What do we (think) we know now?



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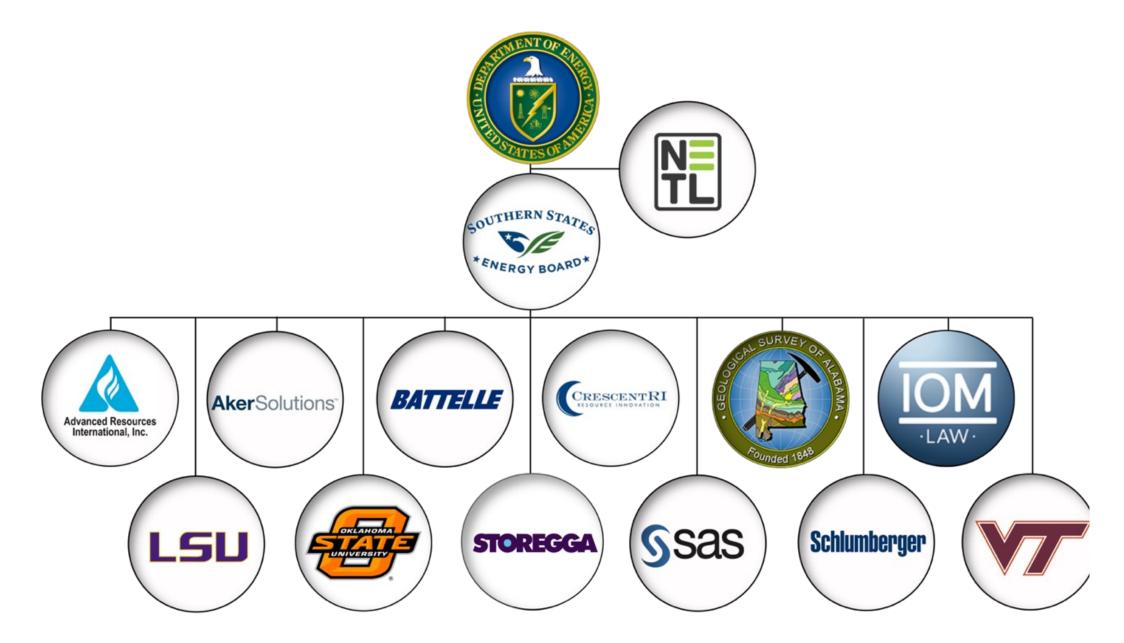
Prepared for: U.S.-Norway Bilateral Meeting

Session: Storage - What can we learn from offshore experience?

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October 31-November 1, 2023 Washington, DC







Status

- We were right on the functional pillars
 - The offshore has extensive storage capacity.
 - Steering away from land/public issues has tremendous upside.
 - It is EXPENSIVE.
- We may have uncovered some challenges, too
 - Infrastructure re-use isn't that simple (daisy chained pipelines, materials use on platforms, well field/well slots).
 - Monitoring likely is not as simple as shipborne seismic.
 - The regulatory frameworks aren't there State waters vs. OCS.
 - How do you level the playing field with onshore storage?



Pleasant Surprises

- Storage may be even larger than original estimates.
- Aker Solutions is showing subsea injection systems are maturing.
- Where offshore complexes can be reached from onshore, cost reductions may offer project flexibility.
- While operationally complex, EOR does show promise. However, geologic storage may trump the incremental economic return of EOR.





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