



ASSET INTEGRITY: CLEAR AND PRESENT DANGER

In a low oil price environment, oil and gas operators are now engaging in price-responsive strategies and the optimisation of existing assets. In the North Sea, many of these operating companies are looking at ways to re-evaluate maintenance, inspection and HSE practices to make ends meet. The following statistics are based on a recent survey of thousands of asset integrity professionals working in the field today.

How old is the platform or asset you are currently working on?

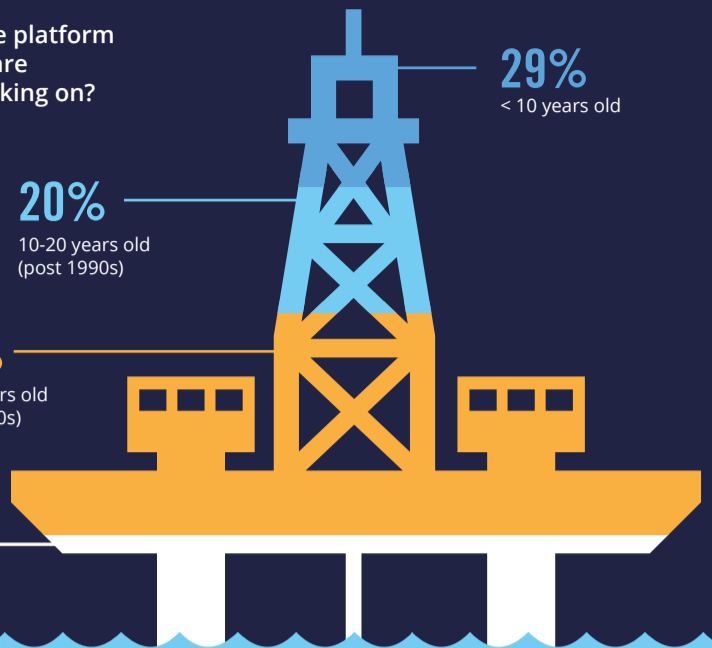
51%
of asset integrity professionals are working on installations at least 20 years old.

29%
< 10 years old

20%
10-20 years old (post 1990s)

35%
20-30 years old (post 1980s)

16%
>30 years old (1970s & before)



Has your asset integrity budget been cut in the past 12 months?



51%
Yes

49%
No

Do you think the fall in oil prices will affect the standard of asset integrity in your company?

58%
Yes

42%
No

When asked "How robust is your company's asset integrity programme from 1-10 with 1 being "terrible" and 10 being "excellent"...

the average was just **5.4**

58% of respondent deeming that their programmes were less than a five out of ten.

MORE THAN HALF OF ASSET INTEGRITY PROFESSIONALS HAVE HAD THEIR BUDGETS CUT IN THE PAST YEAR, 58 PER CENT OF THE SAME SEGMENT OF PEOPLE HAVE SAID THAT FALLING OIL PRICES WILL AFFECT THE STANDARD OF ASSET INTEGRITY DELIVERY IN THEIR COMPANY, THE EXACT SAME PERCENTAGE THAT RATED THEIR COMPANY'S ASSET INTEGRITY PROGRAMMES AT LESS THAN FIVE OUT OF 10. WITH OIL PRICES MOOTED TO STAY BELOW \$80 A BARREL FOR AS LONG AS THREE YEARS, HOW MUCH WORSE COULD ASSET INTEGRITY CONFIDENCE AND PERFORMANCE GET?

Has your job remit expanded since the onset of the oil price downturn?

49%
No



51%
Yes

If you answered "YES", do you believe this expanding set of responsibilities is sustainable in the long-term?

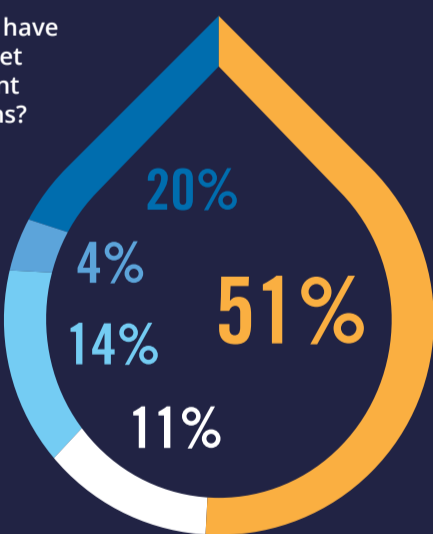
52%
Yes

12%
No

36%
Unsure

What annual budget have you allocated for asset integrity management services and solutions?

- Less than £250,000
- £250,000 - £1,000,000
- £1,000,000 - £2,500,000
- £2,500,000 - £5,000,000
- More than £5,000,000



20%
4%
14%
51%
11%

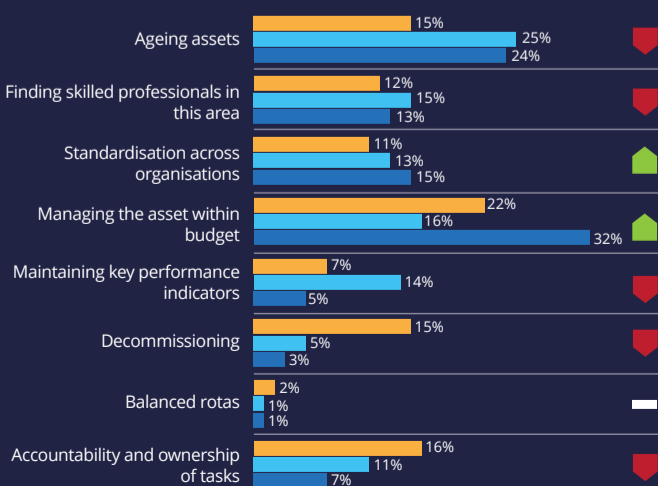
Are you looking to change your asset integrity suppliers/providers in the next 12 months?

65%
No

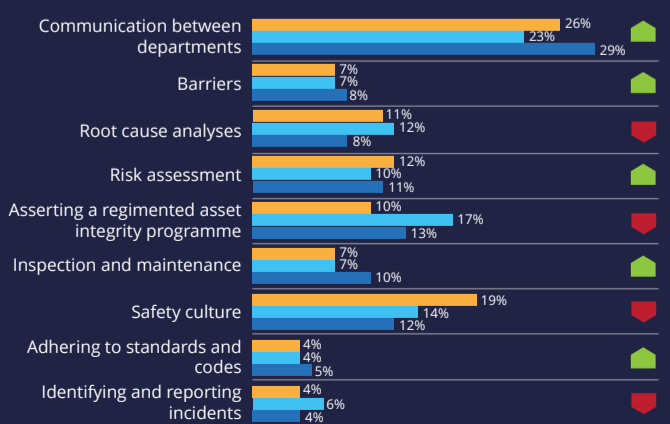


35%
Yes

From your perspective, what is the greatest challenge in the oil and gas industry?



What are the greatest weaknesses in your organisation?



Key: 2014 (orange), 2015 (light blue), 2016 (dark blue). Trends: Up (green), Stayed Same (white), Down (red).