



High standards for supply base and suppliers

Jan Müller

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Oljan.fo

Although it is almost six months until drilling will resume in Faroe waters, there is a substantial amount of work going on at Rúnavík. Every detail has to be up to scratch and running when drilling commences next spring. Mr Eli Lassen the base CEO has acquired quite extensive experience and knowledge over the years, and is fully aware of how the supply base must meet the standards and demands imposed. He admits the demands are becoming ever more stringent for each new well drilling - this is a fact of life in this industry he says. Demands concerning safety, health and the environment are Alfa and omega in the oil industry.

It is good to have the experience and trials to continue developing along and currently

the final changes and alterations are being implemented at the base in order to comply with the latest Statoil demands for the resumption of the Brugdan 2 well drilling, which was stopped last year.

The world is in motion and continually changing and subsequently routines change and you have to establish what possibly is lacking in relation to these new demands. The demands imposed upon the Atlantic Supply Base and its suppliers have been upgraded, particularly within health, safety and the environment. Absolutely no corner-cutting whatsoever is accepted and the base and its suppliers must meet the highest standards. This makes the task of the base CEO that more demanding and greater, but he is exactly the man for this job and challenges, as he too will not accept any lapses in standards - everything must be top-notch.

As an integrated part of these new demands, Atlantic Supply Base has been tasked with approving all the Faroe subcontractors and suppliers. In the same way as foreign oil company representatives visit and go through every detail at the base, the Supply Base must now visit their suppliers and conduct the same rigorous procedure regarding their demands.

Every detail from the receipt of an order, how it is registered and until it is dispatched, if protective helmets are used and how the HTU system is utilised, all will be recorded. In the event of a repair shop/garage, all details such as how they handle dangerous materials and substances, waste (oil, spent batteries etc.) and welding will be recorded - "The demands from the oil companies are varied, many and very stringent and it is obvious that we cannot muster the same level of detail as done elsewhere, where they have been operating an oil industry for some 50 years or so and are used to meeting all demands down to the smallest detail, but generally we do a good job and we also try to assist the Faroe subcontractors", says Mr Lassen and adds: -"We are getting better and better at meeting these demands and if this were to come from the company managements, the faster we can move on from here".

ASB is currently in the process of acquiring material to deliver to their subcontractors, which will enable them to fully understand the various demands and how they must organise, record and document all their undertakings. It must at all times be possible to allocate a responsibility in all aspects of their work.

Mr Lassen must be the single Faroese who has unwaveringly held faith in a Faroe oil industry, and he believes that although no commercial discovery has yet been made, things are moving in the right direction. Oil has been confirmed in the subsoil and it is just a question of finding it in large enough quantities. He also believes the money, which the oil companies awarded for competence development, has been well spent and companies have become better equipped for an oil industry, but he questions if all the money has been spent correctly: -"It ought to be easier for those companies wishing to enter the oil industry, to access that money. One is almost made to feel like a beggar, when requesting funding support for something. That is not good, as it costs a considerable amount of money to realign a company to work in an oil industry. It cannot

be denied however, that it was very good for the Faroes that money was set aside for competence development from the very beginning”.

Oljan.fo asked Mr Lassen if he thought it was correct Faroe companies invested in an oil industry as no commercial discovery has been made?

A -:“It is enough to know that an active hydrocarbon system is present, to imagine that an oil adventure will emerge at some point to begin investing. That no commercial discovery has been made yet, we just have to live with that for the time being. For example, we can go fishing and although there are plenty of fish, we for some unforeseen reason catch nothing - something may not be working as it should. This is a similar to the challenge facing the oil companies, e.g. to find the right model to work from”.

That we have found good quality oil in the Marjun well is of huge importance for the future, as oil companies once again begin to explore the same area.

Recently representatives from Statoil visited the base at Rúnavík, to assess if the base is ready for the pending well drillings.

Several of the ASB staff have been to Norway where they have worked at a Norwegian supply base to accumulate experience and knowledge.

The Atlantic Supply Base facility at Rúnavík