

E&P Daily

EXCLUSIVE NEWS SERVICE FOR THE GLOBAL OIL AND GAS INDUSTRY

Exxon's ninth Guyana discovery

US major ExxonMobil has struck its ninth discovery offshore Guyana – with the Hammerhead-1 well making it a fifth discovery on the Stabroek Block in the past year.

The find also proves “a new play concept for potential development”. Hammerhead-1 encountered around 60m (197ft) of high-quality, oil-bearing sandstone reservoir. The well was drilled to a depth of 4,225m (13,862ft) at a water depth of 1,150m (3,773ft). The *Stena Carron* drillship spudded the probe on 27 July 2018.

“The Hammerhead-1 discovery reinforces the potential of the Guyana Basin, where ExxonMobil is already maximizing value for all stakeholders through rapid phased developments and accelerated exploration plans,” said Steve Greenlee, president of ExxonMobil Exploration Company.

“Development options for Hammerhead will take into account ongoing evaluation of reservoir data, including a well test,” Greenlee added.

Hammerhead-1 is located around 21km southwest of the Liza-1 well and follows the previous discoveries on the Stabroek Block: Liza, Liza Deep, Payara, Snoek, Turbot, Ranger, Pacora and Longtail.

These have estimated recoverable resource of more than 4 Bn boe to date and the potential for up to five Floating Production, Storage and Offloading (FPSO) vessels producing more than 750,000 b/d by 2025.

Eni makes Egypt gas find

Italy's Eni has made gas discovery in the Egyptian Western Desert – with the Faramid South exploration prospect in the East Obayed concession hitting pay dirt.

The well lies 30km northwest of the Melehia Concession. The well reached the target depth of 5,181m (17,000ft) and encountered several gas-bearing layers in the Kathabta sandstones of Jurassic age.

The well has been opened to production and tested at a rate of 708.22 Mcm/d (25 MMcf/d), confirming the potential of the East Obayed Concession.

“Eni has started the studies to develop these relevant gas reserves that, together with the gas potential of the Melehia Concession, can contribute to increase the country gas production from the Western Desert Basin,” Eni said.

Eni has been present in Egypt since 1954, where it is the main producer with around 320,000 boe/d.

Vedanta bags 41 Indian blocks

Vedanta has landed 41 exploration licences out of 55 blocks offered in the first round of auctions under India's new Open Acreage Licensing Policy (OALP-I).

The results of the auctions were announced by the Directorate General of Hydrocarbons (DGH), which also said that state-owned players Oil India (OIL) and Oil and Natural Gas (ONGC) respectively won nine and two blocks, while GAIL (India), Hindustan Oil Exploration Company (HOEC) and Bharat PetroResources each bagged one block each.

Vedanta's chairman Anil Agarwal told reporters: “We are an energy-deficient country and policies like OALP will help reduce the country's import dependence for oil from around 80% now to 67% by 2022, in line with the vision of the prime minister. The development further strengthens our vision to invest in India and contribute 50% of India's domestic crude oil production.”

“Our key endeavor is to go ahead and do surveys which will allow us to spot opportunities to drill the well in under two years,” Sudhir Mathur, chief executive of Vedanta's oil and gas business, told local television channel CNBC TV18.

Gardline bags Liberator survey

Independent i3 Energy has contracted marine survey company Gardline Limited to conduct a site survey at its Liberator oil field in the UK North Sea as it gears up to table an updated development plan later this year.

The survey will cover the two production well locations to be drilled during the Phase I development of the Liberator field, a survey of the planned export pipeline route, and the appraisal well location for the recently awarded Block 13/23c (Liberator West), i3 said.

BRENT/WTI LATEST PRICE

Oil holds firm on recent news

Downward pressure from the trade war between the USA and China was balanced by sanctions against Iran and falling Venezuelan output. The prices at 08.30 GMT, compared to the previous London close, were as follows:

WTI Oct \$70.30 a bbl +05c



Brent Oct \$77.78 a bbl +01c



Huisman's Sleipnir crane work

Huisman has completed the installation of two 10,000-tonne tub mounted cranes (TMC) on Heerema's *Sleipnir* semi-submersible crane vessel.

The two new build TMC cranes are the world's largest tub cranes with a lifting capacity of 10,000 metric tonnes and have a radius of 48 meters, said Huisman.

Senior project manager of Huisman, Ronald van Dijk, said: "Currently, we are focusing on the commissioning and testing phase of both cranes, resulting in the ultimate overload test and final delivery."

The Jurong Shipyard also ordered a pedestal mounted offshore crane (PMOC) for the *Sleipnir* SSCV back in October 2016.

The ordered PMOC crane will function as an auxiliary crane for the two 10,000-tonne tub cranes designed, constructed, and installed by Huisman.

The *Sleipnir* SSCV is designed for worldwide offshore construction and heavy lifting. With 220 meters in length, and 102 meters in width, the vessel will become the world's largest crane vessel. *Sleipnir* is due to come into service in early 2019.

Ultra Deep eyes sixth DSCV

Singapore-based Ultra Deep Solutions is gearing up to start the design, engineering, and construction of its sixth diving support and construction vessel (DSCV).

Ultra Deep said that the vessel would be a new hybrid design, which follows the company's focus on the environment and efficiency.

The new hybrid will be 125 meters long and 25 meters wide. The vessel will pack three megawatts of battery storage power to offset fuel. The construction time for the newbuild will be around 28-30 months.

Shel Hutton, CEO of Ultra Deep, said: "Market conditions have changed and oil majors are constantly looking for more efficient vessel alternatives. The new 'hybrid' subsea line will complement our fuel-efficient vessels already in operation. Our teams focus will be to reach 4-5 tons or less of fuel per day working in dynamic positioning mode. This is just the start for us to continue to strive in an ever-changing vessel climate."

Ophir gets Santos buy approval

Ophir Energy has received shareholder approval for its proposed acquisition of Santos' assets in South East Asia.

In May this year, Ophir agreed to acquire a package of South East Asian assets from Australia's Santos for US \$205m. At Ophir's annual general meeting on Monday, the Ophir shareholders approved the Santos transaction.

The portfolio of assets includes material producing assets in Vietnam and Indonesia, as well as exploration and appraisal assets in Malaysia, Vietnam and Bangladesh.

Ophir has described the Santos assets package as "a balanced and complementary portfolio of South East Asian assets with low operating costs, strong cash flows, near-term development opportunities and exploration potential."

Santos has said that the producing assets being sold are relatively late-life and are not prioritised for capital in its portfolio. Santos' share of production from the assets in Q1 2018 was 1.4m boe.

The deal will add around 13,500 boe/d of net working interest production to Ophir in 2018 and around 21.2m boe to Ophir's net working interest reserves.

Bangladesh's MLNG ready

US-based Excelerate Energy has completed the commissioning of the *Moheshkhali* Floating LNG (MLNG) terminal, which is Bangladesh's first LNG import facility.

Excelerate said that this milestone was achieved around 25 months after the execution of project agreements with the state-owned Bangladesh Oil, Gas & Mineral Corporation (Petrobangla) in July 2016 and 13 months following the financial arrangements with lenders, led by the International Finance Corporation, in August 2017.

Excelerate added that the construction activities were completed during the southwestern monsoon season.

Located offshore Moheshkhali Island in the Bay of Bengal, the terminal has started delivering natural gas to the Chittagong region of Bangladesh – the first time the country has received natural gas from the global market.

The new terminal allows Petrobangla to procure LNG from international markets and is expected to increase natural supply to the country by 20%.

END TODAY'S E&P DAILY 31.08.18

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E&P Daily

E&P Daily is a news service provided by Ogilvie Publishing. It is available via fax or electronic delivery, and contains comprehensive news and background information on the global oil and gas industry from offices in the UK and the USA. The service is available on trial subscription.

For more information, call UK: +44 (0)191 567 8497 or fax: +44 (0)191 567 8497. ISSN 1469-1108

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