

AMOCO'S STRATEGY-DRIVEN WORLDWIDE EXPLORATION SUCCESS

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ABSTRACT

Amoco's history reflects a record of success and non-success periods. Implementation of a set of exploration strategies has been a key aspect of exploration success. These strategic themes include: (1) Selective market focus; (2) Value-driven investments; (3) Cost leadership in industry; (4) Customer-oriented business relationships; (5) Accurate resource and value assessment; and (6) Sustained environment, health and safety.

These strategies alone are not enough. The clear communication of these strategies and managing strategically are critical components of implementation. By effectively implementing the above strategies, Amoco's worldwide exploration performance has improved such that 1994 was the best exploration year for Amoco since 1965. This paper will review each of the strategies, discuss the philosophy of strategic criteria selection and the keys to our successful implementation.