

PROJECT OWNERSHIP

Business Unit: Engineering

Project Sponsor: Okee Elechi

Project Manager: Godian Ehirim

Lean Facilitator: Chucks Bisike-Ojiako

Team Members:

1 Engineering: (G. Warde/ Inno Chigbu)

2. Wells (Amos Trost/ John Musa)

3. Development (Forster uzoho)

4. Environment (Chukwuka Amos-Ejesi)

5: C & P (Francis Wilcox)

BUSINESS CASE

In dry land, it takes an average of 8 months to prepare a typical location with associated access road at a cost of circa fUSD4m. In seasonally flooded land areas, it takes circa 20 months at a cost of circa fUSD11m due to sandfilling and piling works. There is therefore little or no flexibility in location readiness with changing rig programme.

OPPORTUNITY STATEMENT

With current 6 rig programme in 2012 and 2013 requiring about 30 Land locations annually, opportunity exists to reduce schedule (cycle time) and cost through optimisation of the requirements and processes for location preparation. This will support faster maturation of new projects as well as increased production of oil and gas.

GOAL

Reduce schedule (Cycle Time) for location preparation by 30%

Reduce cost of location preparation by 30%.

Seek opportunity to reduce land take for capital locations.

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PROJECT STATUS

On Track Delayed Stopped

Overall % Compl	Start Date	Completion Date	% Compl	Health
Identify	01/04/12	30/04/12		
Improve	01/05/12	31/05/12		
Sustain	01/06/12	30/06/12		
Close	05/07/12			

BENEFITS

Gross Hard Benefits:

Efficiency in location preparation will reduce schedule (Cycle Time) by 30% (54 – 135 days) and cost by 30% (1.2m- 3.3m USD). It will in addition support faster maturation of new projects as well as increased production of oil and gas

Soft Benefits:

- Save time for value added work
- Improved process and efficiency
- On-time delivery
- Improved relationship b/w Wells and Engineering

SCOPE

IN:

Land Location preparation process review
Loc Pre Cost and schedule review
Implementation of earlier report (Cluster).

OUT:

Swamp Location Preparation
Land take review
Rig contract review
Location preparation contract review.

POTENTIAL ROADBLOCKS / ISSUES

Availability of nominated team members

Restricted

July 2, 2013