Benchmarking purpose

• This benchmarking analysis serves multiple purposes:
  ✓ Checking that the new capital cost estimates are consistent with the global market changes described in the QUE$TOR 2019 Q3 Release Notes document
  ✓ Understanding how technical changes in the application impact costs
  ✓ Comparing the cost change effects by region, component type, and cost category

• This document provides a summary of the effects that cost and technical changes have on cost estimations when a QUE$TOR project is updated from the previous version, QUE$TOR 2019 Q1, to the updated version QUE$TOR 2019 Q3.

• The following results are meant to supplement the market trend discussions contained in the Release Notes document.
Benchmarking method

• Our method of benchmarking analysis consists of running a set of projects using three different versions of QUESTOR:
  1) the previous version, i.e. QUESTOR 2019 Q1
  2) an intermediate version that only includes latest technical changes and new features
  3) the updated version, i.e. QUESTOR 2019 Q3, inclusive of both cost and technical changes

• The results of the analysis show the combined effect of both cost and technical changes.
  • Technical changes are the changes in results from the previous to the intermediate version.
  • Cost changes are the difference between the results of the intermediate version and the results of the updated version.
  • Combined changes are the difference between the previous and the updated version, i.e. the effect of cost and technical changes.

• The analysis uses a large sample of projects (≈250 offshore and ≈200 onshore) based on real assets and potential developments all around the world.

• Every region contains both offshore and onshore projects. The overall portfolio is not intended to include all possible cases but to be a representative sample of what is feasible in each region. As a result some project types or regions may be more or less represented than others.
Results and chart interpretation

• Benchmarking results are analyzed and presented to provide informative help to QUE$TOR users on expected variations of project cost estimations.

• The project portfolio used in this analysis includes a large sample of projects which are based on real assets and potential developments all around the world.

• Results are presented in column and scatter charts using the following parameters:
  
  • Change in offshore and onshore costs by region and project type: percentage variations for offshore and onshore projects are calculated by summing up all capital costs of all the projects of a certain type (i.e. offshore and onshore) and located in a specific region; then by calculating the variation of this total sum between the updated and the previous version of QUE$TOR.
  
  • Cost change by cost category: this is calculated by summing up all the capital costs of that specific cost category (e.g. Equipment, Materials, Construction, Fabrication, etc.) for all components for all the projects in the portfolio (i.e. offshore and onshore) in all regions; then by calculating the variation of this total sum between the updated and the previous version of QUE$TOR.
  
  • Cost change by component type: this is calculated by summing up all the capital costs for all the cost categories of that specific component (e.g. Topsides, Production facility, Tanker, Infrastructure, etc.) in the portfolio (i.e. offshore and onshore) in all regions; then by calculating the variation of this total sum between the updated and the previous version of QUE$TOR.
  
  • Cost change by project type: this is calculated by summing up all the capital costs for all the projects of a specific type (i.e. offshore and onshore) in the portfolio in all regions; then by calculating the variation of this total sum between the updated and the previous version of QUE$TOR.
QUE$TOR benchmarking portfolio offers global coverage

- 25-30 projects
- 10-15 projects
- 3-5 projects
Technical upgrades

• Technical changes implemented in QUE$TOR 2019 Q3 were:
  • Sulphur plant selection in production facility
  • Mercury removal in gas processing
  • Subsea steel flowlines diameter increased up to 36 inches
  • Adjustment of offshore manifolding bulk factors
  • Firefighting utilities for production facility
  • Offshore drilling ESPs power per pump
  • Subsea flowline connectors removed when a pipeline end termination (PLET) is present

• The technical changes that were responsible for a more significant difference between the two versions are:
  • The sulphur plant selection in the onshore production facility has led to an increase in production facility equipment costs, with impacts on the weights of process utilities, power demand, civils and construction area, and materials weights.
  • The offshore manifolding bulk factors were adjusted to provide a better estimation of the topsides weight for wellhead platforms, especially those with many wells. This change will have the greatest increase on offshore platforms that have minimal facilities and therefore require extra bulk items to connect up the wellheads.
  • Both the weight and unit rate of the firefighting utilities have been increased, offshore and onshore, to allow for a more up to date, inclusive and accurate calculation of the firefighting utilities cost.
  • Redundant subsea flowlines PLET connectors have been removed from component items when a PLET is present. Connectors for both ends of the jumper are now included in the PLET cost sheet.
Major market trends

- Project cost changes reflected the most relevant market trends identified in the last six months:
  - Offshore rig day rates showed mixed variation. Day rates of jackup and deepwater floaters up to and above 7500 ft varied the most regionally, showing the highest increase in the Indian Ocean, Australia, and UK North Sea. Shallow and midwater floaters remained flat or increased slightly.
  - Offshore vessel market activity increased in most regions, although some segments have yet to fully recover from the downward trend in day rates. The Middle East and North Sea sectors showed robust activity, while vessel demand continued to weaken in some of the other regions.
  - Land rig rates declined or remained flat in all regions, except the C.I.S. where activity was strong and local currency appreciated versus the US dollar.
  - Steel product prices have continued to trend downward; after reaching a peak in July 2018 due to the implementation of the Section 232 tariffs, prices began to retreat, and many products have noted a steep decline in the last six months.
  - Linepipe prices decreased in North America and in Europe in US dollar terms but increased in Asia.
  - Equipment costs increased in most regions due to higher fabrication costs and volatile raw materials prices, while Bulk materials remained constant or slightly decreased globally due to reduced construction spending.
  - Labour, Design and Project management rates increased in local currencies in all regions. Some countries had rates decreasing in US dollar terms due to currency depreciation.
Cost data adjustments

• Following the oil price decline of 2014, low activity in many market segments has made the updating process a challenging task. Availability of actual purchase prices in some market segments has been low, and prices have fluctuated significantly as suppliers were forced to negotiate aggressively to maintain market share. For this release, the cost database updating process has benefited from an extended number of cost data sources, with extra effort made to clarify the current state of the market.

• Users may see some differences from the major market trends, discussed in the previous section. Some costs were adjusted to be closer to real project data and not necessarily to align with the most recent market movement. The adjusted data were:

  • OCTG (i.e. casing and tubing) prices were increased globally to reflect recent data despite global market trends marking a decrease in unit rates.

  • Clad linepipe unit rate was decreased more significantly than the recently recorded market trends.

  • Construction vessels, such as semi-submersible crane vessels (SSCV), rock dumping vessels, and pipelay vessels, were decreased. However, market trends for these vessels showed a slight increase or remained flat. Some regional adjustments were also implemented for diving support vessels (DSVs), heavy repair vessel, and site preparation spreads.

  • Subsea equipment prices have been adjusted for flexible flowlines, connectors, and PLETs to make them more globalized costs, although the market registered only small variations in price. Unit rates of subsea steel flowlines above 24 inches were increased to provide a more accurate cost.
Average total project costs varied globally between -0.6% and +5.4% when only technical changes were applied.

<table>
<thead>
<tr>
<th>Region</th>
<th>Offshore Percentage</th>
<th>Onshore Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td>Australasia</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td>C.I.S.</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td>Europe</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td>Far East</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td>Latin America</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td>Middle East</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td>North America</td>
<td>-1%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: IHS Markit
Effects of technical changes on offshore and onshore project costs

• Technical adjustments and new features affected most projects in all regions. Differences in cost variations for offshore and onshore projects derived from the different influence of specific technical adjustments.

• **Offshore** - The mixed regional trends in offshore project costs was mainly the result of the following technical changes:
  
  • The adjustment of the offshore manifolding bulk factors increased the Topsides weight for wellhead platforms, especially for projects with many wells, and hence the Materials costs.
  
  • The increase of both the weight and unit rate of the firefighting utilities increased the Equipment costs and, subsequently, the Materials costs.
  
  • The removal of the redundant offshore pipeline connectors caused notable decreases in Subsea component costs for projects with PLETs on subsea flowlines.

• **Onshore** – The global increase in onshore projects was due to the combining effects of the following technical changes:
  
  • The adjustment allowing for sulphur plant selection in Production facility increased the number and types of items required for this process operation, leading to a rise in weight and, consequently, in Equipment costs.
  
  • Similarly to offshore, the increase in firefighting utilities unit rate increased the Equipment and Materials costs within Production facility.
From Q1 2019 to Q3 2019, average total project costs (cost and technical) varied globally between -1.3% and +6.3%.
Why offshore and onshore projects costs varied differently in some regions

- Differences in cost variations for offshore and onshore projects in some regions were due to the different influence of technical and regional cost changes.

- The global increase in onshore project costs was mainly attributable to technical adjustment allowing for an enhanced sulphur plant selection in Production facility. This significantly increased the equipment weight and cost of this process operation, raising the total cost of most onshore projects. The adjusted weights and unit costs of the firefighting utilities additionally increased.

- The Middle East and the C.I.S. were the two regions showing the highest increase in onshore project costs because of their higher number of expensive projects with sulphur selection active and significant firefighting utilities changes.

- The increase in offshore total project costs in three regions (i.e. the C.I.S., the Middle East and the Far East) was due to the effect of the offshore manifolding bulk factors technical change. These factors were corrected to provide a better estimation of the Topsides weight for wellhead platforms, especially for those with a high number of wells. This change has significantly increased the Materials weight and therefore the costs.

- The decrease in offshore project costs can be explained by the cost variations in installation costs which have predominance on technical changes in some regions.

- In general, increases in onshore project costs were impacted mainly by technical changes while variations in offshore costs were more sensitive to regional cost data corrections, which particularly affected offshore installation costs.
The majority of medium-to-large-value cost categories varied between +/-15%.

These dots represent the percent changes of the most important cost categories, based on their value, for onshore and offshore projects, in all regions.

- Equipment is the cost category with the largest cost reduction (circled in blue), due to a reduction in Subsea equipment costs, after the reduction in pipeline connectors.
- Installation is the cost category which increased the most for small projects (circled in red), due to technical changes, caused by an increase in Topsides weights (with increases in Equipment and Materials), and rise in day rates.

Source: IHS Markit
For small projects, offshore cost categories had the largest increases and the greatest reductions

- These dots represent the percent changes of the most important cost categories, based on their value, depending on project type, in all regions.
- Offshore cost categories showed the largest increase, up to +136% (circled in red), and the greatest reductions up to -41% (circled in blue).
- The largest increase in onshore cost categories was about 93% and was due to the effects of technical changes on Equipment costs in Production facility.
- All of the extreme variations occurred for small-value cost categories.

Source: IHS Markit
Average **offshore** total project costs varied by region and were driven by technical changes and cost variations.

### Average offshore combined changes by region

**Source:** IHS Markit

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How and why offshore project costs varied

• Average offshore project cost changes were due to the combined effect of the cost data update and technical adjustments.

• Three regions increased - the C.I.S. (+3.0%), the Middle East (+2.9%), and the Far East (+0.4%) - while decreases were registered in Europe (-1.3%), North America (-0.4%), Australasia (-0.4%), Latin America (-0.2%), and Africa (-0.1%).

• These regional variations can be explained by the combination of technical changes and cost variations of the most relevant cost categories:
  • The reduction in subsea flowline connectors was the main technical change to be responsible for the decline in the Equipment costs.
  • Installation costs had a mixed trend, with a notable decrease in Europe, and a marginal decline in Latin America, Africa, the Far East, and C.I.S. as all these regions had both adjustments and market reductions affecting some offshore vessel day rates.
  • The C.I.S. and the Middle East regions showed marked increases due primarily to the impact of the technical adjustment of manifolding bulk factors raising Topsides weight and affecting Fabrication and Materials costs.
  • Equipment and Materials costs increased most notably in the Middle East and the C.I.S., with significant decreases in North America and Europe.
Offshore Equipment costs

Average offshore Equipment cost changes by region

- Although Equipment market trends were upwards globally, Equipment costs declined in almost all regions because of the effects of technical changes on Subsea equipment.
Equipment costs in **Subsea** decreased up to -41.0% for some small value projects due to technical changes.

**Cost change distribution by project size**

- **High-value projects** (i.e. with a Subsea cost over 300 million USD) had their Subsea Equipment costs vary on average between -7% and +1.2%, with only an outlier project showing a variation of -14.6%.
- **Middle-value projects** (i.e. with a Subsea cost between 100 and 200 million USD) saw a variation between -17.3% and +3.7%.
- **Small-value projects** (i.e. with a Subsea cost lower than 100 million USD) experienced the largest variations, between -41% and +3.7%.

*Source: IHS Markit © 2019 IHS Markit*
Offshore Materials costs

Average offshore Materials cost changes by region

- Materials costs increased almost globally mainly because of the adjusted manifolding bulk factors. These caused an increase in Topsides weight and, therefore, in Materials costs.

Source: IHS Markit

© 2019 IHS Markit
Offshore Fabrication costs

Average offshore Fabrication cost changes by region

- Fabrications costs were also affected by the increase in manifolding bulk factors for wellhead platforms. The C.I.S and the Middle East regions showed the largest variation as many projects in these regions had their configurations set up as wellhead platforms.

Source: IHS Markit
**Offshore Installation costs**

- Installation costs had a mixed trend globally depending on the regional market movements, technical changes and day rate adjustments. The reduction in Subsea Equipment costs (due to the removal of redundant subsea flowline connectors) cascaded into Installation costs, becoming the principal factor of their decline.

![Average offshore Installation cost changes by region](image_url)

*Source: IHS Markit © 2019 IHS Markit*
Subsea Installation costs had the largest decrease while Onshore drilling Materials costs increased the most.

Average offshore cost variation by cost category and component

- The removal of redundant subsea flowline connectors caused notable decreases in Subsea Equipment costs, with impacts on Installation costs. These decreased also due to the decline in rates of various installation spreads of different components (i.e. Subsea, TLP, Semisub, and Tanker) in most regions.
- Materials cost variation (+7.8%) in Offshore drilling was largely due to the adjusted increase in OCTG costs for all regions.

Source: IHS Markit
Offshore component costs varied in the range -4.1% to +3.7% with Offshore drilling and Subsea varying the most.

Average offshore cost variation by component

- Equipment and Installation costs were the main drivers for the decrease in Subsea.
- Installation cost decreases also impacted the average cost for Semisub, TLP, Jacket, Offshore Pipeline, and Spar.
- The increase in Offshore drilling is largely due to increases in offshore rig day rates, and in Materials and Fabrication costs.
- The increase in Topsides is attributable to the manifolding bulk factors adjustment, the increase in firefighting utility costs, and the increase in Equipment costs.

Source: IHS Markit

© 2019 IHS Markit
Average variations of **offshore** total project costs without drilling costs (compare with p.15)

### Average offshore cost changes by region without drilling costs

<table>
<thead>
<tr>
<th>Region</th>
<th>Change (%)</th>
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</thead>
<tbody>
<tr>
<td>Africa</td>
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<tr>
<td>Australasia</td>
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<td>C.I.S.</td>
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<tr>
<td>Europe</td>
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<td>North America</td>
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</tr>
</tbody>
</table>

**Source:** IHS Markit
Average variations of **offshore** Installation costs by region without drilling costs (vs chart on pg.21)

Average Installation cost changes by region without drilling costs

- Africa: -6%
- Australasia: -7%
- C.I.S.: -9%
- Europe: -4%
- Far East: -3%
- Latin America: -1%
- Middle East: 0%
- North America: 0%

Source: IHS Markit

© 2019 IHS Markit
Effect of drilling costs on offshore project cost variations

- Offshore drilling costs increased the average offshore total project cost variation globally.

- Technical changes on manifolding bulk factors had a significant impact on the variations in the C.I.S. and the Middle East due to the higher number of wellhead projects in those regions.

- With the addition of offshore drilling costs, all regions showed an increase in offshore project cost variations. Australasia (from -3.0% to -0.4%), North America (from -2.9% to -0.4%), Europe (from -2.8% to -1.3%), and the Far East (from -0.8% to +0.4%) marked the most notable changes.

- The regional mixed effect was due to the fact that the actual costs are summed for all types of offshore projects in each region and then the percentage change is calculated between the new and the old version. Larger projects have a larger impact on the results generating this regional variation.

- Increases in offshore rig day rates impacted offshore drilling costs in most regions, increasing average installation costs.
Average onshore total project costs increased globally.
How and why onshore project costs varied

• Average onshore project costs changes were caused by the combined effect of the cost data update and technical adjustments, although technical changes played a major role this release.

• The average onshore project costs increased particularly in the C.I.S. (+6.3%) and the Middle East (+6.1%). In all other regions, increase were more moderate: North America (+4.2%), the Far East (+3.9%), Europe (+3.5%), Latin America (+3.3%), Australasia (+2.5%), and Africa (+2.5%).

• These regional variations were the result of the combination of market trends and technical changes:
  • Onshore drilling costs increased in all regions as a result of the increased OCTG costs.
  • Production facility costs increased notably in all regions with a maximum of +10.6% in the C.I.S. again as an effect of the sulphur plant selection change and increase in the firefighting utilities costs. These changes caused the increase in Equipment and Materials costs.
  • Wellpad group costs decreased almost globally due to the decline in Construction costs and Materials costs.
Effects of technical and cost changes on Production facility component costs

<table>
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<th>Region</th>
<th>Cost Change</th>
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</thead>
<tbody>
<tr>
<td>Africa</td>
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<td>Australasia</td>
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<td>C.I.S.</td>
<td>10%</td>
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<td>Europe</td>
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<td>Middle East</td>
<td>9%</td>
</tr>
<tr>
<td>North America</td>
<td>5%</td>
</tr>
</tbody>
</table>

- The technical addition of sulphur plant selection and the adjustment to the firefighting utilities weights and unit rates resulted in an increase in Equipment and Prefabrication costs, and in turn, a notable increase in Production facility component costs in all regions, especially the C.I.S. and the Middle East.

Source: IHS Markit
Equipment costs in **Production facility** increased up to 92.8% for some small value projects.

Cost change distribution by project size

- Production facility Equipment costs for high-value projects (i.e. with Production facility value over 300 million USD) varied between +10.3% and +34.3%.
- Middle-value projects (with Production facility value between 100 and 300 million USD) saw a variation between +7.5% and +18.4%.
- Small-value projects (with Production facility value less than 100 million USD) experienced the largest variations, between +6.8% and +92.8%.
- The high-value project with the +34.2% variation was due to the combined effect of the increased weight for sulphur recovery and firefighting utilities.

Source: IHS Markit © 2019 IHS Markit
Onshore Equipment costs

Average onshore Equipment cost changes by region

- The technical addition of sulphur plant selection and the adjustment to the firefighting utilities weight and unit rates resulted in a notable increase in Equipment costs in all regions, especially the C.I.S.
Onshore Materials costs

• Materials costs increased globally mainly because of the cost adjustment for OCTG prices worldwide. However, this effect was mitigated by decreased steel and linepipe prices for many regions, especially the Middle East and Latin America.
Onshore Prefabrication costs

Average onshore Prefabrication cost changes by region

- Prefabrication costs showed a mixed trend, with most regions increasing. These changes were a combination of cost and technical changes. The additional weight from sulphur plant selection and unit rate changes in firefighting utilities caused the high increase in the Middle East and the C.I.S. regions. Cost changes were negative in Latin America and Europe as labour declined and local currencies depreciated.
Onshore Construction costs

Average onshore Construction cost changes by region

- Onshore Construction costs varied globally due to combined cost and technical changes, with the C.I.S. and the Middle East increasing notably due to the additional weight from sulphur plant selection, and unit rate and weight changes in firefighting utilities. The decreases in Africa, Australasia, and Latin America primarily resulted from declining labour and bulk materials costs.
Equipment costs had the largest range of variation, primarily due to technical changes.

- On average, Equipment, Materials, and Prefabrication costs increased in Production facility, Terminal, and Onshore drilling.
- The increase in average onshore costs in the Production facility component was due to technical revisions resulting in increased weights and impacting almost all cost categories.

Source: IHS Markit

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Onshore component costs varied globally between -0.6% and +8.5%

Average onshore cost variation by component

- Equipment, Materials, and Prefabrication costs increased in all onshore components. The rise in these cost categories was attributable to the increased weight resulting from the addition of sulphur plant selection and the change in weight calculation and unit rate for firefighting utilities.
- In all regions, Onshore drilling costs increased due primarily to the adjustment of OCTG prices.
- The decrease in average onshore costs in the Wellpad group component was due largely to decreases in steel costs worldwide.

Source: IHS Markit

© 2019 IHS Markit
Average variations of onshore total project costs without Onshore drilling costs (compare with p.27)

Average onshore cost changes by region without drilling costs

Source: IHS Markit
Average variations of **onshore** Construction costs by region without Onshore drilling costs (compare with p.34)

Average onshore Construction cost changes by region without drilling costs

<table>
<thead>
<tr>
<th>Region</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>-2%</td>
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<tr>
<td>Australasia</td>
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<td>Latin America</td>
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<td>8%</td>
</tr>
<tr>
<td>North America</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: IHS Markit

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Effect of drilling costs on onshore project cost variations

- Onshore drilling costs decreased the average onshore total project cost variation globally.

- With the addition of Onshore drilling costs, all regions showed a decrease in onshore project cost variations. The C.I.S. (from +7.4% to +6.3%), the Middle East (from +6.8% to + 6.1%), Europe (from +3.8 to + 3.5%), and Latin America (from +3.7% to +3.3%) showed the largest variation in cost change. The Far East (from +3.6% to +3.9%) was the only region which showed a decline without onshore drilling costs.

- Average Construction costs per region showed a mixed regional trend when excluding the drilling costs.

- The mixed regional effect was due to the fact that the actual costs are summed for all types of onshore projects in each region, and the percentage change is calculated between the new and the old version. Larger projects have a larger impact on the results, giving a diverse regional variation.
General conclusions

• From Q1 2019 to Q3 2019, average total project costs varied globally between -1.3% and +6.3%.

• Offshore costs varied regionally, with the C.I.S., the Middle East, and the Far East increasing due primarily to technical changes. Africa, Australasia, Europe, Latin America, and North America all decreased due to a combination of decreased offshore vessel day rates and installation costs, and technical changes.

• Onshore costs increased globally due to the combined effect of cost and technical changes.

• The majority of medium-to-large projects, offshore and onshore, had their key cost categories (e.g. Equipment, Materials, Construction, Installation) varying between -15% and +15%.

• Small projects, for both onshore and offshore, had their cost categories varying over the largest percentage range due to technical adjustments, although the majority of projects were not impacted and varied within a much narrower range of -20% to +40%.

• Significant changes in cost category costs (between -41% and +136% for offshore and between -9% and +93% for onshore) were due to technical adjustments.
Offshore summary

• Offshore total project cost variations by region were driven by Equipment, Materials, and Fabrication costs.

• Regional trends were mixed. The C.I.S. (+3.0%) and the Middle East (+2.9%) increased notably mainly due to the bulk factor technical changes affecting Topsides weight. Moderate variations, between -1.3% and +0.4%, were registered in all the other regions.

• These regional variations were due to the combination of cost data update and technical changes:
  - Equipment costs decreased almost globally with North American and European projects showing the largest change. Materials costs showed more regional variations with a notable increase in the Middle East. Fabrication costs increased globally except in Australasia.
  - Installation costs decreased most notably in Europe and increased in North America. More modest variations were recorded in all other regions.
  - The subsea flowline connector adjustment caused some cost decreases in projects with a decline in Equipment, Materials, and Installation costs.

• If Offshore drilling costs are not included, all regions show larger percentage decreases or smaller increases in their average offshore total project costs. This depends on the size of the analyzed projects in each region.
Onshore summary

- Onshore total project cost changes varied by region and were driven by Equipment and Materials costs.

- Technical changes most affected projects with sulphur content. Production facility components increased because of the more granulated Sulphur plant options and the increased firefighting utility weight and unit rate.

- The regional variations were the result of the combination of market trends and technical adjustments:
  
  - All regions saw an increase in Onshore drilling costs as a result of the increased Materials costs (i.e. casing and tubing unit rates).
  
  - Production facility costs increased notably in all regions as an effect of the sulphur plant selection change and increase in the firefighting utilities costs. These changes caused the increase in Equipment and Materials costs.
  
  - Wellpad group costs decreased almost globally due to the decline in Construction costs and Materials costs.
  
- If Onshore drilling costs are not included, all regions, apart from the Far East, show larger percentage increases in their average onshore total project costs. This depends on the size of the analyzed projects in each region.