

Client Insights



AssetBook ARO Manager The reliable way to balance risk with reward

Our company was managing Asset Retirement Obligations (ARO) through Excel spreadsheets. This became very cumbersome and time consuming for the quarterly and annual updates for different assets. It was especially challenging for the joint venture assets where we required up-to-date information on wellbore statuses and did not have readily available data. Another challenge was to have the Cost Model developed and customized for each asset for different provinces.

ARO Manager revolutionized the way our company dealt with these challenges. The impact was profound, significantly reducing the time spent updating well data, sorting information, and exporting it for diverse reporting purposes. The tool seamlessly met the needs of both Operations and Accounting teams.

One of the key benefits was the ability to generate a variety of reports within ARO Manager, simplifying the preparation of reports for banking, insurance, auditing, and internal purposes. This was a huge relief for the team at Harvard Resources.

Specific reports and summaries offered by ARO Manager became instrumental in simplifying and expediting tasks. For instance, managing a substantial inventory of non-operated assets was streamlined by generating net well counts and liability estimates, running sensitivity analyses, and comparing different cost models.

The outcomes of using ARO Manager were significant. Understanding the company's ARO requirements enabled Harvard Resources to budget and forecast liability activities effectively. The time spent generating and managing ARO reports was significantly reduced across different teams, providing quick and easy access to the database and well-level information. Quantifying the benefits revealed a remarkable time-saving aspect. Tasks that used to take up to a week were now completed in just two days with the help of ARO Manager. ARO Manager diminishes the potential for spreadsheet errors while performing ARO calculations. It can be used confidentially across the team simultaneously without worrying about breaking links or disrupting formulas in our spreadsheets.

The ease of auditing using reports generated within ARO Manager became evident during multiple audits. Verifying data and justifying ARO numbers and cost model assumptions became a straightforward process. The flexibility to analyze the ARO model with various inflation and discount rates proved highly beneficial.

Would I recommend ARO Manager for other companies like ours? ABSOLUTELY! Our team found immense relief in using ARO Manager for retirement obligation management, forecasting, budgeting, insurance management, and report generation for banks and financial statements. Identifying potential beneficiaries of ARO Manager, Harvard Resources pointed out its applicability at the corporate level for liability management, forecasting, and budgeting, in operations for provincial liability management programs, and in accounting for quarterly/annual updates and financial statement reports. We utilize the reports generated for various needs, including audits, and as a resource to provide a list for our well/pipeline insurance renewals.

In the move from Excel spreadsheets, I would describe my experience working with ARO Manager as easy – easy to access (web-based), easy to learn and navigate, and easy to get support from XI. The XI team has been outstanding, going the extra mile to solve specific project-related issues promptly.

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