

## OIL AND GAS

### How Much Does A Well Cost?

Nizhnevartovsk drilling operations directorate No. 1 was once a leader in the drilling sector. It gave birth to daring engineering solutions and originated new equipment and technologies that were first tried out and then made available to the rest of Tyumen. The traditions of the directorate, which was the first to open up the celebrated Samotlor field some 20 years ago and established some impressive records, looked as though they would last forever. But one by one the legendary experts departed and the young people who replaced them proved ill-equipped to carry on the traditions.

"And then," relates Party committee secretary Yu. Gan'kovsky, "we were compelled to stop talking and act to focus all the efforts of the Party organization on the lower and middle echelons - on the brigade and department... We improved the brigade contract and the cost accounting system (khozaschet). We expanded it to encompass not only the drillers but also our colleagues working in allied fields - tower hands, pluggers, geophysicists... The system that the directorate operates under at present entails working on a group of wells simultaneously, i.e., there is a single, integral work order for each assignment. An incentive scheme to improve work quality has been put in place. The god of drilling footage has been toppled from his pedestal. Our aim is to produce wells of high quality. They have a saying in Uyuman: oil comes out of the tip of a drilling bit. On average throughout the industry the drill is in use for less than 16% of the work-day, i.e. for less than