W Africa, sustainable development highlight OTC

THE FUTURE OF West Africa oil and gas and the issues and implications of sustainable development to the offshore industry are two of the key topics at the general sessions and topical luncheons scheduled for the 35th Offshore Technology Conference (OTC) 5-8 May at the Reliant Center in Houston. Exhibition hours have been extended this year from 5 p.m. to 7 p.m.

The 2003 general sessions will offer expert perspectives and global examinations. The panel discussions will provide a platform for presentations and discussions about the current landscapes and probable futures of the issues.

GENERAL SESSIONS

West Africa is rapidly becoming a major source of hydrocarbons, not only from onshore and shallow water deposits, but also from deepwater deposits rivaling the other major deepwater basins around the world. Although the offshore environment is somewhat benign and crude tends to be very marketable, there are significant challenges and opportunities going forward.

The first general session, West African Oil & Gas: Defining the Future, 2:00-4:30 p.m. Tuesday, 6 May, will build on the many challenges and opportunities that lie ahead for the West African oil and gas market and use them to define the future. Because of the emerging oil and gas industry in West Africa, there is a lack of offshore and onshore infrastructure for producing oil and gas and the processing into products. The need for new high technology solutions companies will be important because of the ultra-deepwater field depths. The aspirations of national oil companies will change as governments learn about the business and the economics of the oil and gas industry. Local content and education and training of people are key issues facing the region.

Don Henery, Consultant, Retired, Shell International Petroleum, will moderate the session. Panelists include Michel Benezit, President, Africa Exploration and Production, TotalFinaElf; Joseph H Bryant, President, BP Angola; Andrew Lathan, Principal Consultant, African Energy; Wood Mackenzie; Ruben Monteiro da Costa, Production Manager, Sonangol; Jim Pearce, Project Manager, Agbami Deepwater Development Project, ChevronTexaco; John Schiller, Executive Vice President, E&P Ocean Energy Inc.; and Gene van Dyke, President, Vanco Energy Company.

Sustainable development, as defined by the United Nations World Commission on Environment and Development, calls for “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” Creating a sustainable future is the shared responsibility of business, governments, society and individuals throughout the world.

Wednesday’s general session, Sustainable Development: Issues and Implications to the Offshore Industry, will focus on the challenges and opportunities of sustainable development in the oil and gas industry. The ever increasing demand for energy will continue to drive the industry into deeper water, more hostile operating environment and more environmentally and socially sensitive areas. At the same time, the industry’s stockholders will continue to demand better performance, more accountability and more transparency. Customers expect safe, reliable affordable energy, and shareholders are entitled to a fair return on their investments. Finally, global, regional and local environmental and social concerns, such as climate change, will force the industry to re-evaluate its entire product chain from exploration strategy to technology, to production and delivery. To continue to be successful in the future, the offshore industry must be prepared to rise to the challenge.

Joseph A Stanislav, President and CEO, Cambridge Energy Research Associates, will moderate the session. Panelists will include Sylvia A Earle, Founder and Chairman, Deep Ocean Exploration and Research Inc.; James Knudsen, Vice President, Upstream Technology, ConocoPhillips; Tony Meggs, Group Vice President, Technology, BP; and Leif John Sevland, Mayor, Stavanger, Norway.

TOPICAL LUNCHEONS

Eight topical luncheons that bring specific issues or emerging world regions to a specific setting for conference attendees are scheduled for Monday and Wednesday.

Monday’s topical luncheons include Energy Politics - Its Application in Today’s Offshore Oil and Gas Industry by Ron Oligney, Adjunct Professor and Director Engineering Research Development, University of Houston. This presentation addresses the current and future state of the energy industry, stressing public perceptions and current politics. Does the emerging national energy strategy focus just on the supply-side, mostly oil and gas, as the detractors say; or does it also tout conservation? Will coal win or lose? Will nuclear be resurrected? What is the status of deregulation, private investment and environmental vigilance? Mr Oligney will also discuss why the national energy debate is persistently off base, colored with outdated or outright wrong images.

Deepwater - The Best Laid Plan, by John Huff, Chairman and CEO, Ocean Engineering International Inc, considers how applied technology has aided the industry in advancing into deeper waters, providing a higher level of safety and cost efficiency in deepwater oper-
ations. The presentation also will address the need for intervention planning, showcase some examples of what can happen when these plans go awry, discuss the benefits of inter-industry technology exchange and look at preparations for the future. What philosophies, resources and tools can we draw from to improve our operational effectiveness and safe working practices? A key issue in achieving these goals and the focus of the presentation is “intervention planning”. This term can have significant impact when applied to projects performed in deepwater today and in even more challenging physical and economic environments.

Independent’s Perspective of Worldwide Deepwater Developments, by Darrell Hollek, Vice President, Gulf of Mexico and Worldwide Deepwater Operations, Kerr-McGee Oil & Gas Corp, will address past experiences followed by strategies, opportunities, and outlook for independent oil and gas companies in the deepwater developments around the world. The address will also emphasize the essential expertise and qualities needed to build a successful portfolio and advantages of being a consistent and long-term player in the deepwater markets.

Developments and Changes in the Gulf of Mexico Oil and Gas, by Chris Oynes, Regional Director, Gulf of Mexico OCS Region, US Minerals Management Service, will center around the changing trends in exploration, development and leasing in the Gulf of Mexico. Particular focus will be on deep gas incentives for shallow water production and the continued unfolding of deepwater projects such as Nansen, Boomvang, Nakika, and Canyon Express.

Topical luncheons scheduled for Wednesday, 7 May, include Reflections on Ten Years of Upstream Asset Development Benchmarking, by Ed Morrow, Founder and President, Independent Project Analysis Inc (IPA). Based on analysis of more than 700 major upstream asset developments, this presentation reviews the oil and gas industry’s inability to harmonize the many disciplines and functions that populate the asset development process, and how this has led to serious performance shortfalls. While the industry’s ability to address tough technological challenges is a story of repeated success, its performance in addressing organizational challenges does not reach the same level. Some of the topics include the industry’s serious operation/production problems and how they trace back through facilities design to reservoir appraisal approach and business decisions around speed. The discussion also includes what would constitute real breakthroughs for this organizational knot.

The Quest for Sustainable Development, by Thomas Knudsen, Senior Vice President, Government Affairs and Communications, ConocoPhillips, will show how successful sustainable development is the product of consensus-harmonizing the interests of energy companies, consumers, environmentalists, government and other stakeholders. Technology, coupled with experimentation, is the catalyst for consensus. Technological advances make it possible to produce ample energy supplies at reasonable prices and with due regard for the environment. But the industry needs to increase efforts to put technology to work on real-world, sustainable development applications.

The Impact of Oil & Gas Consolidation will be presented by Matt Simmons, Chairman and CEO of Simmons and Company International. Over the past two decades, massive consolidation has taken place throughout the oil and gas and oil service companies, ranging from the creation of the world’s “mega-majors” to “giant” new independent oil and gas companies now the size of what were once smaller major oil companies. Most parts of the oil service sector now have three or four dominant players serving 90% of the market. This presentation will reflect on what has worked and what was lost as consolidation occurred and what the future holds in terms of added consolidation or the beginning of divestitures and start-ups of new industry participants.

Subsea Systems - What’s on the Horizon for New and Frontier Challenges, by Peter D Kinnear, Vice President, Energy Systems Group, FMC Technologies Inc, will briefly review the history of how the subsea industry arrived at its current state of technological and economical viability and will give insight and a vision as to what directions it must take to enable the economic production of ultra-deepwater and high pressure/high temperature (HPHT) hydrocarbons. Recent discoveries in the ultra-deep waters of the U.S. Gulf of Mexico HPHT reservoirs have generated a set of technological challenges for the subsea industry that likely won’t be overcome by incremental change or extensions of existing designs. The increasing momentum that is building to find and economically develop ultra-deepwater and HPHT reserves will require step-changes in technology and design process.

Industry Breakfasts

Three specially designed Industry Breakfasts will be held Tuesday through Thursday from 7:30-9:00 a.m.

On Tuesday, Business Opportunities in Venezuela’s and Trinidad & Tobago’s Oil and Gas Sectors, hosted by the U.S. Department of Commerce, will feature discussions by senior officials from the industry and the Venezuelan government on current and future business opportunities in this region.

Wednesday’s breakfast topic will focus on Business Opportunities in Sakhalin Island’s Oil and Gas Sector. Hosted by the Department of Commerce, the State of Texas, and the Sakhalin Administration, the focus will be on the needs and requirements of doing business in the offshore oil and gas sector on Sakhalin Island. Large existing operators will delineate their present and future needs while the Sakhalin Administration will layout the requirements for doing business. In turn, the U.S. Foreign Commercial Service will outline the assistance and solutions provided by the government to assist U.S. exporters in penetrating the Russian market.

Thursday, World Energy Cities Partnership (WECP)-Benefits to Emerging Countries, will feature an executive roundtable that will address labor force and skills requirements now and in the future with a focus on initiatives by leading energy cities and industries. As the Secretariat of the WECP and head of the host city for OTC, Houston Mayor Lee Brown will open the session, with Michelle Michot Foss, Director of the Energy Institute at the University of Houston, serving as the moderator of the panel consisting of mayors from WECP member cities worldwide.