From: Woollam, Richard C
Sent: Friday, April 16, 2004 8:27 AM
To: NSU, CIC TL
Subject: RE: Cost Challenge feedback

John,

If, by the end of your shift, you could take a look at North Slope activities and identify any opportunities for cost reduction in 2004 that would be helpful.

Thanks.

Richard.

-----Original Message-----
From: NSU, CIC TL
Sent: Friday, April 16, 2004 6:00 AM
To: Woollam, Richard C
Subject: RE: Cost Challenge feedback

OK, the feedback was requested by Nancy at her last Monday's meeting, Gary had passed on the info at handover.

-----Original Message-----
From: Woollam, Richard C
Sent: Thursday, April 15, 2004 6:18 PM
To: NSU, CIC TL; Sprague, Kip P; Felix, Rick D (Anchorage)
Subject: RE: Cost Challenge feedback

All,

We need to coordinate our response back to Nancy thru me. Our budget position is not as it appears in the Field Cost Management (FCM) reports due to some issues with accruals - for example we will have a reversal of nearly $1 million from correcting AES accurals alone!

Therefore, what we really need to look for is some options for removing costs from 2004 which have little or no material impact on the 2004 program - items 1 and 2 below are material in my opinion - so what activities do we not need to do in 2004!?!

Thanks.

Richard.

-----Original Message-----
From: NSU, CIC TL
Sent: Thursday, April 15, 2004 5:59 PM
To: Sprague, Kip P
Cc: Woollam, Richard C
Subject: Cost Challenge feedback

Confidential

Kip,

Gary was at a budget session the other day, and we require some feedback on consequences of a couple of options for Nancy by Monday. (Richard may have already briefed you).

- One option is to cancel the 2004 smart pigging program - what are the consequences of not doing it this year (the 3 LDF's)?
- Another option is to cancel partial PW inhibition at GC's - any opinions?
- There are also some reductions of inhibition and inspection programs proposed, although RCW doubts those will be necessary.

Thanks,
John