

E&P Daily

EXCLUSIVE NEWS SERVICE FOR THE GLOBAL OIL AND GAS INDUSTRY

Empyrean wraps China survey

Empyrean Energy has completed a 3D seismic survey over Block 29/11 offshore China.

Block 29/11 covers around 1,800sq km and lies around 200km off Hong Kong at water depths ranging from 340-600m (1,116-1,969ft).

Empyrean has a 100% operating stake in Block 29/11 during the exploration phase.

The operator said that the survey started on 6 June and now the raw data has been acquired, the seismic vessel is demobilising from the area.

Empyrean contracted China Oilfield Services Limited (COSL) to perform the survey, which acquired 580sq km of new 3D seismic data over the permit, including key prospects Jade and Topaz.

Apart from the data acquired on Block 29/11, a further 28sq km of 3D data were acquired as part of the overall survey along the western boundary of the block, extending over the LH 23-1d oil discovery, which is located to the west of Empyrean's permit.

Empyrean expects the additional data to help evaluate the extent of a potential geological tie between the LH 23-1d oil discovery and the Jade and Topaz prospects.

Malaysian shoot completed

Schlumberger's WesternGeco has completed a hybrid seismic survey offshore Malaysia using its new multipurpose vessel (MPV) *WG Vespucci*.

This was a first acquisition of towed-streamer and ocean-bottom nodal seismic data with a single vessel, Schlumberger said.

The 340sq km 3D seismic survey was acquired offshore Sarawak, East Malaysia, for Roc Oil using a triple source array with simultaneous recording by ocean-bottom nodes and a towed-streamer spread, all from a single seismic vessel.

The *WG Vespucci* MPV acquired the ocean-bottom seismic (OBS) data required around existing platform obstructions supplemented by streamer seismic data. Simultaneously acquiring the OBS and streamer data without having to employ multiple acquisition vessels and crews resulted in cost reduction and greater efficiency while achieving the survey objectives, Schlumberger said.

"Providing a hybrid OBS and streamer acquisition option with our multipurpose vessel versus a traditional OBS or towed streamer survey gave the customer a versatile and cost-effective solution," said Maurice Nessim, president, WesternGeco, Schlumberger.

DWS sector recovery forecast

Continued improvement in the US onshore sector into the second half of 2017 is expected to support a recovery in global Drilling & Well Services (DWS) expenditure, according to Westwood Global Energy's latest report.

The World Drilling & Well Services Market Forecast report drew the following conclusions:

* Total market of US \$1,177 Bn over the 2017-2021 forecast period.

* Global onshore and offshore expenditure are forecast to rise at a 9% and 2% CAGR, respectively.

* North America is forecast to increase its share of the onshore market from 48% over 2012-2016 to 51% over 2017-2021.

* Rig & crew services will account for 30% of global DWS expenditure over 2017-2021.

* Expenditure on stimulation services is forecast to rise at a 17% CAGR through to 2021.

* A decline in day rates for mobile offshore drilling units, and reduced project sanctioning as a result of the downturn, is expected to limit growth in the offshore DWS market over the forecast.

"Total expenditure is now expected to amount to \$1,177 Bn over the 2017-2021 forecast period, a downward revision of 0.7% compared to the previous quarterly edition of the report," said the report.

"An expected recovery in the North American onshore sector remains the key driver for growth in the global DWS market over the forecast, with Westwood's forecast for North American onshore expenditure over 2017-2021 having increased marginally by 0.5% compared with the previous quarter. The US onshore rig count has continued to improve over the past three months as idle units are re-activated to satisfy rising demand."

(for full story see *Hot News* at www.ogilviepub.com).

BRENT/WTI LATEST PRICE

Oil dips on Harvey fallout

Crude fell, partly reversing gains from the previous session, amid ongoing turmoil in the oil industry following Hurricane Harvey. The prices at 08.15 GMT, compared to the previous London close, were as follows:

WTI Oct \$46.76 a bbl -47c



Brent Nov \$52.55 a bbl -31c



UK Erskine restart delayed

The restart of production from the Chevron-operated Erskine gas condensate field in the UK North Sea has been delayed by two weeks due to facilities maintenance.

The Erskine field includes a normally unattended installation and is remotely controlled from the Chrysaor-operated Lomond platform. A 30km pipeline links the two facilities.

Processing takes place in a dedicated module on the Lomond platform. Gas and condensate are exported separately to Chrysaor's North Everest platforms before gas is exported via the Central Area Transmission System and condensate is exported through the Forties Pipeline System.

Production from the Erskine field was suspended on 31 July for maintenance work, coinciding with a period of maintenance of the Forties Pipeline System through which Erskine condensate is transported.

At the same time a planned treatment to soak and remove wax build-up in the Lomond to Everest condensate export pipeline has been carried out. Production was scheduled to restart in the past week, Serica Energy, Chevron's partner in the Erskine field, said.

However, the operator of the Lomond platform advised Serica that restart of production operations is expected to be deferred for a further two weeks period in order to allow monitoring and control of methanol and xylene components used for the wax treatment prior to resumption of exports to the Forties Pipeline System (*for full story see Hot News at www.ogilviepub.com*).

Oil Search sees profit surge

Australia's Oil Search Ltd has reported a five-fold increase in half-year profit thanks to higher oil and gas prices and lower costs.

The operator expects the partners to agree by year-end on how to coordinate its Papua New Guinea (PNG) gas projects. Profit rose to US \$129.1m for the six months to June, while Oil Search boosted its dividend by \$0.01 to \$0.04 a share, Reuters reported.

Oil Search is a partner in the PNG LNG project and the P'nyang field, operated by US big hitter ExxonMobil, as well as a partner in the undeveloped Elk-Antelope gas assets operated by France's Total (*for full story see Hot News at www.ogilviepub.com*).

Gazprom's Q2 income slides

Russia's Gazprom reported that its Q2 2017 net income dropped by more than 80% year-on-year to US \$822.0m due to losses related to foreign exchange rates.

Analysts polled by Reuters had expected Q2 2017 earnings to be \$859.7m. April-June sales rose to \$23.8 Bn, up from \$22.8 Bn a year ago.

Gazprom added that net foreign exchange loss reached around \$2.40 Bn in Q2 2017, compared to a profit of more than \$2.57 Bn in Q2 2016.

The losses were related to the revaluation of Gazprom's debt, denominated in foreign exchange and reflecting the rouble's volatility, Reuters reported. Net debt rose by 19% in the first six months of the year to \$30.2 Bn (2.29 trillion roubles) as of 30 June 2017.

Gazprom's gas sales outside of the ex-Soviet Union, mainly to the European Union, rose to 119.1 Bcm (4.20 Tcf) in the first half of 2017 from 109.4 Bcm (3.86 Tcf) in the same period of 2016.

Aqualis wraps Ichthys role

Marine and offshore engineering consultancy Aqualis Offshore has completed its position keeping role for the *Ichthys Venturer* FPSO, which is now fully moored on the Ichthys field offshore Western Australia.

Project operator Inpex reported on 14 August that the *Ichthys Venturer* FPSO had arrived in Australian waters, 220km off the north coast of Western Australia.

Aqualis said this week that, since then, the company managed the position keeping procedure and provided position keeping masters offshore while the FPSO was secured with a 21-line mooring system.

On 18 July, the FPSO started its journey from South Korea to Australia. The *Ichthys Venturer* was permanently moored on 24 August in the Ichthys field, 3.5km from the field's Central Processing Facility *Ichthys Explorer*.

The massive 336-meter-long FPSO is designed for 40 years of operations without dry dock.

Aqualis added that its Singapore office provided the position keeping services as a sub-supplier to Posh Terasea Offshore. Posh managed the 5,600km towage of the *Ichthys Venturer* and *Ichthys Explorer* from South Korea, to the Ichthys field.

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