

Improving Field Performance Study

GULF of MEXICO SHELF

6th Edition (2010 Data)

Improve Your
Production Operations
Efficiency & Reliability



- evaluate comparative **operations performance** for each field
 - focus your efforts to **enhance production operations & optimize operating cost**
 - help offset higher costs due to production decline with **improved uptime reliability**
- A Proven Method Now Used by 100+ Operators Worldwide**

What Clients Say:

"The study was well worth the money and will pay for itself many times over."

Production Manager,
Large U.S. Independent

...

"The value for changes we implemented was estimated at \$5,000,000 (per year), a very good return!"

Senior Engineer,
International Major

...

"The scope and format of the Gulf of Mexico Shelf study assisted us in focusing on specific areas of improvement. The presentation of the results of the study by your consultant was concise and informative and reflected considerable knowledge of operations in the Gulf of Mexico. As a result, we have been able to dramatically improve our operational efficiencies and lower our costs."

Vice President,
Gulf of Mexico, Super-Major

...

"We got more than what we paid for, which is a pleasure to say. I would recommend this process to any company wanting to move from the 'also ran class' to 'best of class.'"

Operations Manager,
Independent Producer

...

Improving Operations Performance for Gulf of Mexico Shelf Fields

Efficient cost effective operations are critical for E & P companies, especially for mature Gulf of Mexico Shelf fields with their large production decline rates. Ziff Energy Group is again (for the 6th time since 1997) undertaking a detailed analysis of operating performance to assist operators in the Shelf area of the Gulf of Mexico. Since the last edition was conducted 2 years ago, some costs have declined while others have escalated, while natural gas & oil prices have fallen significantly. Production uptime is critical to maintaining your cash flow in the face of lowering prices & maturing fields.

We invite you to join this edition and enhance your competitiveness in the Gulf of Mexico.

This study is for you if your company needs:

- to ensure your production reliability is "best in class"
- a 'tool' to help you reduce field OpEx
- a focused approach to evaluate your field efficiency in each cost category
- consistent, reliable and detailed information to assess the strengths and opportunities for improving your current operations

Our Method:

- **quantifies industry performance** by field operating characteristics, and illustrates how your individual fields and company compare
- **utilizes performance metrics for each key cost category**
- **Uptime reliability metrics** including standardized measures of Deferred Production, "Best in Class" Uptime targets, Mean Time Between Incidents (MTBI), and Mean Time To Recover (MTTR)
- identifies & analyzes significant "**Cost Drivers**" for various types of Shelf production
- unique multi-year **trend analysis**
- **'high level' HS&E metrics**
- our **new automated cost data gathering approach** reduces your staff time, while ensuring the highest data integrity.

Ziff Energy has Best Operating Practices Experience in:

- Transportation
- Well Operations
- Fracture Stimulation
- Compression Operations
- Energy Management
- Field Automation
- Preventative Maintenance
- Effective Use of Personnel

Our Deliverables to You:

Customized Field Analysis

- **your Uptime Reliability Performance relative to peer fields & operators**
- cost profile analysis for each field; **specifies potential cost savings** by cost category for each field
- **Trend Analysis** for fields analyzed in prior studies
- analysis of Operating **Cost Drivers**; ideas for reducing cost will be highlighted
- identifies tendencies within your organization towards high or low cost bias for each cost category
- compares your fields and company vs. peer companies/fields and industry

Comprehensive Report

- organized by **multiple peer asset categories or groupings of similar fields** based on geologic and operational economic considerations
- a proven study **designed with considerable input from clients**; Ziff Energy's analysis highlights findings unavailable from traditional corporate-level or broad regional comparisons

Private Debriefing

- to help focus on *immediate solutions*

Optional Services Available Post-Study:

- focusing on opportunity areas identified in the study, and with client support, Ziff Energy will program and conduct a **Best Practices Workshop** for the benefit of study participants
- individual client consulting to develop **Operations Solutions** focused on **specific best practices** where performance gaps exist in your field productivity performance
- assistance to develop and implement **'change plans'** to harvest cost savings with production efficiency gains
- we will discuss your company's needs and interest in these services before, during, and after your private Debrief meeting.

We will identify your company's true areas of competitive strength

"We encourage other operators to participate in Ziff Energy's multi-client benchmarking projects.

Some of the benefits are:

- *standardized cost data & peer field comparison*
- *points to areas where we may have gaps in performance*
- *the results encourage us to take a look at our operating metrics and understand the drivers and where to focus our time and efforts*
- *(uptime) reliability metrics force you to consider facility design in future developments*
- *automated data gathering takes effort away from staff, who are stretched these days."*

Vice President, GoM Operations,
Large Independent Producer

...

"Immensely impressive . . . much more detailed than other benchmarking studies."

President, Major

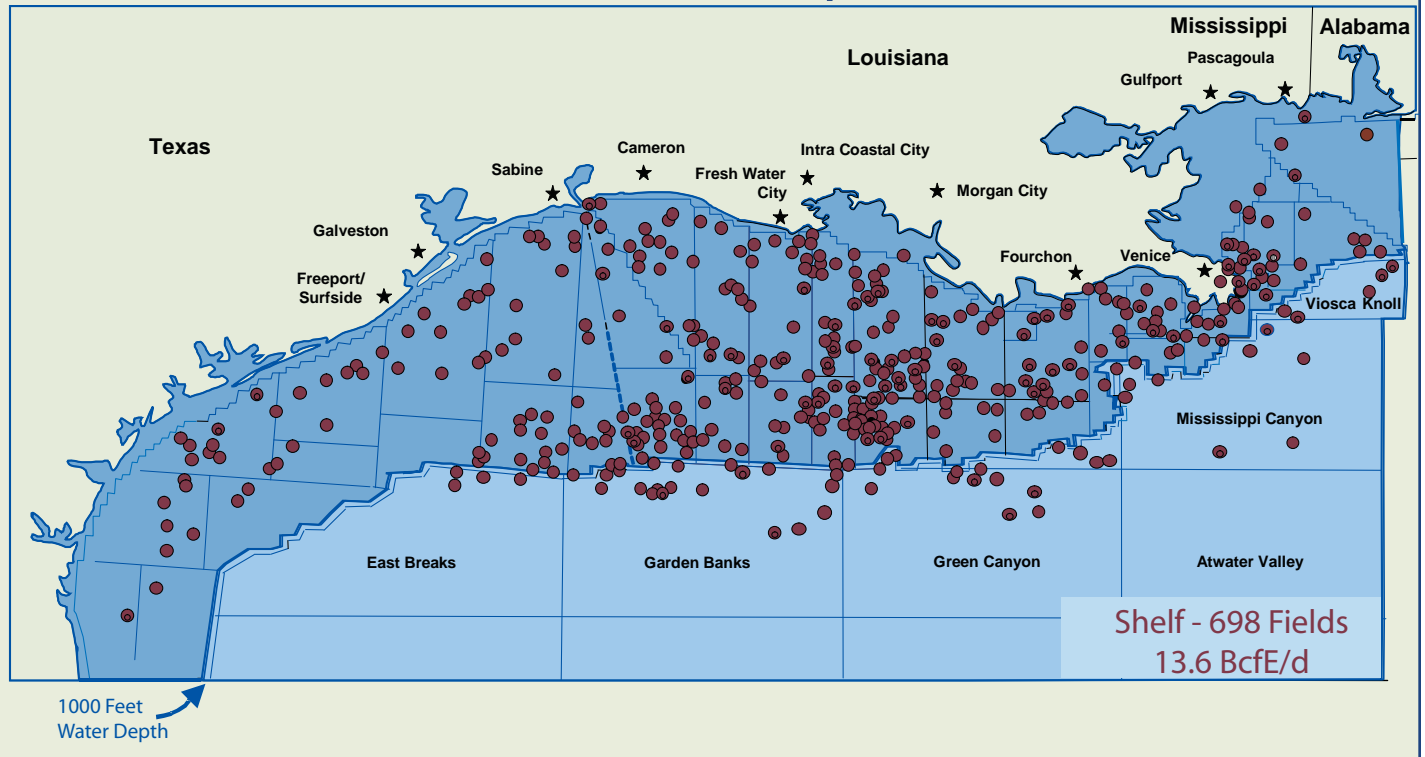
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"We are pleased with your work ... Ziff's industry workshop was an excellent opportunity to learn and network with the experts. Ziff delivers the full package, a statistically rigorous analysis coupled with real suggestions that can be used to improve operating performance. It is refreshing to work with Ziff's staff, which consists of industry professionals who are knowledgeable and experienced."

Offshore Development Manager,
Large Independent Producer

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Gulf of Mexico Shelf Operators



You are invited to participate in this uniquely effective analysis & share the benefits.

Please contact: Richard M. Tucker
(713) 627-8282 ext. 183 or (713) 985-5183

Why Ziff Energy?

- In the past decade, Ziff Energy has completed 170+ multi-client studies, including 13 Gulf of Mexico studies. Ziff Energy studies have now assisted 100+ E&P companies in three dozen countries to lower operating costs and increase production by comparing their field operating cost performance against similar gas or oil fields. To date over 3,800 oil and gas fields, representing over \$28 billion in operating costs, have been analyzed in our field operations studies.
- For 4 years, we have used **Electronic Data Gathering** to transfer cost data from your accounting system to Ziff Energy. Clients no longer complete cost spreadsheets. We cross-reference your cost accounting codes to our standardized detailed set. The download of your cost data is loaded into the benchmarking categories using the code mapping. We also download production data. Transparency is enhanced, **client effort dramatically reduced**, and you can drill down into your own cost data to better understand your performance gaps.
- Centre for Benchmarking Excellence - established in 2007 to ensure high quality, consistent, and efficiently produced benchmarking results.

Ziff Energy Group, Houston

4295 San Felipe, Suite 350
Houston, Texas 77027 U.S.A.
Ph: (713) 627-8282 Fax: (713) 627-9034
Toll Free: 1-888-736-5780
e-mail: info@ziffenergy.com
Web-site: www.ziffenergy.com



Ziff Energy Group, Calgary

Suite 180, 6025 - 11th Street SE
Calgary, Alberta, T2H 2Z2 Canada
Ph: (403) 265-0600 Fax: (403) 261-4631
Toll Free: 1-800-853-6252
e-mail: info@ziffenergy.com
Web-site: www.ziffenergy.com