



Field Development Newswire

Key Offshore Construction Intelligence

STRATEGIC OFFSHORE RESEARCH

» Early Prospects

1. **GUYANA:** ExxonMobil has spudded Haimara-1 well in Stabroek block 31km east of Pluma discovery. Later this month second well is expected targeting Tilapia-1 prospect in Turbot area 5km west of Longtail find where operator also plans 4-D seismic.

2. **MOZAMBIQUE:** ExxonMobil has secured sufficient offtake commitments for Area 4 Rovuma LNG first phase to move to later this year final investment decision. Project will exploit Mamba fields with two 7.6 million tonnes per year LNG trains. In coming weeks fully termed sales are expected.

3. **MAURITANIA/SENEGAL:** Shareholder Kosmos notes potential for two further hubs in BP Greater Tortue Ahmeyim region: one near C/8 BirAllah discovery (ex Marsouin) off Mauritania and one near Yakaar/ Teranga finds off Senegal. Later this year is due appraisal well on Yakaar and Teranga and work is ongoing to advance concept.

4. **UK:** Faroe reports 31/7 appraisal well on northern Brasse intersected 40 metre reservoir. Logging is underway. Exploration well on Brasse East found only water but reduces risk of Brasse Extension prospect. To first half of year Faroe has deferred decision on "flagship" Brasse development according to DNO who adds "regrettably this is just latest delay to project". DNO says 2021 to 2022 is expected first oil and "strongly encourages Faroe to focus on avoiding further delays". Partner Point late last year said Brasse was being matured for late 2022 production via Wintershall Brage or Equinor Oseberg with second half 2019 final investment decision.

5. **UK:** ENI has commenced well on HPHT Rowallan prospect in 22/19c with upside potential in nearby Dundonald and Sundrum prospects. In May well is due complete.

6. **UK:** i3 is targeting first quarter approval for Liberator tie-back to Repsol Blake with mid-2020 first oil. Early 2019 is due rescheduled site survey.

7. **NORWAY:** Pandion has acquired from AkerBP 30% for Capricorn-operated 6608/10, 11 and 12 to east of Norne. Pandion says acreage is "prolific" and later this year expects drilling.

8. **EQUATORIAL GUINEA:** Ophir has government notification that Block-R license containing Fortuna gas discovery will not be extended following end-2018 expiry. Operator says decision is "disappointing" and expects \$300 million non-cash impairment.

9. **EGYPT:** Dana confirms \$20 million government payment to fund this year Merak deepwater well in Block 6 North El Arish concession. Operator says block contains "several prospects with high potential" in multiple plays.

10. **SOUTH AFRICA:** Africa has made \$20.5 million investment in Impact which the latter will use as loan to Arostyle to allow Main Street to acquire 5.1% stake in Total 11B/12B block where this quarter due complete Brulpadda well is targeting 500 million barrels oil. Block contains four other large prospects in up to 1,431 msw - Platanna, Woudboom, Luiperd and Blaasop.

11. **INDONESIA:** Bass has pulled out of purchase of North Madura PSC from AziPac. Bass is now "actively pursuing several other acquisition opportunities in Indonesia".

» Emerging Plans

12. **NORWAY:** Aker has Nkr 100 million Vaar FEED award for 2045 Jotun FPSO life extension under Balder-X project. Vessel will be reinstalled on Balder for 2021 start-up. Nkr 20 billion Balder/Ringhorne redevelopment will to 2030 extend Balder FPSO and see 26 new production wells. First half year is expected EPIC award for Jotun FPSO as well as subsea construction and production system awards. Fourth quarter 2019 is expected revised PDO.

» Installation

13. **EGYPT:** Saipem has \$1.2 billion ENI/Petrobel award for Zohr ramp-up. Scope is second 30-inch gas export pipeline, infield clad lines, umbilicals and electric/fibre optic cable as well as 10 wells.

Offshore work will be handled by Castorone, FDS, Saipem 7000, Normand Maximus, Saipem 3000, Castoro-6, Normand Cutter and Far Samson vessels. Award is addendum to 2017 pipelay award.

» Floating Production

14. **BRAZIL:** BW has one-year extension with PetroRio for FPSO Polvo. Firm period now runs to third quarter 2020 with options until third quarter 2022.

15. **BRAZIL:** FPSO P/76 has mobilised from Techint yard in Argentina for Petrobras Buzios-3 pre-salt field. Vessel has capacity for 150,000 b/d oil and 250 million scf/d gas.

» Pipelines

16. **USA-GOM:** Subsea 7 finally has formal award from BP for Manuel subsea tie-back in 1,900 msw to Na Kika. Contract is EPIC and includes equipment supply from OneSubsea Schlumberger. Subsea 7 has been working on FEED for some time so installation is as soon as fourth quarter 2019. Workslope includes electrically heated flowline and steel catenary riser.

» Fabrication

17. **RUSSIA-Arctic:** Saipem/Renaissance JV has €2.2 billion Novatek award for three Arctic-2 LNG plants each with 6.6 million tonnes per year capacity and 30-metre GBS for installation in Gulf of Ob. GBS fabrication is in Murmansk. This year is expected Arctic-2 final investment decision with end-2023 first train expected online.

» Renewables

18. **UK/MIDDLE EAST:** Lamprell has \$200 million GeoSea award for second quarter fabrication of 45 jacket foundations for 950 mW Moray East wind farm plus three substation jackets. Fabrication will be at Hamriyah and Sharjah yards.

» Firm Projects

19. **NORWAY:** NPD confirms approval for February/March start-up of 48 million boe Spirit Oda via tie-back to AkerBP Ula. Development cost is Nkr 5.5 billion.

20. **GUYANA:** ExxonMobil is progressing Liza-1 development where early 2020 is expected production. Development well drilling is underway and topsides installed on Liza Destiny FPSO which is third quarter due to sailaway from Singapore. This quarter is expected sanction for mid-2022 start-up of second phase FPSO. This year is also expected sanction for Payara third phase and 2023 production.

21. **MAURITANIA/SENEGAL:** BP confirms final investment decision on Greater Tortue/Ahmeyim project. First quarter is expected project execution start and first half 2022 production from first phase four wells tied back to 500 million scf/d and 20,000 b/d FPSO for which TechnipFMC is carrying out FEED. McDermott has subsea construction scope and Baker Hughes production system. Gas will then export to 2.5 million tonnes per year Golar Gimi fLNG vessel. Kosmos says BP Gas Marketing is sole buyer for LNG.

» Producing Fields

22. **AUSTRALIA:** Bechtel has Woodside FEED award for Pluto Train-2 with option for full EPC on 2020 final investment decision. Project will target additional five million tonnes per year LNG from 7.3 trillion scf Scarborough field. 2024 is anticipated start-up.

23. **BRAZIL:** Total has acquired from Petrobras 10% stake for 459 million boe BM-S-9 Lapa field growing holding to 45%. Price is \$50 million and sees Petrobras block exit. Meanwhile, Total has identified "new processes and tools to locate potentially most productive areas with direct applications like Sururu (Iara concession)". Total and Petrobras will jointly pursue gas chain opportunities.

» Corporate

24. **UK:** Faroe confirms DNO now holds 30% of shares. DNO failed to secure sufficient acceptances for offer to become unconditional but to January 18 has extended offer deadline. Faroe says independent analysis estimates 186p to 225p per share valuation and "clearly supports view that DNO's offer (152p) substantially undervalues Faroe".

25. **UK:** Medco is in talks for possible cash offer for Ophir. January 15 update is scheduled. Firm offer is yet to emerge but by January 28 Medco must confirm intent.

26. **NORWAY:** Equinor has formally completed \$250 million sale of 77.8% for “non-core” King Lear discovery to AkerBP as well as \$220 million sale to PGNiG of 42.38% in ConocoPhillips Tommeliten and 30% in PL/044.

27. **NEW ZEALAND:** Shell has completed \$578 million sale to OMV of New Zealand interests including Maui and Pohokura plus operatorship of Great South Basin. Sale is part of drive to simplify upstream interests.

28. **CANADA/CHINA:** Husky 2019 capex is \$3.4 billion down \$300 million on May 2018 forecast. Growth capital includes spending for Lihua 29/1 and West White Rose fields. Operator says “high margin offshore business shields us from commodity discounts realised by peers” but retains flexibility to reduce spending. Operator is progressing plan to retrieve failed White Rose flowline connector.

29. **IRELAND:** Vermilion confirms completion of €6 million transfer from Nephin of Shell Ireland along with 1.5% stake in Corrib gas project. Vermilion now has 20% operating stake in field while Nephin retains 43.5% interest.



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EXPO**

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Contact: ☎ +44 (0) 1224 498020 Fax +44 (0) 1224 318333

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✉ andrew@StrategicOffshore.com 🌐 <http://www.StrategicOffshore.com>