BOSTON STRATEGIES INTERNATIONAL
Global growth. Guaranteed.



"RIGS COST AND PRICE ANALYSIS"



ABOUT THE CLIENTS	
Industry	**Oil and Gas**
Revenues	**$100 billion**
Employees	**140,000**
Location	**Latin America**
BSI Service or Solution	**Cost Estimation**

Key Challenges

- Diverse choice of rig technologies based on varying water depths, formation characteristics, power options, etc.
- Rapidly changing prices of rigs in the world market
- Price premium based on country risk

Why BSI was Selected

- Cost estimation expertise
- Deep technical knowledge of rigs
- Cost engineering expertise
- Proven supply chain cost reduction capability

Project Scope

- Land rigs
- Semi-submersible rigs
- Drilling barges

Project Approach

- Developed a database of recent contracts
- Analyzed and normalized the contracts to obtain quantifiable parameters
- Developed and refined incremental costs by significant cost driving parameters

Operational Benefits Realized

- This analysis helped the client decide on an optimal technology for the needed applications
- The analysis helped the client correctly specify and size the rigs.

Financial Benefits Realized

- Higher throughput per rig
- Greater rig efficiency
- More profit per rig
- Higher ROI