

AGRs success story: VARG: “The tail is bigger than the fish”



CHALLENGE

PGS production had an FPSO on the North Sea Varg Field when the Operator decided to shut the field down due to low production. Pertra, PGS' oil company, acquired Varg in 2002 for \$1 plus an obligation to cover abandonment costs. In order to tackle this challenging opportunity, Pertra contracted with AGR to leverage their subsurface and drilling expertise.

Complicating Factors

- The Varg reservoir is a complicated reservoir formed by a salt dome.
- Inaccurate reservoir mapping had been followed by a number of unsuccessful wells in the past, which had prevented the previous operator from investing more wells and other IOR activities on Varg.

SOLUTION

The AGR team capitalised on their synergies to develop unique and fresh insights into the situation. Through a systematic review of all well data and understanding the depositional environment (sand lobes) and fault system (guided by a new multi-directional 3D seismic), a much more accurate geological mapping was accomplished. AGRs evaluation of existing seismic and well data enabled the team to create and develop hypotheses regarding the location of new reserves.

RESULTS

- Eight new wells were drilled and 50 million more barrels of oil than initial production volumes were identified (“the tail being larger than the fish”).
- Oil production was extended by more than seven years.
- Talisman Energy purchased the field in 2004/ 2005 for approximately \$155M.

AGR's team excels at leveraging their combined experience and knowledge to bring fresh new insights in helping to locate new reserves and cost-effectively bringing those reserves out of the ground.

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