

'Mexico looks to Aberdeen'

EXPERTISE

by Mark Lammey

"There's a difference between the way grass grows and the way a tree grows," says Pol Palacios.

The Frenchman wants the company he co-founded to grow like a tree – perhaps more slowly but with sturdy, deep roots and branches stretching out in different directions.

One of those directions points to Aberdeen, where XWells Energy will open an office in the third quarter of 2019, with its operations led by Kenny Gray, a former regional manager for BP's Africa business.

The business advisory firm's headquarters are in Kingston Upon Thames, Surrey, and it also has a base in Mexico City, where Mr Palacios lives.

Mr Palacios believes companies cannot "do business in the world" if they're not in the UK, with its strength in financial services, its mature basin and the presence of the likes of Shell and BP.

Even amid Brexit, he is sure the UK is the right place to do business.

As for Aberdeen, it's "where the technology is", chief executive Mr Palacios said, adding: "I talk to people in Mexico every day and they admire what's done in Aberdeen. Mexico is looking to Aberdeen."

He said two game-changing well intervention technologies had grabbed his attention – Expro's next

generation landing string and a valve designed by Interventek.

Mr Palacios said XWells' team was well-positioned to promote, integrate and sell new technologies.

The company was set up in 2014 by a group of drilling and wells engineers who worked for oil majors including BP and Total.

They realised their knowledge would be put to better use by channelling it into a single company and offering it to the market.

Founders also understood the oil and gas industry was about to go through significant change, becoming leaner while preparing for the energy transition.

Mr Palacios said the five founders are all still involved in the business.

He said: "Usually supply chain companies are made by people from the supply chain, but XWells is made by guys from operators. We know which gaps need to be filled.

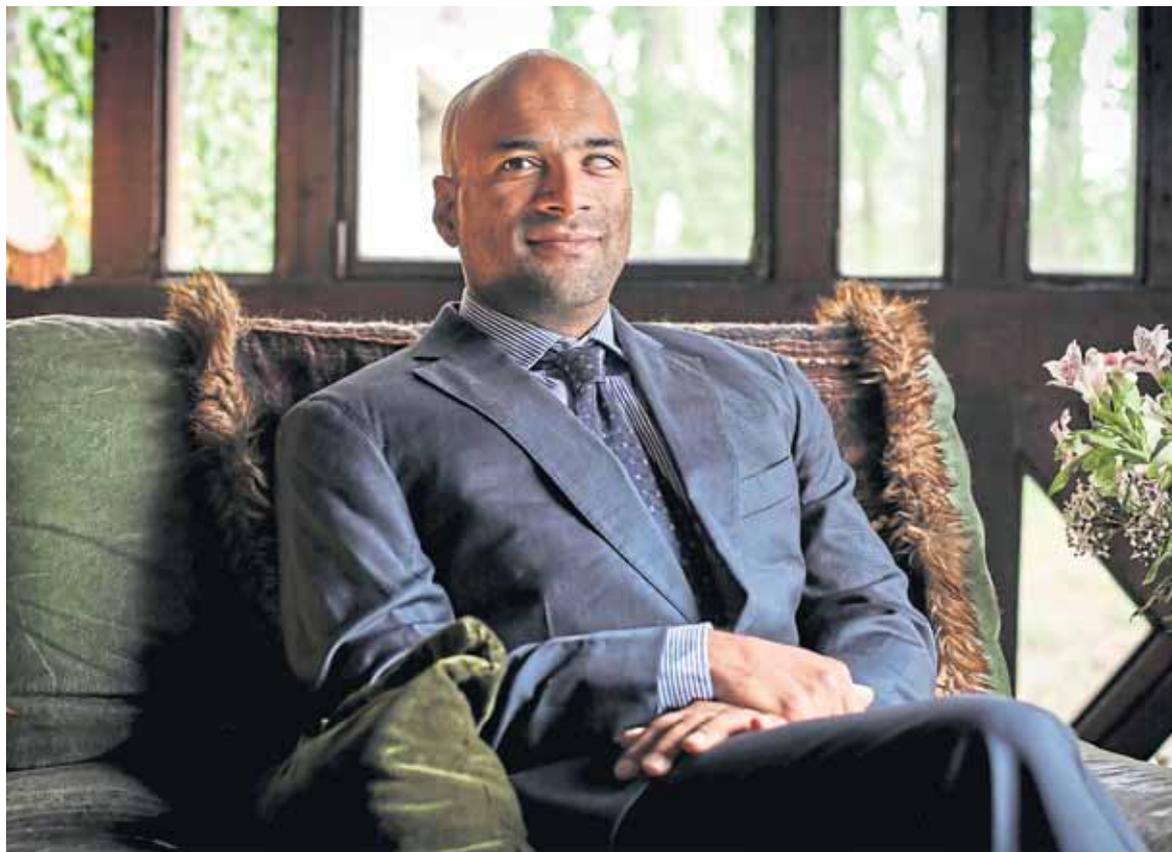
"Operators need to be convinced before they will use new technology.

"They're very conservative and do not like to have serial number one.

"That's where we come in, because we used to be operators. We know what to tell our peers and we know where the cost is."

Mr Palacios said the Aberdeen operation will expand but "won't grow arms and legs".

He said Mr Gray would be joined by a couple of colleagues with expertise in subsea, planning and project management.



'CHANNELLED KNOWLEDGE': Pol Palacios, CEO of XWells Energy, which will shortly open an office in the Granite City

The company has a core team of about 15, with a five-strong leadership team.

XWells has three distinct business units focusing on: exploration and production; project financing and asset sales assessment; and consulting,

engineering studies and pioneering technologies.

Mr Palacios said XWells would look to raise capital but was not keen to give away shares to external investors and dilute ownership.

"We wanted to build XWells for a long time," he said.

"It takes a lot of patience, construction and discipline.

"We need control to achieve what we want.

"We want to be disruptive and do not want investors who do not know us and who tell us what to do.

"We want to remain independent."



Knowledge gathered by the ICOE could be key to filling expected skills gaps

Oil and gas bible just gets better

KNOWLEDGE

by Mark Lammey

A new resource for quickly upskilling new recruits to the oil and gas sector is getting better and better, and even better.

The International Centre for Oil and the Environment (ICOE) published the hard copy of its continuing professional development resource at the end of 2017.

A year later, ICOE went live with a digital version of the product, entitled *Encompassing the Future: Offshore Oil and Gas Operations, Environment, Safety and Performance Management*.

Now the not-for-profit organisation plans to apply artificial intelligence technology to enhance the search engine on the electronic format.

The upgrade will make it easier for people to narrow down searches and find specific information more quickly.

The publication is a vast, three-

volume tome, comprising 10 sections and more than 50 chapters.

It captures the accumulated knowledge and inter-disciplinary expertise of the last 40 years of offshore operations, with the aim of transferring it to the next generation.

Users will be able to meet the challenges of producing and operating safely and without harm to the environment in a cost-effective way.

Professor Richard Neilson of Aberdeen University has taken over as editor of the decommissioning sector, while Professor of petroleum economics Alex Kemp looks after the economics chapters.

William Cairns, editor-in-chief and chairman and co-founder of ICOE, said he was very keen to get new material coming in.

"No resource of this kind is ever complete," he said. "We're always adding to it."

The project received £50,000 from the Scottish Government in 2017, on top of £800,000 from industry, universities and other sponsors, to bring it to life.

Chris Bird, editor of the corporate management sector and a former managing director at Aker Kvaerner, said the tool could play a vital role in bringing new entrants up to speed quickly.

With a large proportion of the workforce set to retire in the next 10 years, the North Sea could be left with a yawning skills gap.

Troublingly, graduate programmes were also eroded during the recent downturn.

Mr Bird said something had to be done to address the issue, given that UKCS industry hopes to be around for another 30-40 years.

"I saw this as a legacy project, for the longevity of the UKCS," he said.

"It lets people get up to speed quickly.

"You can get an answer on how to manage ageing assets for the next 30 years.

"It's about helping the workforce get better and better, and even better."

ICOE is also at the early stages of developing courses to complement the publication.