

Case Study:

Major IOC for Arctic

Endeavor Management's Arctic Team supported multiple projects for the Shell Exploration and Production Company's Alaska Venture during the period 2013 to 2015. Advisory services included drafting an Integrated Operations Plan (IOP) as required by DOI, drafting a White Paper to support DOI's testimony to legislative forums, and review of cost estimates for full scale development of the Chukchi Sea Prospects.

Industry:

Oil and Gas Industry

Project Name:

Shell's Chukchi Seas Exploration Drilling

Challenge

Shell's Alaska Venture had undertaken exploratory drilling in the Beaufort and Chukchi Seas during the 2102 season, and had several very public setbacks at the time. Subsequently, in March 2013, the Department of the Interior (DOI) required that any future drilling activities in the Alaskan Arctic should be documented, pre approved and overseen via an Integrated Operations Plan (IOP) from the Operator.

Solution

Shell decided that the IOP should be developed with a strong regulatory and external focus, to enhance its credibility with the DOI. Shell therefore selected Endeavor's Arctic Team (which incorporated Advisors from the Arctic and Offshore Industry, and (crucially) from former Coast Guard Officers) to draft the IOP. The Team was able to quickly work closely with Shell's staff, and together with them, the IOP was produced, and approved by DOI after a rigorous review and comment round, in time for the 2014 drilling season.

Results

Shell's preparatory work for the second Arctic drilling season extended into 2014, and thus Shell waited for the 2015 season to commence drilling. As a result of the Arctic team's work, the IOP was a key document used in what was a flawless drilling campaign from safety, environmental compliance and schedule perspectives.

Customer Feedback

Following the IOP completion, Shell approached Endeavor in Q2, 2014, to develop a White Paper to support the DOI in its testimony to public and legislative forums reviewing all aspects of Shell's proposed operations. Shell later requested Arctic Team participation in review of cost estimates for the full-scale development of the Burger Field, pending exploration success. In neither case did Shell approach any competitor company.
