

# E&P Daily

EXCLUSIVE NEWS SERVICE FOR THE GLOBAL OIL AND GAS INDUSTRY

## Double Indian platform tender...

India's state-owned ONGC has floated a tender inviting bids from experienced companies under a two-bid system on a turnkey basis for work on the topside facilities for the BF and BG platforms, submarine pipelines and modification on the existing platforms at Mumbai High offshore west India.

In the tender, the company invites bids for survey, design, engineering, procurement, fabrication, anti corrosion and weight coating (in the case of rigid pipelines), cathodic protection load-out, tie-down, transportation, installation, laying, hook-up, testing, pre-commissioning, start-up and commissioning of two six-slot well platforms (BF and BG), submarine pipelines and power cable and modification on the existing platforms.

The deadline for bids is 9 August. The initial date set for a contract award is 24 September. ONGC expects the selected company to complete the works by the end of March 2006.

## ...and ONGC's deepwater find

ONGC has reportedly hit pay dirt from its deepwater drilling campaign offshore India's east coast.

According to company sources, ONGC has encountered indications of gas accumulations in its G-1 exploration block where the *Discoverer Seven Seas*, contracted from TransOcean, has been drilling the KDAE well since 27 February.

The block is 60km off Vishakapatnam in the Krishna-Godavari (KG) Basin. The acreage is close to the Reliance D-6 block, which is estimated to have gas reserves of 14.5 Tcf.

ONGC had stepped up operations in the KG Basin, which it said was in for some 'exciting' prospects. As part of the 'Sagar Samriddhi' campaign, it has contracted three rigs to drill in different prospective regions.

## KCA \$11m Libya deal

KCA DEUTAG has been awarded a US \$11.2m rig contract in Libya.

The deal is for an additional one-year contract, plus a further one year extension, for rig T-72. Wintershall awarded the contract extension after the completion of the initial one-year contract.

The rig will continue to drill wells in the Nakhla and Hamid fields during the one-year extension. Last year it drilled four wells there.

Rig T-72 is a 2000 HP rig with 1600 HP pumps complete with an independent 100 man camp.

## US \$32.8 Bn floater spend

Africa and deepwater will lead a massive US \$32.8 Bn spend on a total of 138 floating production systems over the next five years.

This is a 67% growth on the previous five-year period according to Infield Systems in a new Global Perspectives Floating Production Market Update report.

Annual expenditure is expected to exceed \$7 Bn with 139 FPSOs and FPSs being considered for 2004 onwards.

Infield believes that 65% of forecast projects for the period to 2008 will be converted or upgraded vessels.

The forecast is of strong growth in the market with worldwide annual expenditure in the sector growing from \$5.9 Bn in 2004 to \$7.2 Bn in 2007.

Globally the key areas will be Africa (\$11.5 Bn), Latin America (\$5.5 Bn), North America (\$5.8 Bn), Asia (\$4 Bn) and Europe (\$3.7 Bn).

The fastest forecast growth compared with the previous five-year period is in ultra-deepwater, more than 4,921ft (1,500m), where expenditure is forecast to triple (312%). Deepwater activity between 1,640-4,921ft (500-1,500m) will account for more than half the FPS expenditure but spend in shallow water will still be important and represents 34% of global FPS expenditure in the period 2004 to 2008.

## Stolt doubles on Ormen Lange

Stolt Offshore has won a US \$35m pipelay contract for the Ormen Lange gas field offshore Norway.

Stolt will lay two 125km 6-inch diameter pipelines from the gas processing plant under development at Nyhamna on the west coast of Norway, to the Ormen Lange field in a water depth of 2,788-3,609ft (850-1100m), together with a 3.6km 6-inch diameter pipeline between two production manifolds in the Ormen Lange field.

### BRENT/WTI LATEST PRICE

#### Prices steady on US gasoline

Futures were steady as the US Energy Department is expected to say that gasoline stocks rose last week, which may bring inventories close to last year's levels and ease shortage concerns. The prices at 10.30 GMT, compared to the previous London close, were as follows:

**WTI** Jul \$41.16 a bbl +02c

**Brent** Jul \$37.48 a bbl +04c



MORE FOLLOWS...

## **ChevTex \$800m Canada sale**

ChevronTexaco has sold 13 producing fields in western Canada to Acclaim Energy Trust and Enerplus Resources Fund for US \$800m.

The transaction includes oil and gas producing properties in the Northwest Territories, British Columbia, Alberta and Manitoba.

"We're rationalising our upstream portfolio to strengthen our competitive position by selling non-strategic assets and retaining those fields that represent long-term value for ChevronTexaco," said vice chairman Peter Robertson. "Our strategy in North America is to streamline the portfolio to include approximately 400 core fields that account for the vast majority of current production and cash flows."

## **CNR books Akop for Banff**

Aker Kværner Offshore Partner (Akop) has landed a major role in the redevelopment of Canadian Natural Resources' (CNR) North Sea Banff and Kyle oil and gas fields.

The company's Subsea Solutions Group has secured a contract for in excess of US \$9m from CNR to provide engineering, procurement and project management for the Banff area development project. The agreement consists of two separate scopes of work, in the Banff and Kyle offshore fields.

To enhance production in Banff, Akop will provide a manifold structure and facilities as part of a plan to convert the field's shut-in water injection wells to gas-lifted production and to convert one of Banff's existing production wells to gas injection.

In the Kyle field Akop will provide facilities associated with re-routing production from one of the wells to CNR's *Ramform Banff* FPSO.

## **Vikings seek Caspian Sea saga**

Norway's Prime Minister Kjell Magne Bondevik has highlighted his country's interest in oil developments in Kazakhstan's sector of the Caspian Sea during a visit to the Central Asian nation.

"We have firm intention to expand contacts between our countries, and Kazakhstan's economy gives fine opportunities for this – especially in the oil and gas sector," Bondevik told media after talks with Kazakh President Nursultan Nazarbayev in Astana.

Nazarbayev said Norway's oil industry experience was "very important" for Kazakhstan.

## **Brazil P-51 confirmed**

The consortium of FELS Setal and Technip confirmed it has received the Notice of Award from Petrobras to build the US \$639m *P-51* semisubmersible production platform.

The platform will be used on the Marlim Sul oil field and FELS Setal and Technip's share in the project is 75/25 respectively. It will weigh 41,000 tonnes and be able to produce 180,000 b/d of oil and 6 MMcf/d of gas. It will be installed in 4,117ft (1,255m) of water.

FELS Setal's work will be divided into three portions. Detailed engineering and construction of the corner nodes of the lower hull will be carried out by Keppel FELS in Singapore. A part of the lower hull will be subcontracted to the NUCLEP yard. FELS Setal will fabricate the rest of the lower hull, deckbox, topside, accommodation and modules and will also handle the commissioning and pre-operations start-up.

Technip will be responsible for the overall engineering and detailed engineering of the deckbox and offshore mating and transportation.

## **Newfield bags Malay double**

US independent Newfield Exploration has been awarded two blocks offshore Malaysia.

State-owned Petronas said that under production sharing contracts (PSCs) Newfield will have a 60% stake in the deepwater Block 2C offshore Sarawak, Malaysian territory on the island of Borneo, and a 50% stake in Block PM318 off Peninsular Malaysia.

Block PM318 covers around 1,600sq km and lies in the established oil and gas producing Malay Basin. Block 2C covers 4,000sq km and is relatively unexplored, said Newfield.

Newfield and Petronas will drill four exploration wells in Block PM 318 and at least 2 wells in Block 2C during 2005. The minimum commitment for the two blocks is US \$40m.

## **Siri delight for DONG**

The *Ensco 71* jackup has been moved to the Central Graben area offshore Denmark to drill the Fasan-1 exploration well in Licence 13/98 after successfully completing the Siri appraisal well.

The appraisal well SCB-1X was drilled as a deviated well in order to appraise the area between the Stine Segment 1 and Stine Segment 2 oil deposits east of Siri Central.

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