

# Technical and market evaluation for a proposed acquisition in Eastern Europe

## Situation



A Middle East investor had made an initial commitment to acquiring a company in an Eastern European country, whose assets included a gas field and a number of land drill rigs. The investor required confidence in the value of the assets and identification of the risks.

## Action



Upstream Oil & Gas Consultants:

- Undertook an assessment of the gas field, identifying asset refurbishment, remaining reserves and future well workover
- Reviewed the future gas price in the Eastern European country
- Identified technical, commercial and geopolitical risks for the project, and calculated project economics under current tax regime
- Reviewed the rigs for condition/capability, and estimated the extent of repair, refurbishment and replacement
- Identified market drivers and trends in the country; identified and projected into the future rig rates in Eastern Europe

## Result



Based on the analysis provided by IHS Markit, the client was able to proceed with the acquisition.

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