

# Third Party Facilities Assessment

Review condition and remaining production life of a floating production system and fixed jacket

As part of a recent asset acquisition due diligence, GATE was asked to deliver a third party review of the condition of the asset and remaining production life of a floating production system and a fixed jacket.

GATE developed a standardized work process to evaluate the current condition, potential production bottlenecks and future operating expenditure (OPEX) associated with the brown-field producing asset.

This is a critical service for offshore assets, in particular, and is a result of their limited original anticipated design life, the high cost of future repairs and retrofits, and the level of commercial and operating risk exposure faced. However, the rigor of such an assessment needs to be balanced against the often limited information available to the acquirer, the restricted time available for direct facilities inspection and the often limited timeline of the due diligence process.

Assembling a multi-disciplinary team with integrity management, process, chemical and marine experience, GATE was able to undertake the necessary evaluations under tight schedules and with limited available data and in a way that delivers results that enables them to be incorporated into the overall commercial assessment of asset acquisition viability by the client.

## TECHNICAL ACHIEVEMENTS & BENEFITS

- Multi-disciplinary team allowed GATE to undertake the necessary evaluations under tight schedules and with limited available data.
- From the condition assessment perspective, GATE's process was tailored to the specific acquisition.
- The strategy featured different stages including the Pre-Bid, Pre-Work, Inspection, and Post-Inspection stages. This allowed GATE to evaluate the asset, develop a prioritized list of necessary data needed and the process of gathering the data, gain necessary permits to inspect the asset and then complete a facility risk assessment.
- The inspection of the asset included system walk-through and familiarization, undertaking general visual inspection, spot-checking of current operating conditions, evaluation of chemical injection points, intrusive monitoring locations, sampling points and other monitoring equipment, undertaking operator interviews, reviewing critical monitoring, inspection and operating history data stored on-site, and an inspection debrief summarizing critical findings at end of each day.

## LOCATION

Gulf of Mexico

## CHALLENGE

**When purchasing brown-field assets, it is a challenge for operators to reliably estimate the ongoing OPEX requirements, remaining life and anticipated production uptime post-acquisition.**

**This can have a profound impact on the commercial viability or terms of any asset purchase.**

## SOLUTION

**Deliver a standardized work process that enables short-cycle process system and condition assessment studies that are specifically tailored to provide operators with the inputs required to develop their commercial assessments of asset purchase viability and suitable commercial terms on the basis of limited information availability and limited inspection time on the asset.**