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 benchmark/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.

well assured