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08 - 05 - 2013

## Large oil vessel shall secure production by the border

When the pending Faroe oil conference is held at the Nordic House in Tórshavn on the 4th of June, one of the foremost specialists and expert on the oil industry activities east of the Faroes, Mr Nicholas Loizou, will hold a talk on the oil adventure west of Shetland. He will also reveal his predictions for an oil discovery in Faroes waters. Building giant oil vessel The American oil company Chevron has taken the decision to contract a very large production and storage vessel, a so-called FPSO vessel for the area east of the Faroe border with the UK. This vessel is first and foremost intended for the large Rosebank oilfield, but Chevron has decided to build such a large vessel that it can satisfy future production requirements from other oilfields in the neighbourhood. The UK minister for oil affairs, Mr Iain Esau wrote recently in the magazine Upstream, that while the production from Rosebank is estimated to reach 64.000 barrels per day, the production capacity of the Chevron vessel is 100.000 barrels per day. The vessel has already been contracted from a South Korean shipyard and will be delivered in 2016. First oil will flow the following year. Upstream says there can be no doubt that the decision to build such a massive vessel is based upon tying other oilfields in the neighbourhood into the Rosebank production unit, e.g. Cambo being one, which lies very close to the Faroe border. While the development of Rosebank now seemingly will become a reality, after many appraisal and estimation wells, the turn has now come to the neighbouring Cambo oilfield, where appraisal wells are currently being drilled by the drill vessel Stena Carron. It is approximately ten years ago since the Rosebank and Cambo were discovered. Through Faroe eyes, it is also quite interesting to note that it is not unthinkable this large vessel, which by the way will be visible from the Faroe border, could become important for any future possible Faroe

discovery. Ten billion kroner The amount of money involved in the development of oilfields on the Atlantic Margin area is huge. The Chevron vessel contracted from Hyundai Heavy Industries in South Korea will cost ten billion kroner. It is also interesting to note that Chevron has not offered the building of this vessel to other shipyards for tender, as is usual. According to Upstream, this is due to the company wishing to save time and getting a production up and running as soon as possible. Yet another FPSO vessel is currently being built, intended for the Atlantic Margin area. BP has contracted this vessel and it will relieve another smaller elder FPSO vessel at the Scheihallion oilfield. Also important for the Faroes From a Faroe viewpoint, it is possible to see these developments as something positive for a Faroe exploration by the border. There is hardly any infrastructure in this area and therefore these FPSO vessels could be important for a future oil industry development in Faroe waters, for example on the Súlan/Stelkur prospect, where Statoil, Dong and OMV are set to drill a well. All these oil companies are also involved in the development of Rosebank.