

Satellites for White Rose field

THE Canadian province of Newfoundland & Labrador has finalised a deal with Husky Energy and its partners to develop a number of satellites to the Calgary-based company's White Rose oilfield at a cost of C\$3.5 billion (US\$3.46 billion), writes *Iain Esau*.

This deal formalises an in-principle agreement reached three months ago that gives the province an equity stake in and other benefits from the North Amethyst, West White Rose and South White Rose Extension satellites.

The terms of Husky's original White Rose development remain unchanged.

"Our equity stake, (a) super royalty of 6.5% on top of the 30% in the generic royalty regime, and the fact that all work that can be done in the province will be done here, ensure we are getting maximum value from this resource," said Kathy Dunderdale, the province's Minister of Natural Resources.

Husky has a 68.875% stake in the satellite projects and is partnered by Petro-Canada on 26.125% and the province's energy corporation, Newfoundland & Labrador Hydro, with 5%.

Newfoundland & Labrador Premier Danny Williams said: "These two companies have consistently demonstrated their faith in the future of the oil and gas industry in Newfoundland & Labrador, and we thank them for their commitment to working with the province in moving the industry forward."

Husky has already received regulatory approval for the South White Rose Extension, is in the regulatory review process for North Amethyst and is evaluating the results of a delineation well at West White Rose.

The 25 million barrel South White Rose Extension project is due on stream in late 2009.

North Amethyst, thought to hold about 70 million barrels of oil, is due to flow in 2010, while the 120 million barrel West White Rose tie-back could be on stream in 2011.

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White Rose

We would like to wish all our business relations Happy Holidays.

Instead of sending out season's greetings, we will be donating a gift to the children's ward at the Norwegian hospital Rikshospitalet.

Det norske oljeselskap
NOIL Energy ASA

ConocoPhillips shuts in Kuparuk after pipe leak

CONOCOPHILLIPS has shut in a portion of its Kuparuk development on Alaska's North Slope after discovery of a pipeline leak that spilled about 4300 gallons of an oil-water mix onto the ground.

Field personnel discovered the leak the morning of 16 December while attempting to isolate a whistling noise heard along the

24-inch pipeline, according to local media reports.

The workers discovered a six-inch rupture in the line that carries a combination of oil, water and natural gas between two production pads in the field.

A ConocoPhillips spokesperson said a full investigation into the cause of the pipe failure is

under way, adding that initial examination has pointed to a case of isolated pipe corrosion as the culprit.

The Alaska Department of Environmental Conservation said the spill affected about 1200 square feet of tundra, which was covered by only a thin layer of snow.

A new ice road is being built to

improve access to the site, and a berm is being constructed around the affected area.

ConocoPhillips hopes to have production restored at Kuparuk in a week.

The field is the second largest in Alaska and averaged about 150,000 barrels per day of production during November.



Studies: Houston Offshore Engineering manager of naval architecture Jun Zou at the Offshore Technology Research Center wave basin at Texas A&M University in College Station

Photo: ANTHONY GUEGEL

Big Foot in sights for FloaTec ETLP

DEEP-water production contractor FloaTec is aiming for Chevron's Big Foot field as model tests of its proposed extended tension-leg platform indicate it will be able to withstand a 1000-year hurricane in the central Gulf of Mexico.

FloaTec hopes the successful wave basin tests of its modified ETLP will push the floating hull into Chevron's view as the super-major considers development of its deep-water Big Foot find.

Contractor targeting Chevron field for extended tension-leg platform

ANTHONY GUEGEL
College Station, Texas

Ongoing tests at the Offshore Technology Research Center wave basin facility on the Texas A&M University campus in College Station indicated an ETLP moored in 5000 feet of water can survive a 1000-year hurricane.

FloaTec showcased its test results last week which among other things affirmed its internal predictions for withstanding extreme winds, waves and current.

A 1:92 scale model version of the FloaTec ETLP was tested against waves resembling 65-foot seas with a proportional 114.5-foot maximum wave height.

The results indicated that there was room to spare — a minimum of eight feet — between the top of the waves and beneath the deck with no green water splashing the topsides.

Jun Zou, manager of naval architecture with Houston Offshore Engineering, which has

been lending its support to FloaTec, said there was "a lot of splash" from the crashing waves but otherwise no green water above the deck, an indication of "adequate air gap".

FloaTec had added more than 30 feet of air gap to its ETLP design in order to comply with new requirements from the US Minerals Management Service (MMS).

The tightened standards issued by MMS and the American Petroleum Institute for both rigs and platforms stem from lessons learned in 2005 when Hurricanes Katrina and Rita stormed across the Gulf.

As a result some contractors including FloaTec have had to tweak their design configuration to meet the new performance criteria, including increasing the air gap.

FloaTec has been reviewing all of its platform concepts including spars and semi-submersible designs in light of pre-and-post-Katrina storm conditions, said

FloaTec technology director John Murray.

Wind tunnel tests were also conducted with a 1:216 scale model against maximum 117-knot winds.

Both tests measured hull motions in response, as well as tendon and riser movements in the face of winds and waves.

According to FloaTec the data results came in close agreement to pre-test calculations.

FloaTec hopes the success of these tests will win over Chevron to name it as the prime contractor for development of the Big Foot oil discovery.

This past summer Chevron tapped FloaTec to undertake a conceptual study of potential development options for Big Foot, which is located in Walker Ridge Block 29.

The 5000-foot water depth would be inside the upper limit of the range of the ETLP.

However, any development decision hinges on the results of the latest well drilling on Big Foot.

According to the latest deep-water drilling report compiled by the MMS, the deep-water semi-submersible rig Ensco 7500 is still on location.