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World Trends and Technology for Offshore Oil and Gas Operations

Saudis shifting resources to bolster offshore E&P

Bahrain yard aims to capitalize on Gulf

Well planning, rigless technology keys to cutting subsea P&A costs

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Delmar Systems topples BP's decommissioned South Marsh Island block 205 platform B in 523 ft (159 m) of water using the M/V *Edison Chouest*. Toppling the 1,700-ton (1,542-metric-ton) platform section was completed in 14 hours using a single anchor-handling vessel (AHV). Delmar says its service allows for schedule flexibility and significant cost savings as it uses an already contracted or spot-hired AHV to pull over platforms with existing equipment and techniques. In related news, Secretary of the Interior Ken Salazar awarded a \$1,397,050 grant to the state of Texas General Land Office for a project to seal in abandoned oil and natural gas wells in Gulf of Mexico state waters. Officials say the funding through the Coastal Impact Assistance Program will plug abandoned wells in bays and offshore waters to eliminate potential pollution threats to natural resources on the Texas Gulf Coast.

Anadarko continues string of deepwater success

Anadarko continues its drilling success in the Gulf of Mexico deepwater with the Vito discovery on Mississippi Canyon block 984 in 4,038 ft (1,231 m) of water. This is its sixth deepwater discovery in the GoM so far this year. The well, drilled by *Noble Amos Runner* to 32,000 ft (9,754 m) TD, encountered more than 250 ft (76 m) of net oil pay in subsalt Miocene sands. Anadarko and partners are evaluating data from the discovery well and the timing of an appraisal.

The company plans to drill two additional prospects targeting similar subsalt Miocene objectives along this trend at Silverado and Haleakala in Mississippi Canyon in 2010.

Following Vito, the company plans to move the rig to the Caesar/Tonga development in the Green Canyon area where two development wells are scheduled to spud in the third quarter of this year. Modifications to the host platform *Constitution* continue, with first oil expected in early 2011.

Meanwhile, Anadarko continues seeking additional production to push *Independence Hub's* throughput to its designed capacity of 1 bcf/d of natural gas. The hub averaged about 890 MMcf/d in the second quarter. The plan is to workover some of the satellite wells, drill sidetracks, and tieback the Callisto discovery in Mississippi Canyon block 876. Anadarko recently gained operatorship of Callisto, which was drilled in 2001.

McMoRan moves to define Wilcox Trend on the shelf

McMoRan is seeking to establish the Lower Tertiary Wilcox (Eocene) Trend in shallow water with its latest ultra deep spud on Davy Jones. The company believes that the sands deposited on a number of its ultra deep prospects, including Davy Jones and Blackbeard, exhibit similar characteristics to the deepwater trend that has been defined so far by 12 discoveries estimated to hold at least 3 Bboe combined.

"Simply put, if we can create the Wilcox Trend in the deepwater in 4,000 to 10,000 ft (1,219 to 3,048 m), the drilling and completion process in 10 to 20 ft (3 to 6 m) of water will be just 5% of what it is out there, McMoRan Co-Chairman James Moffett said in a conference call with investors. "The structures we're seeing in shallow water are brothers and sisters to this deepwater feature."

McMoRan is re-entering a previously abandoned wellbore on South Marsh Island block 230 (Davy Jones), which was drilled to 19,957 ft (6,083 m) deep. Plans are to deepen the well below the salt weld to a proposed 28,000 ft (8,534 m) TD.

"We'll gain additional information from Davy Jones, which will give us more data to evaluate our next steps at Blackbeard West, and there are a number of other potential ultra deep prospects," McMoRan Co-Chairman Richard Adkerson told investors.

Blackbeard West, in South Timbalier block 168 in 70 ft (21 m) of water, was drilled to 32,997 ft (10,057 m) TD in October 2008. It currently is held under a suspension of operations.

"The more we study our seismic data, we find the Blackbeard Complex in what we call Lafitte, which is sort of an intermediate to Blackbeard, but then it extends to the Flatrock area where we have the Davy Jones and North Davy Jones prospects," Moffett said. "The wells to the north (of Blackbeard) are not only in shallower water, 10 to 20 ft to complete, but as we go up the GoM shelf, everything we see at Blackbeard from 25,000 to 35,000 ft (7,620 to 10,668 m) deep we can see from 20,000 to 30,000 ft (6,096 to 9,144 m) deep closer to shore."

Rocksource seeks cash from the Gulf

Norway-based Rocksource seeks to build its cash position through its recent acquisition of an equity interest in eight GoM leases. Subsidiary Rocksource Gulf of Mexico Corp. (RGOM) gains 10-30% working interest in the leases from Houston-based Focus Exploration LLC in exchange for an entry cost of \$2 million.

"These opportunities will add a tranche of prospectivity and short-term drilling opportunities to the Rocksource portfolio. Several prospects are near-field tieback opportunities which could also be short- to medium-term production opportunities," says Trygve Pedersen, CEO of Rocksource ASA.

The leases acquired include prospects where controlled source electromagnetic (CSEM) data already have been acquired and where several prospects appear to have positive anomalies associated with them, Rocksource says. The company adds approximately 30 MMboe of net risked resources to its exploration portfolio.

"The Rocksource expertise with electromagnetic data processing and interpretation will significantly enhance our risk reduction capabilities in the medium to deepwater GoM," add Focus CEO Don Crider and President Mike Scherrer.

Rocksource expects to participate in its first GoM well in this year, with a possible follow up in 2010. ●