

## **KADANWARI FIELD: THE BENEFITS OF ASSET MANAGEMENT**

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When the Kadanwari field was commissioned in May 1995, both reservoir and plant performance were below expectations because of heavy hydrocarbons in the wellhead gas, reducing the effectiveness of the gas separation membranes, and reservoir description changes reducing the recoverable gas in place. To help implement the changes required to maximise the economic value of the field LASMO updated the Kadanwari Field Development Plan, introducing an Asset Management structure.

The concept of Asset Management is not new, being practiced in many industries through out the world. The Kadanwari Asset comprises all surface and sub-surface operations associated with the development and production of the Kadanwari gas field. Overall responsibility and accountability for delivering optimum asset performance resides with the Asset Manager, who manages and coordinates the variety of resources and services necessary for delivery of a quality performance asset, ensuring that Joint Venture and Government returns are maximised over the economic life of the field.

Asset Management at Kadanwari focuses upon the key business drivers essential for the successful delivery of a quality performance:

- Safety & Environmental Performance
- Cash Flow and Value Improvement
- Field Integrity
- Personnel Development

A continuous improvement cycle is actively encouraged within the asset team to help progress each of the key business components towards outstanding performance.

Kadanwari Asset Management experience to date has been extremely positive with the improvement programmes for the key business drivers delivering :

- Significant reductions in field operating costs. (46% reduction 1997 versus 1996)
- A first class safety performance, with zero lost time accidents since 1995.
- Streamlined and more effective reserve development planning.
- Motivated personnel, trained to international standards, who expect to be compensated based upon individual and team contributions.