

Customer Success Story

Petrogas E&P Netherlands B.V



Asset acquisition with seamless data migration in less than seven weeks

"Asset acquisitions are complex transactions to execute and, if not properly managed, they have the potential to disrupt day-to-day business operations. Ensuring that core business support systems remain fully functional during the transaction is an absolute requirement for the seller and buyer."

Don Valentine, commercial director, Absoft

Business Challenges:

Asset ownership is an ever-changing landscape as growth and divestment projects become commonplace in upstream oil and gas. Data migration between assets has the potential to severely affect day-to-day operations, and ensuring that core business systems remain fully functional during the acquisition process is essential to minimise business disruption and transition cost effectively.

This was the challenge facing Petrogas E&P a privately owned, limited liability company registered and incorporated in the Sultanate of Oman. Petrogas E&P acquired Dutch assets from a global operator and had to separate finance data, including all historical information, from the subsidiary into a standalone SAP® finance system. The asset's back office systems needed to be transferred seamlessly to Petrogas E&P, with no interruption to business continuity and in as little as seven weeks.

Matters were further complicated by infrastructure requirements and the demand on internal resources for the seller to close out the old system, while continuing to execute day-to-day activities. All of these factors allied to a very aggressive transition timetable which had the potential to cause business disruption and delay the transaction.

Customer Background:



Petrogas E&P is a privately owned, limited liability company originating from the Sultanate of Oman and engaged in the exploration and production of oil and gas reserves internationally.

In 2014, Petrogas E&P expanded into Europe with the acquisition of a Dutch subsidiary owned by a global operator, which changed its name to Petrogas E&P Netherlands B.V. For more information about Petrogas E&P visit: www.petrogasep.com



Absoft's solution:

Absoft developed a 'like-for-like' system to transfer financial information, allowing the subsidiary for sale to operate 100% independently in its own standalone environment.

The complete separation of the finance system involved configuration of the SAP Finance and Controlling (FICO), Project Systems (PS) and Joint Venture Accounting (JVA) modules. Historical information was transferred to the standalone SAP finance system to ensure that there was a data trail available for Petrogas E&P to comply with legal requirements.

It is unusual during an ERP implementation to migrate historical transactional data. Standard process typically involves migrating only balances and open items. Transferring historic data presented an additional layer of complexity and a further challenge for the project team within a limited timeframe.

The response was led by a project team 10 strong, which included finance consultants and developers from Absoft, working alongside the seller's and Petrogas E&P' internal finance teams. Absoft's consultants combined expertise in upstream finance processes, backed by expansive core technical SAP knowledge, ensured that operations to close the old system and migrate current and historic data could be completed.

Building a new SAP system can necessitate new infrastructure for the acquiring business. Absoft was able to resolve additional infrastructure requirements by hosting the finance system in its own environment, as part of its Managed Service offering. Hosting the finance data on Absoft's servers negated the need to source temporary infrastructure at cost, which can jeopardise the migration of data between assets on time and within budget.

Absoft moved into a support phase following successful completion of the data migration within the project timescale. A team of finance consultants continued to provide dedicated SAP support onsite, and remotely from Absoft's Upstream SAP Service Centre, to ensure that systems remained fully operational for both operators and to support Petrogas E&P' mission statement to achieve growth while maintaining efficiency and profitability.



Developed a 'like-for-like' system to operate 100% independently on time and within budget.



Supported internal teams to migrate historical finance data and open items for legislative compliance.



Removed associated infrastructure costs to host data using Absoft's Managed Service.



Ensured seamless business continuity with post SAP migration support.

For more information call Absoft on +44 (0)1224 707088 or email info@absoft.co.uk

Aberdeen | Stavanger

T. +44 (0)1224 707088 E. info@absoft.co.uk W. www.absoft.co.uk

ABSOF
OIL & GAS SAP SPECIALISTS