Large documentation (control culture and tailor make)
 Improvement	Common improvement language based on Lean	Separate, uncoordinated improvement initiatives
 Standardization	Repetition and re-use	Tailor-make

IMPROVE

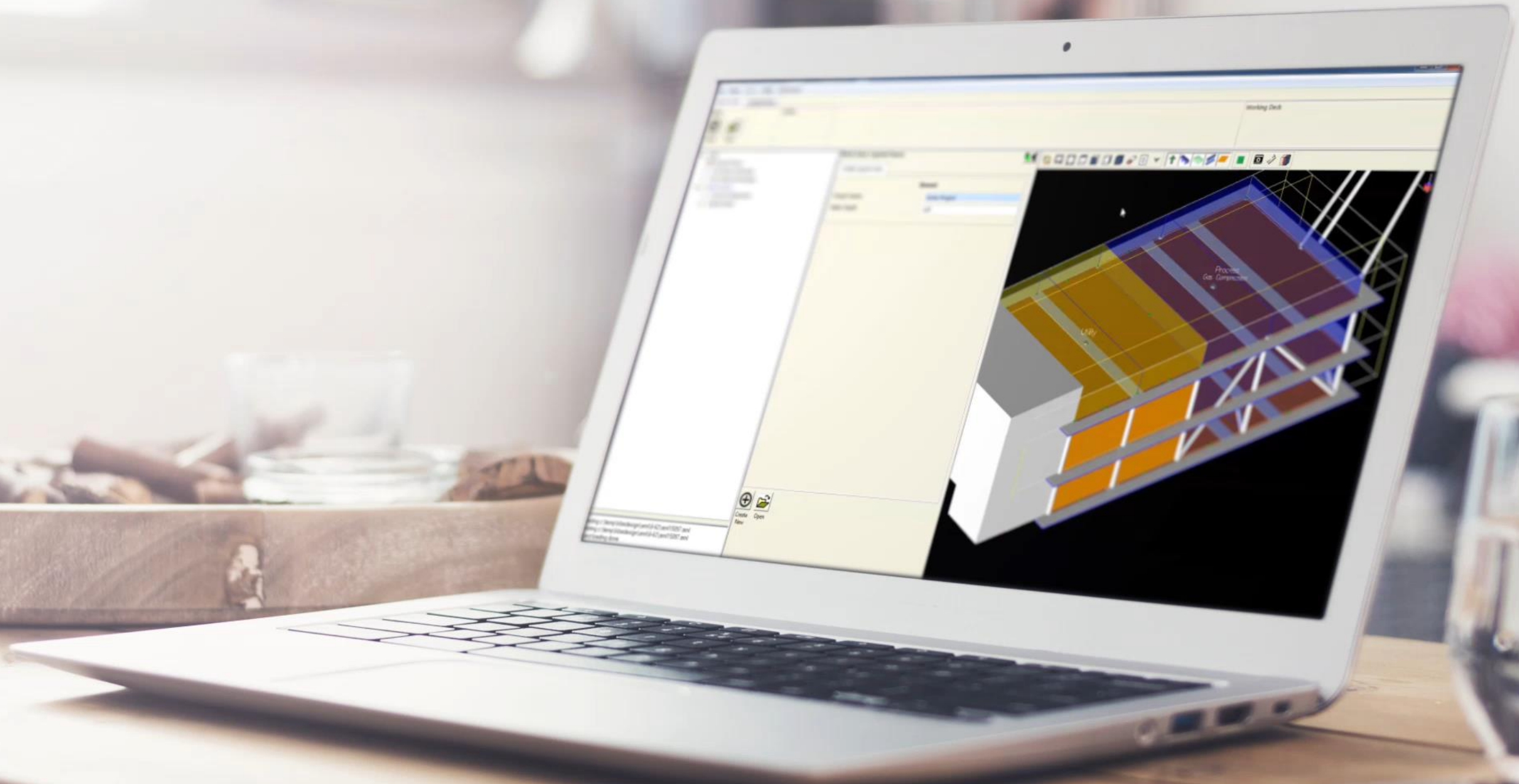
Alliance principles

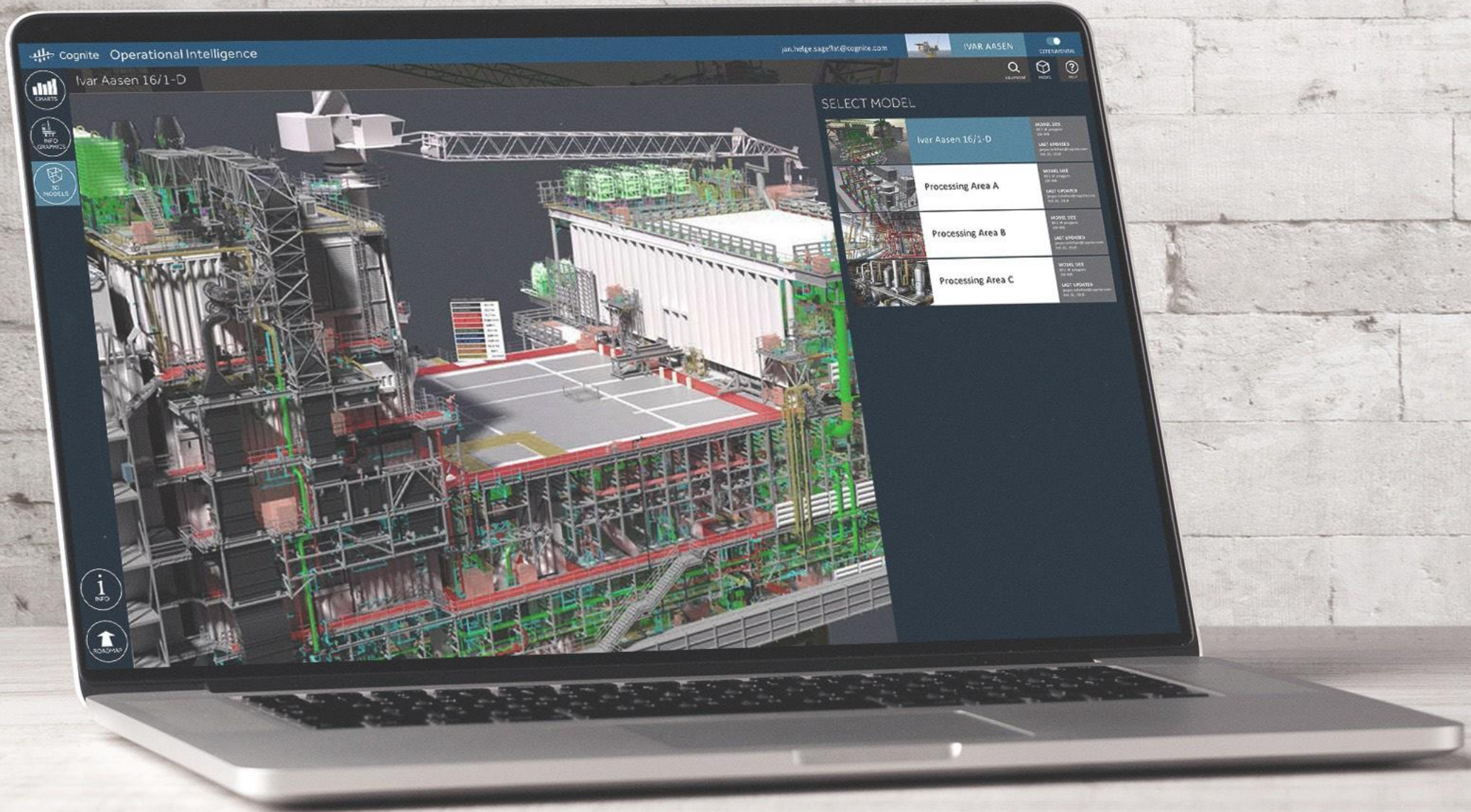


END-USER
APPLICATIONS

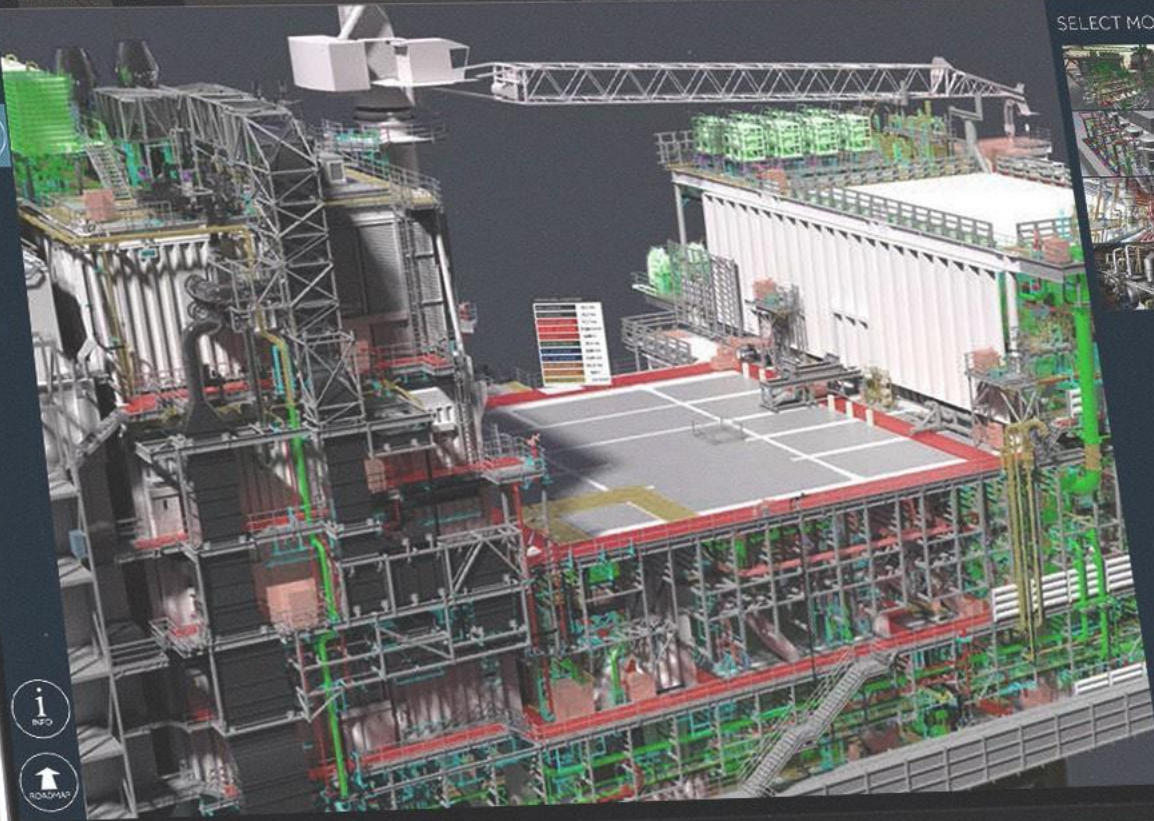

Cognite







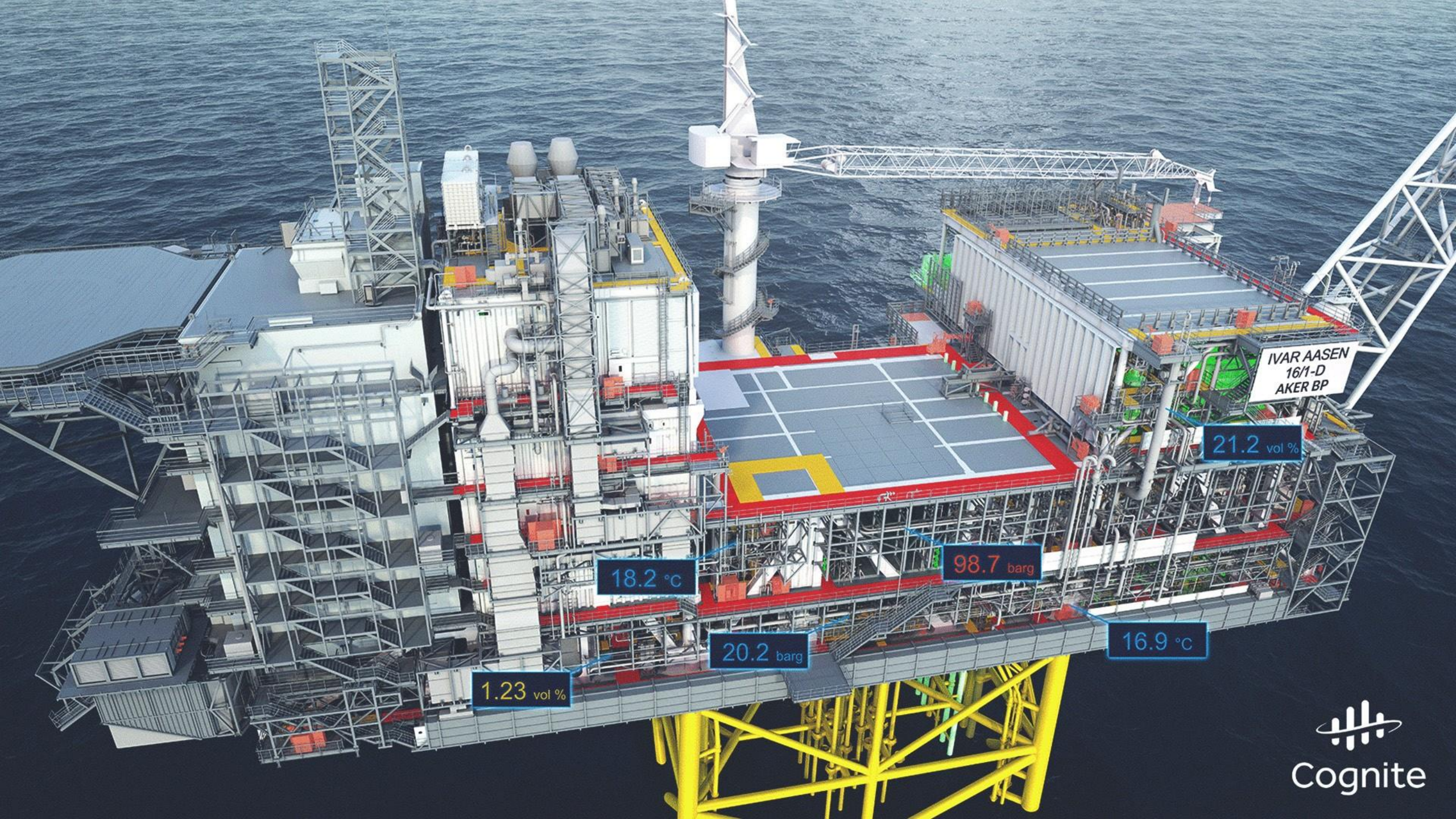
Ivar Aasen 16/1-D



SELECT MODEL

	Ivar Aasen 16/1-D	MODEL ID: 16/1-D LAST UPDATED: 2025-10-14 10:00
	Processing Area A	MODEL ID: 16/1-D-PA-A LAST UPDATED: 2025-10-14 10:00
	Processing Area B	MODEL ID: 16/1-D-PA-B LAST UPDATED: 2025-10-14 10:00
	Processing Area C	MODEL ID: 16/1-D-PA-C LAST UPDATED: 2025-10-14 10:00





IVAR AASEN
16/1-D
AKER BP

21.2 vol %

18.2 °C

98.7 barg

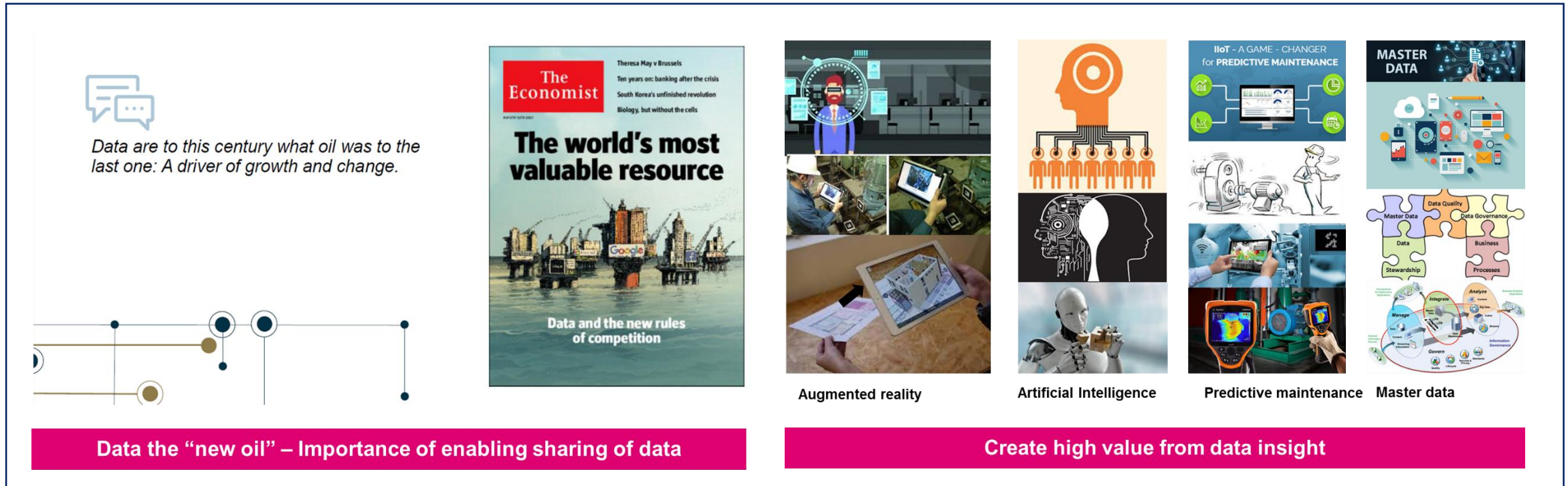
20.2 barg

16.9 °C

1.23 vol %

IMPROVE

Sharing of data will be key: Making data available for insight = visualization, modelling, simulation, predictions, fast learning...



Data are to this century what oil was to the last one: A driver of growth and change.

The Economist
Theresa May v Brussels
Ten years on: banking after the crisis
South Korea's unfinished revolution
Biology, but without the cells

The world's most valuable resource

Data and the new rules of competition

Augmented reality

Artificial Intelligence

Predictive maintenance

Master data

Data the "new oil" – Importance of enabling sharing of data

Create high value from data insight



**DATA
LIBERATION
FRONT**

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GROW

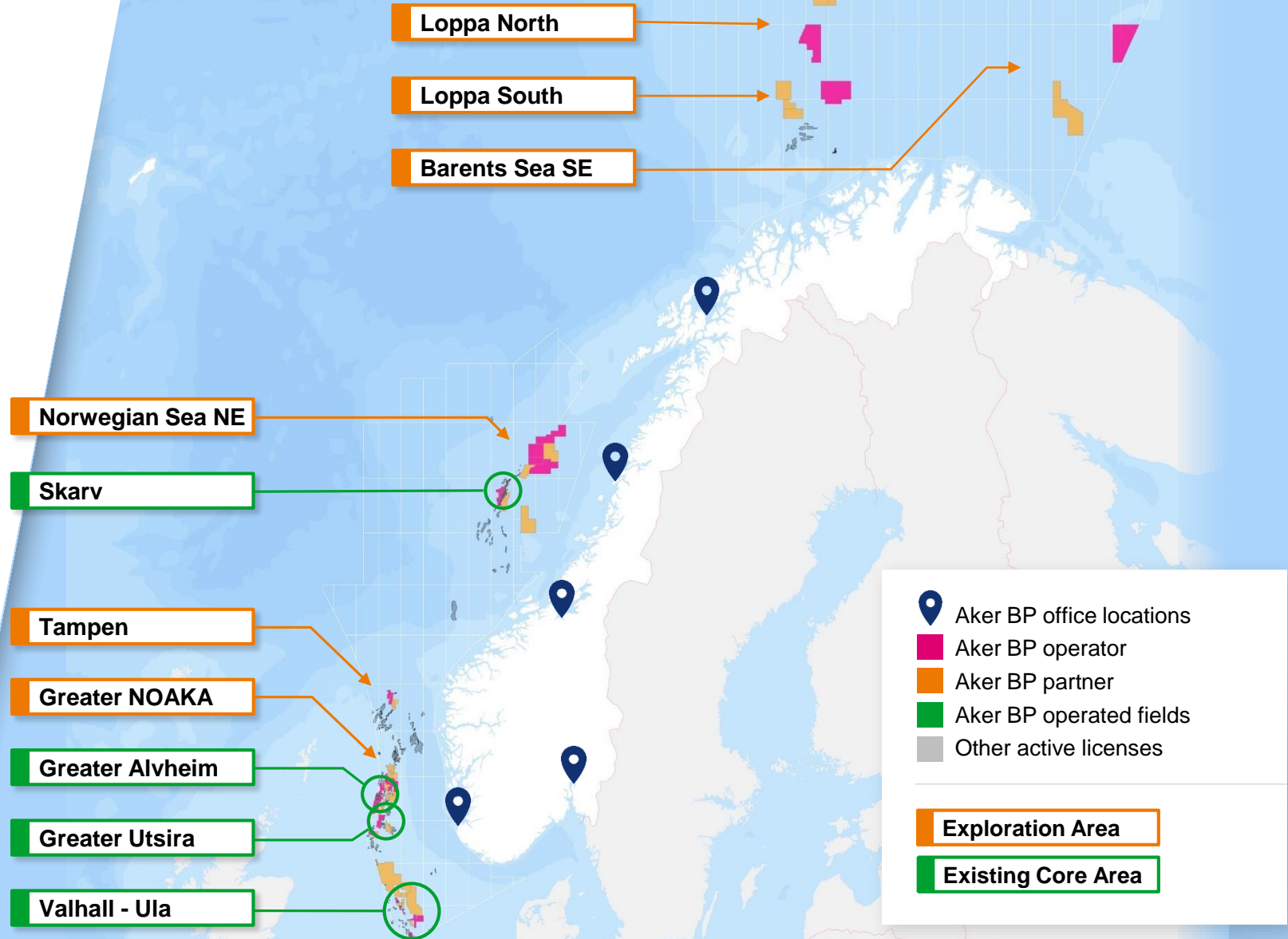
Exploration thriving on the NCS

Aker BP 2018 exploration campaign

- Skewed towards frontier prospects
- 12 exploration wells
- Risked pre drill estimates ranging from 50 – 150 mmbc net to Aker BP

Trends

- Exploration well cost reduced by ~50 %
- Development cost reduced significantly
- Increased area of influence for cluster developments
- Digitalisation will further strengthen cost reduction trend





www.akerbp.com