

WELL COST ESTIMATION



Forecasting the cost of projects is vital to the survival of any business or organization contemplating future well construction. Our engineers/cost estimators develop the cost information that managers and professional well design team members need to make budgetary and feasibility determinations.

What we do

- Obtain cost data from Client and the market place
- Input time and tangible items in the cost model
- The contribution of the total cost for each major category is computed using probabilistic or deterministic models to identify the key cost drivers and economic risk
- Compare results with bench mark / offset wells

What you get

- Time & depth curve / cost & depth curve
- Decomposed costs into general categories of:
 - up front planning and studies
 - site preparation
 - mobilization and rigging up
 - drilling and casing operations
 - formation evaluation and surveys
 - well testing / completion
 - abandonment
- P10, P50, P90 per hole section and well
- Detailed cost breakdown on AFE level

Motivation

Cost overrun is defined as: the fact of spending more money on a project than was planned in the budget, or the actual extra amount that is spent.

Thorough and detailed cost estimates may reduce the risk of cost overruns.