

Pioneer Drilling increases working rig count to 60



Pioneer Drilling's recently delivered Rig 62, the 9th of its 16-rig newbuild program, pushed the company's working fleet count to 60. The rig is already working under a 2-year contract in its South Texas division.

PIONEER DRILLING COMPANY reported that the 9th rig of its 16-rig newbuild program has commenced work under a 2-year contract in its South Texas division. The rig is a 1,000-hp trailer-mounted electric rig designed to be quick-to-move and rig-up, contains modern mud-cleaning equipment and has two 1,000-hp triplex mud pumps. The rig increases Pioneer's total working fleet to 60 rigs.

Pioneer also announced that it has ordered 70 Iron Roughnecks and power slips to be delivered over a 24-month period beginning in January 2007, at a cost of approximately \$18.3 million, plus installation costs of about \$3 million. The company expects the Iron Roughnecks to provide a faster, safer and more efficient method to spin up and spin out of drill pipe, as well as reduce accidents associated with the use of spinning chains and rotary tongs. Six Iron Roughnecks should be delivered by 31 March 2007, 48 units in fiscal 2008 and 16 in fiscal 2009. ♠

BG, Petrobras announce discovery of oil field in Santos Basin offshore Brazil

BG GROUP HAS announced the discovery of an oil field in the Santos Basin offshore Brazil. The discovery, known as Tupi, lies in Block BM-S-11, where BG Group holds a 25% interest in the discovery along with operator **Petrobras** (65%) and **Petrogal** (10%).

The Tupi well flowed 4,900 bbls/day of sweet API crude oil and 4.3 mmscf/day of gas from a deep pre-salt reservoir on a $\frac{5}{8}$ -in. choke. Tupi is a large structure with significant reserves potential requiring further appraisal drilling and evaluation. The discovery has led to BG and Petrobras agreeing to an acceleration of their exploration and appraisal program.

This follows another discovery from earlier this year with the Parati well, about 70 km away in Block BM-S-10. Block BM-S-11 is 250 km off the southern coast of Rio de Janeiro. The Tupi well is located in 2,126 m of water.

BG Group has interests in 6 more blocks in the Santos Basin — BM-S-9, 10, 13, 47, 50 and 52 — covering a total area of 8,130 sq km. ♠

ENSCO to build new ultra-deepwater semi

ENSCO ANNOUNCED THAT a subsidiary has entered into an agreement with the **Keppel FELS Shipyard** in Singapore to construct an ultra-deepwater semisubmersible rig to be named ENSCO 8502. The total project cost is estimated to be \$385 million, with expected delivery late in the 4th quarter of 2009. ENSCO 8502 will be the company's fourth semi, joining ENSCO 7500, delivered in 2000, and ENSCO 8500 and ENSCO 8501, which are under construction at Keppel FELS. Those 2 are expected to be delivered in the 2nd quarter of 2008 and first quarter of 2009, and both are already committed to long-term drilling contracts.

ENSCO 8502 will be capable of drilling in up to 8,500 ft of water and can be readily upgraded to 10,000 ft. Enhancements include a 2 million-lb quad derrick, offline pipe-handling capability, increased drilling capacity, greater variable deck load, and improved automatic stationkeeping ability. ♠

Transocean awarded newbuild contract

TRANSOCEAN ANNOUNCED THAT **Chevron** has awarded the company a drilling contract for the construction of an enhanced Enterprise-class drillship, the 3rd such award for Transocean in 2006 and the 2nd contract from Chevron, following a 5-year contract for the construction of the Discoverer Clear Leader announced in March. Chevron is reserving the right to convert the 5-year contract to 3 years if declared by September 2007. The contract is expected to begin in the Gulf of Mexico in the first quarter of 2010. Revenues of approximately \$862 million are possible.

The dynamically positioned, double-hull drillship will be built in South Korea. The estimated total capital expenditure for the unit is approximately \$670 million. It will feature Transocean's dual-activity technology, which allows for parallel drilling operations. Also included will be an enhanced top drive system, an expanded high-pressure mud-pump system and expanded completions capabilities. The rig will have a variable deckload of more than 20,000 metric tons and the capability of drilling in water depths up to 12,000 ft. ♠



The DrillTec Synergy has been contracted to work in the Netherlands' Groningen area for 5 more years.

DrillTec Synergy contract in Netherlands extended for 5 years

DRILLTEC Großbohrund Umwelttechnik GmbH has been drilling for the Shell/Esso subsidiary **Nederlandse Aardolie Maatschappij B V (NAM)** in the Netherlands for 2 years. The cooperation was officially extended in August for 5 more years, and the DrillTec Synergy rig will continue to drill wells in the Groningen area.

The rig is the first of 3 in the VDD370 series and has been drilling wells to 4,300 m depth, and the smallest bit used to date was 4 1/8 in. ♠

Rowan awarded drilling contracts in Saudi Arabia, offshore Trinidad

ROWAN COMPANIES announced it was awarded term drilling contracts by **Saudi Aramco** for 2 Tarzan-class jackup drilling rigs to begin operating offshore Saudi Arabia in 2007. Each contract is for a 4-year term. The relocation of the 2 rigs from the Gulf of Mexico will begin in January 2007, and the rigs should be operational in Saudi Arabia by the end of the first quarter. Rowan estimates that revenues from the contracts will be in excess of \$550 million.

According to **Danny McNease**, Rowan chairman and CEO, the company now has 13 of its 20 jackups, or 65% of its offshore

fleet, committed well into 2007, including 9 rigs that extend into 2009 or beyond. Additionally, with the mobilization of these rigs to Saudi Arabia, Rowan will have 60% of its offshore fleet outside the US Gulf of Mexico.

Rowan also announced that it has been awarded a contract to drill 4 wells offshore Trinidad. The Rowan Gorilla III will soon relocate to Trinidad to begin a 1-year term contract for **EOG**. The new contract is with another operator and should extend the rig's stay in the area by about 6 months, to March 2008. About \$45 million in drilling revenues is expected. ♠

Mars production tops pre-Katrina rates

SHELL E&P announced that the Mars TLP, which was heavily damaged during Hurricane Katrina, is currently producing 190,000 bbls of oil equivalent/day, which is a 20% increase over pre-Katrina rates.

The production increase followed a complicated recovery and repair process, including lifting the toppled, 670-ton tangled steel drilling rig structure from a web of knotted facilities and processing equipment.

Estimates placed the Mars plat-

form in Katrina's eye for about 4 hours, absorbing 80-ft waves and wind gusts exceeding 200 mph. The Mars TLP floating structure and wells survived the extreme Katrina weather conditions, but the platform drilling rig and some major elements of the topsides production equipment were heavily damaged.

In repairing Mars, Shell used 3 months to prepare and plan to successfully lift and remove the damaged Mars platform rig in 2 pieces from its toppled position on the platform deck. ♠

1st of 3 gas platforms sails through Bosphorus, installed in Black Sea

In June, the first of 3 gas platforms for **Toreador Turkey** sailed through the Bosphorus and was installed in the gas fields in the southern Black Sea just north of Akcakoca, Turkey.

The structure, engineered and installed by **Momentum Engineering**, is named Akkaya and was taken offshore in 2 parts. The first part was the jacket, or legs, of the structure, which will reach from the seafloor to over 5 m above the water. The second part, the deck, will sit on top of the jacket and support

the production equipment for the platform.

The platform has a tripod-shaped jacket, which is secured to the seafloor by 3 piles, each over 80 m long and close to 70 tons. Upon completion, the entire structure will weigh more than 500 tons.

With the jacket installed, 3 wells will be drilled. When the platforms are complete, they will be unmanned installations and monitored and controlled remotely from onshore facilities. ♠



A gas platform sailed through the Bosphorus in June and has been successfully installed in the Black Sea gas fields.