

# DRILLING PROJECT MANAGEMENT CASE STUDY

Aleator Energy - Povorotnoye-105  
Onshore Crimean Peninsula, Ukraine

## AWT DISCIPLINES

**Project Management**  
**Drilling Engineering**  
**Services and Supervision**  
**Geology and Geophysics**  
**Well Testing**  
**Cost Engineering & Planning**

## PROJECT BACKGROUND

Aleator Energy Limited (AWD) was an ASX listed company with headquarters in Perth, Western Australia

Aleator was an active participant in oil and gas assets in Crimea and also retained mineral royalties in Australia and interests in oil and gas in the Paradox Basin, Utah, USA

The Povorotnoye gas field in the Crimean Peninsula was discovered in 1985 using Soviet-era drilling methods, where sub-optimal bit types and very basic drilling muds were used. This drilling process was very inefficient and ineffective, resulting in more than 500 days of drilling for each well.

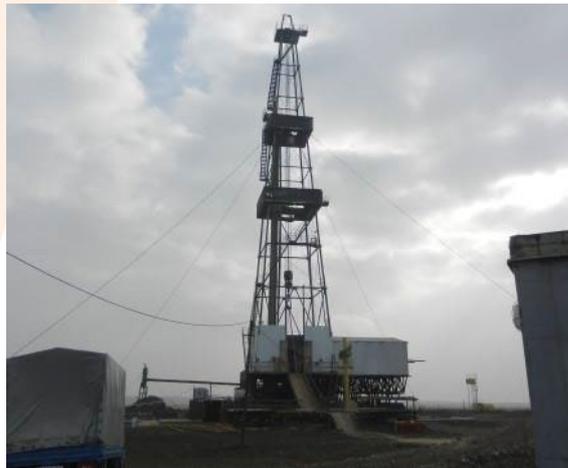
In 2012, Aleator Energy Limited (Aleator) assumed operatorship and contracted AWT to provide a step change in drilling techniques for the new well, Povorotnoye-105, which was to be a twin of Povorotnoye-1. The Povorotnoye-1 well produced gas to surface.

Production opportunities in the Povorotnoye gas field were planned for 2015.

### Location:

Povorotnoye gas field, Crimean Peninsula, Ukraine

For more information contact:  
Tel: (+603) 2162 3127 or visit our  
website at: [www.awtinternational.com](http://www.awtinternational.com)



## AWT WORKSCOPE

AWT was requested to provide integrated drilling project management services for Povorotnoye-105 including:

- Development of basis of well design, and detailed well design
- Well cost estimates, AFE and cost tracking
- Technical evaluation and tendering documentation package
- Rig selection and drilling contract
- HSE bridging documents, emergency response plan and risk management plan
- Site construction
- Day-to-day management and supervision of drilling operations
- Drilling engineering services providing well-designed and fit-for-purpose bit program and mud program
- Project management including planning, cost management, and reporting
- Procurement services including technical specifications, evaluations, award recommendations, rig selection and drilling contract
- Field supervisory and operations management when the well is drilled

## THE CHALLENGES

- Political and financial instability of the country
- Necessity for a significant cost reduction during the production phase due to the competitive cheap gas supply from Russia
- Implementation of modern drilling techniques in the remote location for economical extraction of gas



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## AWT ADDED VALUE

The AWT team developed and implemented its project execution plan which resulted in the project's critical path alignment. Significant savings were achieved through various drilling techniques, competitive contracting strategies, and reduction in planning time.

Using advanced well technologies, AWT was able to deliver the following successful outcomes:

- Optimised rig contract using the only non-Ukrainian rig available in the country at a competitive price
- Optimised BOP requirements using a thorough risk analysis and well design
- Reduction of design and planning time from 8 months down to 4 months
- Significant savings gained from:
  - Mud and cementing prices compared to initial quotes by tenderers
  - Reduced completion fluid cost by using a low SG underbalanced fluid
  - Using heavy wall 3-1/2" tubing rather than CRA material