



Field Development Newswire

Key Offshore Construction Intelligence

STRATEGIC OFFSHORE RESEARCH

»» Emerging Plans

1. **USA-GoM:** BP has approval for \$1.3 billion Atlantis third phase expansion targeting 400 million barrels oil from eight well tie-back to existing platform. TechnipFMC has integrated EPIC award for trees, flowlines and umbilicals. 2020 is expected first oil with peak 38,000 boe/d. Fourth and fifth phases are subject of talks. Elsewhere, operator has identified additional one billion barrels oil-in-place at Thunder Horse. Operator is targeting mid-2020s 400,000 boe/d from US Gulf supported by Thunder Horse NW and South expansions plus late 2021 due on-stream Argos (ex Mad Dog-2).

2. **UK:** Independent says 302 billion scf Blythe and Vulcan Satellites Hubs will incorporate 108 billion scf "development ready" Goddard gas find. Survey for design and installation of Southwark and Blythe platforms are complete. Funding talks are ongoing for Harvey appraisal well with best case 129 billion scf and 63% success probability. This quarter is due final investment decision and first half of year Goddard development plan, then 20 months later first gas.

»» Early Prospects

3. **NORWAY:** DNO notes Faroe has downgraded Oda reserves by 30% to 32.7 million boe. DNO says "coming on back of three unsuccessful wells and questionable Equinor swap, undisclosed reserves downgrade raises concerns over Faroe's future expected production profiles". Field is "key contributor" to Faroe production growth target and with peak 35,000 b/d oil.

4. **NORWAY:** This month Wellesley will commence well in 109 msw on Balcom prospect in 25/1 north of Jotun. Operator hopes to determine further hydrocarbons in Frigg reservoir.

5. **BULGARIA:** Shell is readying to spud this quarter well in Black Sea Block 1/14 Khan Kubrat. Block is in "emerging oil and gas province" and earmarked as possible hub. Last year Woodside completed 30% farm-in.

6. **IRELAND:** Third quarter Providence hopes to drill on Barryroe oil find in SEL 1/11. Elsewhere, farm-out talks are ongoing for FEL 6/14 Newgrange prospect ahead of possible 2020 well while ENI has approved later this year well site survey on FEL 3/04 Dunquin South.

»» New Discoveries

7. **BRAZIL:** Petrobras has new discovery with well in 2,235 msw on Peroba pre-salt prospect south of Lula field. Regulator ANP estimates 5.3 billion barrels oil-in-place.

»» Firm Projects

8. **ISRAEL:** Energean has deal with IPM for 19-year supply of 194 billion scf gas from first quarter 2021 due on-stream Karish and Tanin FPSO. Hull is under construction at Cosco. March is planned well on 1.3 trillion scf Karish North with 69% success probability. Operator has gas sales agreements for 440 million scf/d and hopes in medium term to fill remaining 328 million scf/d FPSO capacity.

»» LNG

9. **INDONESIA:** Sapura has Petronas award for EPC relocation and tie-in of PFLNG Satu. Vessel was deployed on Kanowit in SK/306 and can be redeployed to multiple stranded locations. Contractor also has Hess EPIC award for additional scope for North Malay Basin facilities.

»» Fabrication

10. **SAUDI ARABIA:** Although in place for some time, TechnipFMC with MMHE yard has formally confirmed LTA contractor award from Saudi Aramco. Six years is duration for EPIC offshore facilities. Only LTA contract holders can bid for Aramco work.

»» New Licensing

11. **INDIA:** Government has launched OALP-2 auction with five shallow and one ultra-deep block offered. Shallow acreage is in Andaman, Kutch and Mahanadi Basins while ultra-deep block is in KG Basin.

» **Producing Fields**

12. **NIGERIA:** Total has commenced production from Egina in OML/130. Start-up is 10% below initial budget saving \$1 billion capex says operator. Later this year is expected peak 200,000 b/d oil. Nearby upside is noted particularly Preowei tie-back candidate where later this year is due final investment decision.

13. **VIETNAM:** Soco says 16/1 Te Giac Trang has compressor outage from third party tie-in and expects reduced flow until upgrade. This year is also planned two firm and two contingent wells and 18 well interventions.

14. **OMAN:** DNO has relinquished operatorship of Oman Block 8. Block contains Bukha and West Bukha fields. State operator Musandam will assume control.

» **Renewables**

15. **POLAND:** Equinor has exercised option for Polenergia 50% stake in 1,560 mW Baltyk-1 wind-farm and 50:50 JV with Polenergia to mature to final investment decision. Equinor will manage construction and operation. Operator already has 50% in Baltyk-2 and -3 developments.

» **Drilling Results**

16. **NORWAY:** Shareholder Lundin reports dry well from MOL-operated Oppdal and Driva prospects in 2/6. Second Mandal High well will later this year commence targeting Vinstra and Otta prospects.

17. **NORWAY:** Vaar well in 379 msw on Goliat West 2km south of ENI Goliat in 7122/7 encountered 51 metre oil and gas columns with 4 million to 14 million boe recoverable. Tie-back to Goliat FPSO is under consideration.

» **Corporate**

18. **UK:** DNO has made increased final cash offer for Faroe. Offer is 160p per share valuing Faroe at £641.7million. To January 23 closing date has been extended. DNO currently has 52.44% of Faroe and is "comfortable with possibility of offer lapsing". Faroe says offer does not represent fair value adding DNO has created considerable uncertainty for minority shareholders but concedes final offer will become unconditional and recommends shareholders should accept final offer.

19. **BRAZIL:** Petrobras says ongoing Transfer of Rights review for six Santos Basins pre-salt fields could create \$14 billion credit. Inside 100 days government decision is expected. Acreage comprises Buzios, Atapu, Sepia, Itapu, Lula South and Sapinhoa South with combined 10 billion to 15 billion boe. Meanwhile, operator has formally appointed Roberto Castello Branco CEO. Branco plans to "accelerate oil production to make best use of reserves, and partnerships will be welcomed" adding changes in technology are important "to digitally transform to reduce costs and boost productivity".



[Earlier this week new issue of FrontRunner newsletter was published.](#) Covered this time around is TechnipFMC's 2019 expectations including souring on pure installation contracts, James Fisher Subtech sneaking into a DSV purchase for the Middle East, and the implications of the latest financial results. If you're not already a subscriber then [ask for a free sample or trial.](#)



See us at Subsea Expo 2019 in
Aberdeen February 5th to 7th
Stand 120

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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>