



The Business Case for Energistics Membership

Executive Summary

Energistics and its Members play an important leadership role in developing technical data exchange standards for the digital oilfield. Like many not-for-profit organizations, Energistics relies on Membership dues and Member volunteers to achieve its mission, in support of the industry.

The following points outline the attached business case for Membership and participation in this open standards community:

- Energistics provides the anti-trust framework within which open data exchange standards can be collaboratively developed.
- Energistics Members influence the developmental direction of open data exchange standards and in so doing gain competitive advantages in the form of timely technical capabilities and the opportunity to forward plan internal purchasing or product development cycles.
- Energistics Member collaboration helps to ensure solutions that meet industry needs and encourages sharing risks and rewards, with standards providing an alternative to costly, non-standard, "one-off" solutions.
- Energistics Members gain valuable business intelligence about new technologies and can develop extensive professional networks of peers and colleagues that benefit Member organizations.
- Energistics Members demonstrate leadership through their investment in and adoption of open data exchange standards, which benefits individual Members as well as the entire upstream industry.



The Business Case for Energistics Membership

Data exchange is intrinsic to the information lifecycle associated with modern asset management. Drilling, production, and earth & reservoir modeling have all experienced rapid technology innovations that have led to an improved ability to manage assets in a way that releases underlying potential. Many of these advances share a common characteristic—they generate huge volumes of data to support intelligent analysis. Management and effective exchange of this data is imperative for efficient operations.

Data exchange standards help prevent loss of data fidelity and unwanted costs associated with poor quality data; support interoperability by providing common formats, rules, and semantics to support workflows; and, ultimately, enable the development of “plug-and-play” integration with multiple vendor software packages—the “Holy Grail” of the digital oilfield.

The Energistics flagship standards—**WITSML™**, **PRODML™**, and **RESQML™**—are fundamental to interoperability and to realizing the full value of the digital oilfield. Here are some the business benefits of Energistics Membership.

An Anti-trust Framework for a Collaborative Environment

Energistics provides the organizational and procedural framework for collaboration and the community to support broad adoption. Developing data exchange standards across the energy industry requires collaboration among operators, service companies, regulatory agencies, and software vendors. This collaboration requires an anti-trust framework, and a structured process for planning and delivering evergreen standards. Without such a framework, this coordination could create real or perceived risks of anti-trust violations that make such coordination impractical. Collaborating Members benefit from an organized and facilitated community within which to determine shared priorities, compare and revise requirements, and advocate adoption of the resulting standards.

Energistics Membership = Influence of Standards = Competitive Advantage

Because they are able to directly influence the standards development process, Energistics Members have a competitive advantage over non-Members. Members, through volunteer participation in the Energistics Special Interest Groups (SIG), collaboratively determine standards requirements and influence developmental direction.

Operator Members collaborate to stimulate new services and product capabilities to meet their needs. Service company Members collaborate directly with their customers to shape the content and format of data to be exchanged, and incorporate this knowledge into their offerings to increase the demand of their products and services. Both operator and service company Members track and influence the direction of regulatory reporting standards that directly affect their operations. Technology vendor Members are able to develop detailed knowledge of planned capabilities and technical characteristics of new standards releases long before non-Members, and can adapt their product development strategies accordingly.

Member companies are positioned through their involvement in Energistics to be on the forefront of standards adoption. Early adoption creates efficiency benefits and puts Members in the position to influence strategies for integration. Implementing data exchange standards creates a “benefit wake” into which others may be drawn, thereby increasing benefits to the adoption leaders by multiples.



Developing Better Solutions through Collaboration

The Energistics standards are the product of collaboration representing the pooled business expertise and cumulative design capabilities of its Members. As Members work together to further develop the standards, they invariably learn from each other and find that their own independent solution development benefits from exposure to different perspectives, lessons learned by others, and shared expertise. Technical participants share their experience about integration best practices, architecture, and other relevant standards; the process of proposing design solutions and refining them through work group collaboration is an opportunity to hone technical knowledge. Subject matter experts from the business share their perspectives on priorities, trends, and methods. Energistics Special Interest Groups (SIGs) are excellent forums for professional development.

Networking and Business Intelligence

Standards development is a highly interactive process in which Members represent their perspectives, experiences, problems, and solutions. It is very common in this process that Members draw upon their knowledge outside data exchange, including related standards, technical architecture, business trends, and the research of professional societies.

Naturally, working relationships develop which become important professionally. During work groups, Member meetings, and trade shows, Energistics Members have the opportunity to meet their peers from around the world and share ideas. There are cases where Members identified mutual areas of interest and agreed to co-fund a pilot project, or jointly author papers for technical conferences. Similarly, Members share information on regulation, technology, and important commercial trends. These are opportunities to stay on the leading edge of industry trends and show mutual support for data exchange standards. Membership is a benefit to Member employees who desire continuous development of their professional network.

Industry Leadership

Data exchange standards play an important role in realizing the vision of an integrated digital oilfield. Standardization is important to the upstream industry, and our Members demonstrate their leadership and commitment to realizing the promise of the digital oilfield through their financial support and the engagement of their experts in the standards development process.

Of course, there is an expectation that the investment of dues, time, and expertise has a positive return. Leading companies realize that their investment in standards development reinforces a virtuous cycle of like investments from competitors and partners, creating a multiplier effect that enhances return on investment. The net benefit to the industry is greater than the sum of investment, and the net benefit to an Energistics Member is greater than their Membership investment.

Why Energistics?

Energistics is a global, not-for-profit, membership organization that serves as the facilitator, custodian and advocate for the development and adoption of technical open data exchange standards in the upstream oil and gas industry. Built on twenty-five years of dedication to oilfield data exchange standardization, Energistics is a recognized leader in the energy standards world and is dedicated to the delivery of open standards that deliver practical business value. With over 125 global Members from all parts of the upstream value chain, Energistics works to drive awareness of standards and their benefits through global marketing and education programs. The result is a trusted brand that is well-known by the upstream oil and gas industry.