

Norway Troll output to hike

Statoil has received the green light to increase gas production its Troll gas field offshore Norway by 3 Bcm (105.9 Bcf) for the 2017 gas year, which starts on 1 October, according to the operator.

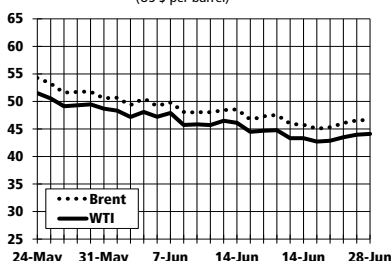
The production allowance was raised to 36 Bcm (1.27 Tcf) from the current gas year's 33 Bcm (1.16 Tcf) quota, Statoil added.



OIL WATCH

Latest prices

Brent/WTI Crude Price
(US \$ per barrel)



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Statoil's \$367m vessel deals

Statoil has awarded deals worth US \$367.6m (NOK 3.1 Bn) covering seven supply vessels – with the five winners being Skansi Offshore, DOF Subsea, SolstadFarstad, Havila Shipping and Ugland.

All vessels will be equipped with hybrid battery operation, and the possibility of shore power connection, Statoil said.

The vessels chosen have good technical specifications adapted to Statoil's logistics operations. The seven supply vessels will operate from the supply bases at Mongstad, Dusavik, Florø and Kristiansund.

"We look forward to a long-term cooperation with the chosen ship owners. The contracts will bring predictability to both the ship owners and Statoil, and will allow us to focus on optimising our operations to continuously improve operation, safety and energy efficiency," said Philippe F. Mathieu, senior vice president for joint operations support in Statoil.

"The bidding process has attracted high attention, and we have received bids for around 50 vessels from many competent and highly qualified ship owners. We require the crew on all vessels to speak one of the Scandinavian languages," added Mathieu.

Four of the contracts have a duration of five years, plus five one-year extension options.

Three of the contracts have a duration of three years, plus three one-year extension options.

Including its current vessels, Statoil has 16 supply vessels on long-term contract with 10 different ship owners.

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FIVE-YEAR CONTRACTS

(including five one-year extension options)

Owner	Vessel	Owner office	Supply Base
Skansi Offshore	<i>Sjborg</i>	Torshavn, Færøylene	Mongstad
DOF	<i>Skandi Mongstad</i>	Austevoll	Mongstad
DOF	<i>Slamdo Flora</i>	Skudeneshavn/Ålesund	Dusavik
SolstadFarstad	<i>Far Searcher</i>	Skudeneshavn/Ålesund	Kristiansund

THREE-YEAR CONTRACTS

(including three one-year extension options)

Owner	Vessel	Owner office	Supply base
Ugland	<i>Juanita</i>	Grimstad	Mongstad
Havila	<i>Havila Foresight</i>	Fosnavåg	Mongstad
Havila	<i>Havila Charisma</i>	Fosnavåg	Florø

UK Kraken unleashed

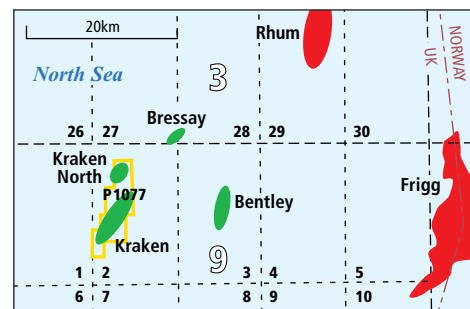
First oil has been produced from the UK North Sea **Kraken** field development.

When EnQuest sanctioned the Kraken development the project had a gross capital investment (capex) of US \$3.2 Bn. Following significant cost reductions, it is now estimated that the development will cost only \$2.5 Bn, *EOPN* was told. This equates to an overall capex reduction of \$700m, or around 22%.

During the initial ramp-up period, the 13 wells that have been drilled and completed to date – seven producers and six injectors – are being brought online in a phased manner, to maximise long term productivity and value, said operator EnQuest.

EnQuest's CEO, Amjad Bseisu, said Kraken came onstream on schedule and under budget. "Drill centres 1 and 2 are fully complete and work continues on drill centre 3; as a result, further production capacity will come online into 2018 as these further wells are put onstream," Bseisu said.

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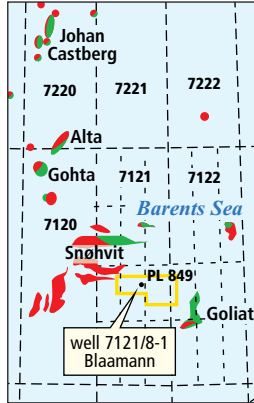


NORWAY

- Statoil is drilling ahead with exploration well **7219/9-2** in the Barents Sea using the *Songa Enabler* semisubmersible drilling rig. The probe is located in **Production Licence 532** (PL 532) and has a water depth of 336m (1,102ft). The well was spudded on 5 June.

- Statoil is drilling ahead with exploration well **7121/8-1** in **PL 849** in the Barents Sea. The probe is being drilled by the *Songa Enabler* semisubmersible rig. The well has a water depth of 376m (1,234ft) and was spudded on 22 May.

- Sweden's Lundin Petroleum is drilling ahead with appraisal well **7220/11-4 (Alta-4)** on the **Alta** discovery in **PL 609** on the Loppa High in the southern Barents Sea. The Alta-4 well



is located 2km south of the original discovery well **7220/11-1** and is the fourth well to be drilled on the Alta discovery. Alta-4 is being drilled by the semi-submersible drilling rig *Leiv Eiriksson* and is expected to take around 65 days. The probe was spudded on 10 May at a water depth of 402m (1,319ft).

- Faroe Petroleum is drilling ahead with appraisal well **31/7-2 S** in **PL 740**. The *Deepsea Bergen* semi-submersible rig spudded the probe on 24 May. The well has a water depth of 119m (390ft). Faroe made a discovery named **Brasse** in well **31/7-1** in the Norwegian North Sea and is pushing ahead with plans to drill two appraisal wells: **31/7-2** and **31/7-3**. Sidetracks may be drilled from both the wells. Faroe is the operator of **PL 740**, which covers **Blocks 31/7** and **30/9** in the North Sea.

- Aker BP has plugged and abandoned the **24/9-11 S** exploration well in the Norwegian North Sea as a dry hole. The probe was drilled using the

Transocean Arctic semisub rig. The probe lies in **PL 150 B** and was spudded on 1 June. The well has a water depth of 122m (400ft).

UNITED KINGDOM

- Apache has started drilling exploration well **9/19c-S6** on the **Skene** prospect. The *WilPhoenix* rig spudded the probe on 30 May and is currently drilling ahead.

- Nexen has spudded exploration well **205/15a** using the *West Phoenix* rig. The probe will target the **Craster** prospect. The well was spudded on 29 May.

THE NETHERLANDS

- Engie has spudded the **K/9-13** exploration using the *EnSCO 101* rig. The probe started drilling on 19 May.

- ONE is drilling ahead with exploration well **N/5-1** with the *Prospector 1* unit. The probe was spudded on 1 May.

Safety

Gjøa leak investigation

Norway's Petroleum Safety Authority (PSA) has kicked off an investigation into a hydrocarbon leak on the **Gjøa** field offshore Norway on 21 June 2017.

The leak occurred during normal operations in a condensate pump. It is unclear how large the leak was, said operator Engie.

The condensate did not ignite and nobody was harmed by

the incident.

"The PSA has decided to investigate this incident. Our investigation will focus in particular on discovering the underlying causes, both technical and operational, that may have contributed to the incident. The investigation will result in a report that will be published on ptil.no," said the PSA.

Knarr emergency vessel to leave

Shell has received consent from Norway's Petroleum Safety Authority (PSA) to remove the emergency response vessel from the **Knarr** field.

Shell operates of the Knarr field, which lies in the northern sector of the Norwegian North Sea, around 50km northeast of the **Snorre** field. Knarr has been developed using a Floating Production, Storage and Offloading (FPSO) vessel and subsea wells.

Oil is loaded from the *Knarr FPSO* into tankers, while the gas is exported by pipeline to St. Fergus in the UK. Production

started in 2015.

"Shell now wishes to remove the emergency response vessel from Knarr, and has performed an impact assessment for this purpose. This shows that the vessel can be removed while continuing to meet the emergency preparedness performance requirements. The precondition is that Shell improves the man over board system on *Knarr FPSO* and installs backup equipment for traffic monitoring on the facility," said the PSA, which added that it has granted Shell this consent.

Onshore UK

UK BB-1 well boost

UK Oil & Gas Investments (UKOG) reports that "mobile light oil has been observed seeping from open natural fractures in Kimmeridge Limestone 4 (KL4) core samples" at its 100%-owned **Broadford Bridge-1 (BB-1)** exploration well onshore the UK.

"The KL4 samples, at a measured depth of around 1,244m (4,080ft), exhibit a strong oil odour, plus the rock matrix is oil saturated and heavily oil stained. Wet gas readings also increased significantly at the top of the KL4. Both the KL4 and

overlying shales exhibit a high degree of natural fracturing. Coring operations continue through KL4. The well remains on schedule and under budget," UKOG said.

The 49m (160ft) of core taken to date in the Upper Kimmeridge Shales and Limestones has been transported to Aberdeen for initial rock sampling, before extensive geological, petrophysical and geo-mechanical analyses will be carried out by Corex and Premier Oilfield Laboratories in the UK and USA.

Interest in Faroe Islands

Operators are interested in restarting exploration activity in the under-explored areas offshore the Faroe Islands neighbouring the more mature UK North Sea, says the head of the Faroese Geological Survey (FGS).

No economically viable discoveries have been made on the Faroese shelf but the tiny nation hopes to attract players to restart exploration after it showed them new geological data in London last week.

“Oil firms have in many ways shown interest. We are having meetings, they buy data from us, visit us on the Faroe Islands. So there is an interest and they are looking at the possibilities,” said FGS director Niels Christian Nolsoe.

He declined to identify any of the companies but said larger firms could put up the necessary cash, adding that companies present in the UK Shetland region also might be interested.

The seabed is mostly covered by thick basalt layers, which make the Faroese offshore areas difficult to explore despite promising geological and seismic surveys, Reuters reported.

The seismic data now available and collected by companies such as Norway’s PGS gives a much better understanding than when exploration started some 16 years ago, Nolsoe said.

In the 4th Licensing Round, running until February 2018, the

Faroe Islands is offering blocks in an area covering 30,000 square metres on the eastern part of the shelf bordering the western Shetland region.

“Only nine wells have been drilled in a huge area and big discoveries have been made in the Shetlands, so if you look at where there could be some big undiscovered findings, the possibility is greatest in our area,” he said.

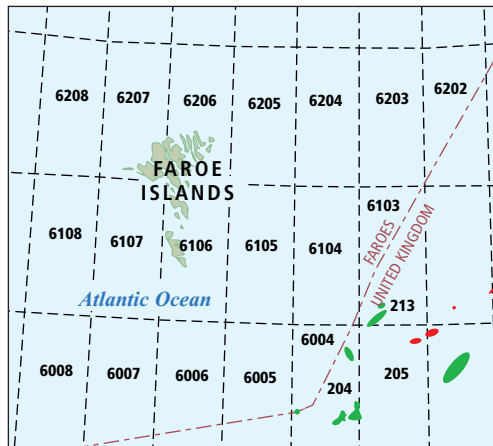
In March, Hurricane Energy made an oil discovery on the **Halifax** prospect West of Shetland, which it said could be the UK’s largest undeveloped oil find.

BP started production at the **Quad 204** project in the West of Shetland region in May after a US \$5.7 Bn redevelopment, one of the largest such projects there in recent years that will breathe new life into the ageing offshore basin, Reuters added.

However, a persistent slump in oil prices and thus strict cash discipline among oil firms could curb interest in the undeveloped North Atlantic region.

“The oil price is a challenge. On the other hand, the oil industry has also reduced its costs,” Nolsoe said.

Companies including Norway’s Statoil and Dong Energy have previously held licences in the Faroe Islands, but no firms currently hold any licences off the Faroe Islands.



Technology

OGTC’s \$2m tech investment

UK-based Oil & Gas Technology Centre (OGTC) has approved investment of more than US \$2m (£1.6m) in new projects “to accelerate the development and deployment technologies to transform the industry.”

“To reduce the cost of inspecting and maintaining offshore infrastructure by 50% by 2021, we will co-fund the development of a new generation of Unmanned Aerial Vehicles (UAVs) and the latest ultrasonic technology to help manage asset integrity,” OGTC said.

“We’re working with Air Control Energy to deliver a step change in the capability and functionality of UAVs for the remote inspection of oil and gas facilities. These advanced drones could be 20 times faster than traditional inspection techniques and reduce costs by 50% in comparison to rope access methods.

“We’re also working with TRAC Oil & Gas to develop a new electromagnetic method to inspect corroded pipework under insulation and composite wrap materials. This innovative solution would enable companies to monitor the condition of hidden pipework, saving time and money compared to current approaches,” OGTC added.

Using technology to transform the construction and operation of wells could reduce costs by up to 50%.

“To support this, we’re co-funding a project with Deepwater Oil Tools to develop a special articulated joint called ArticulaLock, which could enable drilling operations in rough weather conditions, saving tens of millions of pounds each year,” OGTC noted.

“These exciting new projects come at time when companies across the sector are joining our solution centres – asset integrity, well construction, small pools, digital and decommissioning – to collaborate on projects, share knowledge and iden-

tify solutions to industry challenges.”

Major operators – Total, Chevron and Nexen – have become members of multiple solution centres, while information technology firms Resulting and Kippitech have joined OGTC’s Digital Solution Centre.

Subsea integrity player ICSI has signed up to OGTC’s Asset Integrity Solution Centre and subsea technology company, Exnics, has joined OGTC’s Small Pools Solution Centre.

“Testing new technology in a live operational environment is an essential part of the innovation journey and is often a barrier to bringing new solutions to market. So, we’re delighted to have been invited by Total and Chevron to join them on eight individual offshore field trials to be completed by October 2017,” OGTC said.

Colette Cohen, chief executive of OGTC, said: “I’m pleased and proud to welcome our first members to the Oil & Gas Technology Centre and given the significant level of interest in our activities, I’m confident many more will follow in the coming months.

“Since our launch in February 2017, we’ve screened almost 200 technologies and have an excellent pipeline of opportunities, with operating companies now facilitating field trials on the UKCS.

“It’s exciting to approve investment of £1.6 (\$2m) in our first three projects and we look forward to helping these innovative companies take their concepts from early stage development through to deployment in the oil field.”

OGTC’s ‘Call for Ideas’ to transform well plug and abandonment closed with 48 potential solutions submitted. Two further calls are ongoing, seeking ideas for using robotics to enhance pressure vessel and tank integrity, and for unlocking the 225 marginal discoveries in small pools across the UKCS.

UK Cayley gas flows

First gas has been produced from the **Cayley** field in the UK Central North Sea.

Cayley is the third and final new discovery to be brought onstream in the **Montrose Area Redevelopment** (MAR) that is operated by Repsol Sinopec Resources UK.

Repsol Sinopec has a 58.97% stake in MAR, while Marubeni Oil & Gas UK holds the remaining 41.03%.

Gross incremental production from the Cayley, **Godwin** and **Shaw** fields is expected to peak at 40,000 boe/d. This will extend the life of the Montrose facilities, which were installed in 1976, to beyond 2030, Repsol Sinopec said.

MAR incorporates the development of Godwin, Cayley and Shaw with a new Bridge-Linked Platform (BLP) connected to the **Montrose Alpha** platform to provide additional process and plant support facilities.

The Godwin field has already been developed via an extended reach well from the **Arbroath** platform. The Cayley and Shaw

fields have been developed as subsea tiebacks to the BLP. Repsol Sinopec said that the project is expected to produce up to 100m boe of additional production, including through life extension of legacy fields.

Brian Winton, general manager of Montrose and Arbroath at Repsol Sinopec, said: "Safe and successful delivery of these fields is a great achievement. We can now look forward to hub production from Montrose for another 15 years."

Deirdre Michie, chief executive of industry body Oil & Gas UK, said: "This is the sixth major development to reach first production so far in 2017 and therefore another very welcome announcement, underlining our belief in the future of the North Sea and the resolve of operators to make the most of the opportunities it still offers."

"This is a significant development for Repsol Sinopec and for the other fields in the Montrose Area that will also benefit from this investment and redevelopment strategy."

UK Kraken unleashed

...continued from page 1 "Kraken is a transformational project, made possible by EnQuest's differential capabilities; the right mix of integrated technical capabilities, high levels of efficiency and cost discipline. With production from Kraken, EnQuest is moving from a period of heavy capital investment, to a focus on cash generation and deleveraging the balance sheet."

EnQuest's head of Major Projects, Richard Hall, said: "The achievement of producing first oil from Kraken on schedule and considerably under budget is a great testament to the capabilities of EnQuest. I am extremely proud of the EnQuest Kraken team for their dedication, vision and sheer hard work and thank them for this exceptional performance. Our approach

of rigorous planning, simplification of specifications and clarity in execution methodology has enabled us successfully to deliver this highly complex project."

UK Oil & Gas Authority chief executive, Dr Andy Samuel said: "As one of the most significant oil field projects in the UK Continental Shelf, successful production from Kraken is positive news for the whole basin. It has the potential to open up additional heavy oil opportunities in the Northern North Sea, with other developments in the pipeline. It's particularly pleasing to see a project delivered under budget, having clearly benefitted from a strong partnership between operator and key service providers."

Wood scoops Greek FEED

Wood Group has landed a Front End Engineering Design (FEED) from Gastrade for the **Alexandroupolis** Independent Natural Gas System (INGS) offshore Greece.

"The project, to develop a floating LNG Receiving, Storage and Regasification unit (FSRU), will create a new natural gas gateway to the markets of southeastern and central Europe," Wood said.

Wood's subsea team will perform the design and engineering

definition of the Alexandroupolis FSRU and its subsystems, which will support the Final Investment Decision for the project, which is planned for late 2017.

Bob MacDonald, CEO of Wood Group's Specialist Technical Solutions business, said: "Our subsea capabilities combined with the engineering proficiency of our people and cost effective technical solutions, position us well to deliver this milestone European project."

Oseberg topside sets sail

The topside for the **Oseberg Vestflanken 2** unmanned wellhead platform sailed out of Heerema Zwijndrecht in the Netherlands on Sunday 25 June, with the jacket following on 26 June.

In February 2016, Statoil awarded Heerema Fabrication Group (HFG) a contract for the Engineering, Procurement & Construction (EPC), as well as the transport and installation of the platform.

"HFG carried out the engineering, based on a lean and innovative concept which was developed by HFG Engineering and Statoil in close cooperation. Fabrication started in June 2016. At the Zwijndrecht yard, HFG constructed within a year the 900 tonne topside with a length of 25 metres, a width of 23 metres and a height of 20 metres and a 4,400 tonne jacket with a height of 138 metres and a footprint of 36x36 metres," HFG said.

Heerema Marine Contractors (HMC) is undertaking transportation to the offshore location and will also perform the installation with HMC's *SSCV Hermod* vessel in the **Oseberg Area** in the Norwegian North Sea around 130km northwest of Bergen.

Koos-Jan van Brouwershaven, CEO of HFG, said: "Our design of an unmanned wellhead platform with no facilities, helicopter deck or lifeboats represents a new solution with great possibilities. It meets the challenges of lower investment costs and higher efficiency requirements. The success of this project is due to the excellent cooperation with the client and the combined strength of HFG and HMC from engineering up to and including the installation. Together with Statoil, we come to the best result in all aspects by joining forces."

The final destination for the Oseberg Vestflanken 2 unmanned wellhead platform is around 8km northwest of the **Oseberg Field Centre**. It is the first of three planned phases for developing the remaining reserves in the Oseberg Area. The Oseberg Vestflanken development consists of an unmanned wellhead platform with 10 well slots. Two existing subsea wells will also be reused.

The wellstream will be routed to the Oseberg Field Centre via a new pipeline, and the wells will be remote-controlled from the Field Centre. The field development will produce 110m boe. Production start-up is scheduled for Q2 2018.

Pandion bags Norway assets

Pandion Energy has received approval for the acquisition of Tullow Oil Norge's asset portfolio, including a 20% stake in **Production Licence 636** (PL 636) containing the **Cara** oil and gas discovery offshore Norway.

Pandion has also been pre-qualified as licensee on the Norwegian Continental Shelf (NCS).

"Cara is an attractive discovery located just 6km northeast of the existing **Gjøa** infrastructure in the Norwegian North Sea," Pandion said.

The partners in PL 636 are now: operator Engie (30%), Idemitsu Petroleum (30%), Wellesley Petroleum (20%) and Pandion (20%).

"The pre-qualification of Pandion Energy and completion of the transaction with Tullow Oil Norge is an important milestone. Since founding the company in November last year, we have built up a pipeline of investment opportunities spanning from exploration assets to development projects. With all required approvals in place, we are now ready to capture these opportunities through acquisitions, farm-ins and licensing rounds," said Jan Christian Ellefsen, CEO of Pandion.

Pandion is a private oil and gas company focusing on exploration, appraisal and development opportunities in the NCS. Pandion is backed by Kerogen Capital, an international private equity fund manager.

Lundin sells Brynhild stake

Lundin Norway has agreed to sell a 39% stake in the **Brynhild** oil field in **Production Licence 148** (PL 148) in the Norwegian North Sea to CapeOmega for US \$91.8m (NOK 774m).

Lundin will retain operatorship and a 51% stake in the Brynhild field, which is a subsea tieback to the Shell-operated **Pierce** field on the UK Continental Shelf.

Under the deal, existing partner CapeOmega will increase its interest in the Brynhild field from 10% to 49%.

The deal includes historic tax and uplift balances. The effective date of the transaction is 1 January 2017.

The deal is subject to Norwegian government and Lundin lender approvals.

Delek reshuffles Tamar equity

Israel's Delek Drilling has established a company that will take over a 9.25% stake in the **Tamar** gas field offshore Israel.

Delek has to sell its 31.25% stake in Tamar by 2021 under government plans to open the market to competition, Reuters reported. Delek has not yet revealed its plans to offload the rest of its remaining equity in Tamar.

Delek set up Tamar Petroleum, which will buy the 9.25% stake in the Tamar field through a US \$650m bond offering that is planned for July, followed by an

Initial Public Offer (IPO).

"After examining several alternatives and in view of the interest of foreign and Israeli investors, we decided to establish a corporation which will allow investors optimal direct exposure to the Tamar reservoir," Delek's chief executive Yossi Abu told Reuters.

Texas-based Noble Energy sold off a 3% stake of Tamar last year in a deal valuing the field at \$12.3 Bn. Using this as a basis, Tamar Petroleum could raise more than \$500m via the IPO.

In Brief...

Greece approves block double

Greece's Energy Ministry has approved two applications for offshore blocks: one to an alliance between Total, ExxonMobil and Hellenic Petroleum, and another to Energean Oil & Gas.

France's Total, USA's ExxonMobil and Greece's Hellenic jointly applied for a block to the south and west of Crete. Greek player Energean submitted a proposal for an area in the Ionian Sea, offshore western Greece.

Decommissioning

UK decom plan tabled

Fairfield Energy has submitted a draft decommissioning plan for the **Dunlin**, **Merlin** and **Osprey** field subsea installations and pipelines in the UK North Sea to the UK government.

The **Greater Dunlin Area** is located in UK **Blocks 211/23a** and **211/24**, which lie around 500km north-northeast of Aberdeen in the East Shetland Basin and just 11km from the Norwegian boundary line.

Fairfield submitted draft plans for the decommissioning of the Dunlin Fuel Gas Import and Dunlin Power Import and Osprey and Merlin subsea satellite fields and associated infrastructure.

According to the draft, subsea installations will be removed and recovered to shore for recycling/disposal. This project is part of the overall Greater Dunlin Area decommissioning plan.

The Dunlin field was discovered by Shell 195km northeast of Lerwick, Shetland in July 1973. The **Dunlin Alpha** platform was installed in 1977, comprising a concrete gravity base structure, supporting a steel topsides deck and production facilities. The infrastructure includes the Dunlin, **Dunlin South West**, Osprey and Merlin fields.

Production from the Dunlin A platform started in 1978 and subsea tiebacks to Osprey and Merlin were installed in 1991 and 1997, respectively.

Oil production was exported from Dunlin Alpha via pipeline to the **Cormorant A** platform, and from there by pipeline to the Sullom Voe oil terminal in the Shetland Islands. During its lifetime, more than 522m bbl of oil have been produced from the Greater Dunlin Area.

The Osprey field facilities comprise two subsea drilling templates and a subsea manifold located some 7km north of Dunlin A. The Merlin field facilities comprise three subsea production wells and a water injection well, located 7km west of Dunlin A.

A 4-inch Dunlin Fuel Gas Import pipeline was installed in 2012, allowing natural gas to be imported from EnQuest's **Thistle Alpha** platform for use as fuel gas for the Dunlin Alpha Water Injection primary movers.

In addition, a 5-inch Dunlin Power Import cable runs subsea from the Shell-operated **Brent Charlie** platform to the Dunlin Alpha platform and was used as a contingency source of power for the Dunlin Alpha platform.

Norway May output data

Preliminary production figures for Norway in May 2017 show an average production rate of 1.98m b/d of oil, NGL and condensate, which is a decrease of 128,000 b/d compared to April, said the Norwegian Petroleum Directorate (NPD).

Total gas sales were 9.3 Bcm (328.29 Bcf), which is a decrease of 1.2 Bcm (42.36 Bcf) from the previous month.

"The decline in gas sales is as expected, caused by natural fluctuations in the market," said the NPD's assistant director Kirsti Veggeland.

Average liquids production in May was: 1.612m b/d of oil, 349,000 b/d of NGL and 18,000 b/d of condensate. Oil production is around 2.8% higher than oil production in May 2016 and is around 1.9% higher than the NPD's prognosis for May

2017. Oil production is also around 1.9% higher than the prognosis so far this year.

Total petroleum production for the first five months in 2017 is around 101.9 MMcmoe (3.60 Bcfoe), broken down as follows: around 39.9 MMcmoe (1.41 Bcfoe) of oil, 9.7 MMcmoe (342.41 MMcfoe) of NGL and condensate and 52.3 MMcmoe (1.85 Bcfoe) of gas for sale. The total volume is 200 Mcmoe (7.06 MMcfoe) higher than in 2016.

Final production figures from April 2017 show an average production of around 1.704m b/d of oil, 404,00 b/d of NGL and condensate and a total of 10.5 Bcm (370.65 Bcf) of saleable gas production.

Calendar 2017

OCTOBER

9-13

Global Industrial Cyber Security Professional (GICSP) training

London, UK or
Amsterdam, Netherlands
Email: info@imfacademy.com
Tel: +31 (0)40 246 02 20
www.imfacademy.com

10-12

Operational Excellence & Risk Management Summit (Europe)

London, UK
<http://opexandriskmanagement.europe.iqpc.com>

NOVEMBER

6-8

Operational Excellence in Oil & Gas Summit

Houston, Texas, USA
www.opexinoilandgas.com

7-9

Energy Trading Operations & Technology Summit – ETOT

London, UK
Contact:
DimitraT@irn-international.com
Tel: +44 207 111 1615
www.etotsummit.com/

29-30

Tank Storage Germany

Hamburg, Germany
www.stocexpo.com

2018

FEBRUARY

6-8

Operational Excellence & Risk Management Summit

Houston, Texas, USA
<http://opexandriskmanagement.iqpc.com>

MARCH

14-16

Asia Pacific Maritime (APM)

Singapore
Contact: apm@reedexpo.com.sg
Tel: +65 6780 4586
www.apmaritime.com

Vessels

DOF wins double deal

DOF Subsea has been awarded a contract in the Mediterranean Sea with Trans-mediterranean Pipeline Company Limited (TMPC) to undertake the pipeline inspection on TMPC's pipeline system in the third quarter of 2017.

The scope involves inspection of five subsea pipelines between Sicily and Tunisia. DOF Subsea will deploy the survey vessel

Geosund to complete the inspection work scope and pipeline intervention. DOF Subsea successfully completed a similar scope for TMPC in 2014.

DOF Subsea has also been awarded a subsea oil field support project offshore Newfoundland "for a Canadian operator". The *Skandi Neptune* vessel will be used on the project.

Statoil's \$367m vessel deals

...continued from page 1 "We will still need the spot market after these awards, but the need will vary from day to day," Mathieu added.

Frida Eklöf Monstad is head of Statoil's marine unit in the company's logistics activities, and has with her colleagues, worked extensively with ship owners to reduce fuel consumption and emissions.

"Since 2011 we have reduced CO2 emissions from our vessel portfolio on the Norwegian Continental Shelf (NCS) by close to 30%, and together with the ship owners we

want to further reduce our climate footprint. Vessels that can demonstrate low fuel consumption have therefore been successful in this award. Based on our experience battery operation has a good impact on consumption and emissions, and we are pleased that all vessels awarded long-term contracts with us today will be equipped for battery power and shore power," said Monstad.

None of the vessels awarded contracts currently has a system for battery-operation or shore power. This equipment will however be installed.

Rigs

Island wins Norway Wisting work

Island Drilling Company has landed a drilling contract from OMV Norge for one well on the Barents Sea **Wisting** prospect in Production Licence 537 (PL 537) using the *Island Innovator* rig.

Start-up is scheduled for Q3 2017. The

Island Innovator is currently in warm lay-up at Hanøytangen, Bergen.

"In the period from contract date until commencement date, project activities and training of crew on board the rig will be carried out," Island said.

Maersk Resolve's North Sea work

Maersk Drilling has scooped a contract for its *Maersk Resolve* jack-up rig to drill one well for Wintershall Noordzee over around 86 days, plus options, in the UK North Sea.

The rig will drill and possibly test the **Winchelsea II** well offshore the UK, with work due to begin before the end of June.

Maersk Drilling's vice president Michael Reimer Mortensen said: "With the new

contract secured for *Maersk Resolve*, we are strengthening our presence in the North Sea even further. This is a key market for us. *Maersk Resolve* will be the fourth rig that Maersk Drilling brings back into operation following a period of warm-stacking, and it is gratifying to see that we are able to safely and efficiently execute the start-up phases."

SolstadFarstad emerges

Solstad Offshore, Farstad Shipping and Deep Sea Supply have merged into one entity called SolstadFarstad.

“Through the merger, the company becomes world leading in the high-end market for Offshore Service Vessels (OSVs),” Solstad said.

“We are operating in a tough market. As a merged company, we are better equipped to meet the challenges and the possibilities that will arise. With the merger, we may benefit from synergies through operation of a larger fleet, our collective competence and experience, and hence ensure profitable operations in the future,” said Lars Peder Solstad, CEO of SolstadFarstad.

SolstadFarstad owns a fleet of around 150 vessels and has offices in Norway, Australia, Brazil, Singapore, the Philippines,

Scotland, Cyprus and Ukraine.

“We are now entering a phase of implementation of management and systems, mapping and establishment of a new organisation, as well as starting the process of streamlining the operations in accordance with the new operational model. The new organisation model, will be set in September,” said Solstad.

The headquarters of SolstadFarstad is in Skudeneshavn, Norway, and the plan is to maintain operations from offices in Ålesund, Fosnavåg and Grimstad.

“Internationally, we will maintain presence in the countries we already are established, by having one office in each country,” added Solstad.

John Crane wins UK work

John Crane Asset Management Solutions has won a three-year US \$3.8m (£3m) contract to provide condition based maintenance services “with a major operator” in the UK North Sea.

The workload covers rotating equipment across 12 assets and infrastructure sites and includes deployment of a specialist engineer to the operator’s UK offices to support reliability improvement.

“The agreement, which follows a competitive re-tender, extends the contract which John Crane Asset Management Solutions has held for the past eight years,” the company said.

The latest contract is for an initial three years plus two one-year options.

The contract involves John Crane Asset Management Solutions engineers mentoring their onshore and offshore compatriots with the client. This will include data collection training to minimise costs associated with sending specialists offshore.

In October 2015, John Crane acquired XPD8 Solutions, an Aberdeen-based independent asset management business. All employees from both firms who were based in Aberdeen have now transferred to one site.

Claxton seals SNS contract

Claxton, a unit of Acteon, has won a contract from an unnamed client for rigless casing cutting and recovery of seven wells in the UK Southern North Sea.

Claxton said that deal covers work on unmanned platforms and an additional subsea suspended well.

Work is scheduled to start in July at the first location, which is located around 180km off the Yorkshire coast, with work on the second platform, in the Dowsing Fault Zone of the Sothern North Sea, starting soon afterward. The combined project length is expected to be around 100 days.

The first NUI scope of work includes the removal of xmas trees in preparation for the removal of the production tubing, wellhead preparation in readiness to also undertake the sub-mudline multi-conductor/casing cutting and recovery, and severance and conductor recovery of the suspended subsea well.

Due to limited deck space, work will be conducted as a combined operation using a jack-up lift barge (Julb) and without the use of a drilling rig.

Laura Claxton, managing director of Claxton, said: “We will be using a 150-tonne hydraulic proving jack package, Claxton Double Drilling Units for drilling and pinning and rapid cut bandsaws for cutting the combined multi strings.”

The scope of work on the second platform includes xmas tree and tubing removal, the supply of blowout preventer equipment, and the use of coiled tubing for cement squeezing operations.

Tubing and conductor severance and recovery will be performed using Claxton’s own SABRE abrasive cutting system – 3m (10ft) below the seabed.

She added: “We have also provided an engineered and aligned solution to reduce the number of slewing operations required by the Julb crane with a revision to our existing tubing lay-down frame by incorporating a travelling bogie system. The frame and bogie eliminates the need for the crane to slew from the well centre while still allowing tubing to be laid out on deck. This saves valuable time on a project.”

Stena IceMAX en route to Ireland **Drilling**

Providence Resources reports that the *Stena IceMAX* drillship has started its journey from Las Palmas to Frontier Exploration Licence 2/14 (FEL 2/14) in the southern Porcupine Basin offshore Ireland. FEL 2/14 is operated by Providence (56%) on behalf of its partners Capricorn Ireland, a wholly owned subsidiary of Cairn Energy, (30%) and Sosina Exploration (14%).

The licence contains the Palaeocene Druid, Lower Cretaceous Drombeg and pre-Cretaceous Diablo prospects.

The partners have contracted the *Stena IceMAX* deepwater drillship to drill the 53/6-A (Druid & Drombeg) exploration well in FEL 2/14. The drillship is scheduled to arrive at the planned well location on 3 July.

AGR software helps Aker BP **Technology**

AGR’s software portfolio is now being used by Aker BP’s Drilling & Well department for activity on the Norwegian Continental Shelf (NCS).

“Aker BP has been a long standing client of AGR’s software solutions, having used both P1 and iQ^x on its projects for a number of years. The E&P company has recently made a number of acquisitions to strengthen its position on the NCS and now operates the Valhall, Ula, Ivar Aasen, Alvheim and Skarv fields,” AGR said.

“AGR’s software solutions are focused on creating cost and well operational efficiencies through digital transformation.”

The P1 software improves the accuracy of time and cost modelling throughout the project management process, from project selection, conceptual design right through to execution. It is used to generate well time estimates and to build operational models.

The iQ^x software is designed to optimise well performance and drilling management.

UK eyes offshore tight gas

The UK Oil and Gas Authority (OGA) has unveiled a new strategy to maximise the economic recovery of tight gas from the UK Southern North Sea (SNS).

“The OGA conservatively estimates there are some 107.65 Bcm (3.8 Tcf) of remaining gas accessible in the SNS, including infill opportunities, undeveloped discoveries and prospects,” the OGA said.

“However, tight gas reservoirs have often been disregarded as high cost and high risk, with licence holders tending to focus instead on less complex developments with lower costs and higher recovery factors.”

The OGA’s ‘Southern North Sea Tight Gas Strategy’ aims to “help stimulate greater use of technology and collaboration to overcome these barriers and unlock this significant remaining potential in the SNS.”

Eric Marston, OGA’s area manager for the SNS and East Irish Sea, said: “Maximising recovery of tight gas represents a real opportunity to extend the life of the SNS’s existing infrastructure, including the development of marginal fields and potentially the redevelopment of existing fields.

“In addition, we can expect an upturn in activity to benefit the supply chain by building their capability and expertise in tight gas,” Marston added.

“There’s a lot of energy in the southern sector right now with operators collaborating on some great projects to bring new developments to market. We’ve also been working closely with industry via the East of England Energy Group’s SNS Rejuvenation Special Interest Group, which in turn has been actively supporting the tight gas agenda,” he noted.

Total launches Plant 4.0

France’s Total has launched its second Plant 4.0 start-up incubator, which is “the very first multi-corporate Plant 4.0 start-up incubator in the world.”

Total is joined this year by Air Liquide, AREVA, Eiffage, Solvay and VINCI Energies. The partners’ common goal is to accelerate the deployment of digital technology in industry.

“Buoyed by the success of the Plant 4.0 start-up incubator launched by Total in 2016, the group decided to repeat the experience, this time opening up the project to include other industry partners, on the narrower theme of innovative solutions offered by the industrial Internet of Things (IoT),” Total added.

“This open innovation approach aims to identify the start-ups that offer practical, relatively mature industrial solutions to meet specialised operational requirements. The fledgling companies can test their technology, product or service directly with their potential customers and are put in contact with the incubator’s manufacturing partners and their start-up ecosys-

tems. Total and the other partners will also share their expertise with the successful candidates.

“With the spread of sensors and new developments in data collection and management, innovative solutions can improve the efficiency and boost the performance of plants and different industries,” Total noted.

This call for projects focuses on connected objects in industry in four areas: Acoustic detection of leaks or anomalies; Corrosion monitoring; Non-invasive flow measurement, and; Manual valve position displays.

“Total works in an open innovation process with start-ups and manufacturing partners because we all face the same challenges. Building digital solutions together speeds up their deployment in our plants and industrial facilities,” said Gilles Cochevelou, chief digital officer at Total. “Digital tech improves safety and efficiency, while reducing costs. It offers a world of opportunities and could increase competitiveness in industry and for start-ups.”



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