

## Agenda – TMN Meeting #39

Meeting topic: “How can R&D impact the E&P industry cost challenge?”  
Is there any way to collaborate between operators' R&D organisations to tackle this challenge?”

Date: Wednesday 29<sup>th</sup> and Thursday 30<sup>th</sup> October 2014

Venue: **Meeting Room: 21G05**, Total SA, 2, place Jean Millier, La Défense 6, 92078 Paris  
La Défense Cedex, France, tel: [+33] 1 47 44 45 46

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Dinner: **Boeuf Sur Le Toit**, 34 rue du Colisée, 75008 Paris. Tel : +33 (0)1 53 93 65 55

Recommended Hotels: See below

Directions: See below

Day 1 (Wednesday, 29 <sup>th</sup> October)			
1	Welcome, introductions and objectives/ agenda	OTM/ all	08.30
2	Total R&D introduction	Total	09.00
3	Guest speaker 'How can R&D impact the E&P industry cost challenge?'	M. Francois Kalaydjian	09.30
4	Round table sharing of experience/ examples of R&D collaboration used to reduce costs	All attendees	10.00
5	Debate 'R&D collaboration is essential v R&D collaboration leads to problems'	Essential - Statoil Problematic - Shell	11:00
	Lunch		12.30
6	Discussion - How to balance rewards & risks of collaboration?	Lead OMV	14.00
7	Discussion - Why did the R&D collaborations of the 1990s unravel?	Lead Petrobras	
8	Discussion - Which R&D areas are suitable for collaboration?	Lead OTM	
	End of day 1		17.00
	Dinner at Boeuf Sur Le Toit		19.30

\* Deputy Director Energy Resources at IPF

<b>Day 2 (Thursday, 30<sup>th</sup> October)</b>			
9	Discussion - How can R&D organisations collaborate more effectively?	Lead Total	08.30
10	Discussion - Is collaboration between operators better/lower risk than collaboration with service companies?	Lead Woodside (video conference)*	
11	Discussion - How do you decide who to collaborate with? (Other operators, service companies, suppliers)	Lead ConocoPhillips	
13	TMN future plans - meeting topics etc./ Any other business	All attendees	12.00
	Lunch		12.30-13.30

\*Neil Kavanagh will participate in the meeting by video conference 0830-1030 Thursday 30th October. He will provide his views on the topic as a whole and discussion item 10 in particular.

## Presentation and Discussion Guidelines

Following discussion at the last meeting, we are trying a different format with fewer company presentations and more debate/discussion. To this end 'Leads' for each discussion area are requested to come prepared to initiate a roundtable discussion on that topic with a view to drawing out the key issues.

Suggested format for each discussion period:

- Introduction by Lead (with a few slides if appropriate)
- Collection of ideas from group
- Roundtable discussion to analyse ideas and suggest solution/way ahead

All attendees should come prepared to debate/discuss each of the questions posed.

OTM will facilitate the discussions and collate key outcomes.

Some initial thoughts on the topic are below:

### How can R&D impact the E&P industry cost challenge?

Advances in technology may well offer cost reduction, but inevitably new technology will increase risk (using an unproven technology) and it takes time to fully de-risk and demonstrate this.

### Is there any way to collaborate between operators' R&D organisations to tackle this challenge?

Here the dynamic is between the benefits of collaboration and loss of distinctiveness by operators. The cross-industry collaborations of the late 1990s (for example MoBPTeCh between Mobil, BP, Texaco & Chevron or the BP-Statoil R&D alliance) provided some short-term cost savings but were (in the opinion of some industry experts) sometimes also a disaster in terms of technology leakage to NOCs and service companies, which has largely destroyed a unique selling proposition of IOCs. This is a classic case of the trade off between potential cost-saving operational benefits and loss of strategic differentiation (e.g. now NOCs rely much less on IOC-developed technologies).

## Recommended Hotels

### HOTELS IN PARIS LA DEFENSE

UPDATE : AUGUST 2014

\* This rates indicated has to be confirmed directly by the hotel, they may be changed during special dates.

RECOMMENDED HOTELS BY TOTAL		STD ROOMS COST (Total preferred)	BREAKFAST COST	PERIOD 2014
Location : PARIS LA DEFENSE	PHONE NUMBER			
MERCURE HOTEL	+33 1.49.04.75.75	173 €	18 €	From september to december
NOVOTEL HOTEL	+33 1.41.45.23.23	195 €	17 €	From september to december
RENAISSANCE HOTEL	+33 1.41.97.50.50	215 €	20 €	From september to december
HILTON HOTEL	+33 1.46.92.10.10	216 €	26 €	2014
SOFITEL HOTEL	+33 1.47.76.44.43	218 €	27 €	From september to december
PULLMANN HOTEL	+33 1.47.17.50.00	220 €	26 €	<u>From september to december</u>

## Map/ Directions