

CASE STUDY

EQUIPMENT BUYOUT FOR

OIL & GAS EXPLORATION COMPANY



OUR CLIENT —

Our client is one of the world's largest producers of synthetic crude oil from oil sands and the largest single source producer in Canada.

To minimize the risk of failure and downtime, our client needed the material removed in a timely manner because the space was needed for an upcoming project.

OUR CLIENT'S CHALLENGE

To avoid production interruption, our client was having a difficult time finding interest in potential buyers due to their remote location. NRI was able to meet their goal of cleaning up their outside yard and surplus storeroom.

CHALLENGE 1

Not only would our client have to pay to dispose of their assets, but disposal would negate any potential tax credits the company would otherwise be eligible for if they sold the assets at lower than book value.

CHALLENGE 2

Our client's MRO included a wide range of equipment and parts, such as control valves, switchgear, instrumentation, and electrical equipment. Independently selling the equipment would have required resources that our client was unable to allocate.

CHALLENGE 3

Our client was struggling to meet the tight time frame for removal but NRI was able to send a team of experts to navigate difficult trucking/freight situation.

16.7 MILLION

Recovered from surplus and used equipment in less than one year.

29 TRUCK LOADS

of material removed from the site.

70,000 PCS

Equipment removed from inventory

1. — A no-cost valuation to determine our client's surplus asset value
2. — A multi-pronged sales solution, including consignment services, auction services and private treaty sales
3. — A streamlined logistics process for managing surplus, including logistics, dismantling and rigging services
4. — Avoided costly equipment disposal fees. Maintained their ongoing sustainability efforts

MORE SPACE

Removed 5984 line items (SKUs) from storage

MORE SUSTAINABILITY

Avoided costly equipment disposal fees and fulfilled their CSR pledge to operate more sustainably.

SOLUTION

We offered our client a multi-faceted asset recovery solution that focused on maximizing their return on assets and providing a streamlined process for managing and storing their surplus equipment. Avoided costly equipment disposal fees and fulfilled their CSR pledge to operate more sustainably.

