

SEABREEZE

THE SEABROKERS MONTHLY MARKET REPORT

JANUARY 2019

**FEAST OR FAMINE FOR
NORTH SEA AHTS OWNERS
AS RATES FLUCTUATE**



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OSV MARKET ROUND-UP

FEAST OR FAMINE FOR AHTS OWNERS

While 2018 proved to be a huge disappointment for the majority of North Sea AHTS owners, the first few weeks of 2019 have already seen the first rate 'spike' of the year.

Six rig move requirements materialised in the first two or three weeks of January, and while that may not sound like a huge amount of work, there is a limited pool of vessels trading the spot market due to the length of the layup list. This means that spot vessel supply can tighten substantially in a relatively short period of time, especially if inclement weather forces delays to rig move schedules.

This meant that spot AHTS rates rose from less than GBP 10,000 (NOK 110,000) at the start of January to more than GBP 65,000 (NOK 720,000) within the space of a fortnight. To put this into context, there were only three AHTS charters through all of 2018 that were recorded at higher rates than the peak January fixtures.

That may give owners some optimism that this year may bring them better fortunes. However, it really was feast or famine in January; a week after those peak fixtures, the market was back in charterers' favour and rates were back below GBP 10,000 (NOK 110,000) again.

RECORD RESPONSE TO NORWAY LICENSING

The Norwegian Petroleum Directorate has received a record response to its latest licensing round.

Thirty-three companies have been offered ownership interests in 83 production licences on the Norwegian Shelf as a result of the Awards in Predefined Areas (APA) 2018 process. This is the largest number ever awarded in a single Norwegian licensing round. Of the 33 successful companies, 21 have been offered operatorship of at least one licence.

The 83 awarded licences consist of 37 in the North Sea, 32 in the Norwegian Sea and 14 in the Barents Sea.

The list of companies awarded operating stakes in licences consists of: Aker BP (11 licences), ConocoPhillips (3), DEA (3), DNO (5), Edison (2), Equinor (13), Faroe Petroleum (4), INEOS (2), Lundin (9), Neptune Energy (4), Norske Shell (2), OKEA (3), OMV (6), Petrolia NOCO (1), PGNiG (2), Repsol (2), Spirit Energy (2), Suncor (2), Total (1), Vår Energi (4) and Wintershall (2).

GIANT GAS DISCOVERY FOR CNOOC UK

CNOOC Petroleum Europe Ltd has made a hugely significant gas and condensate discovery at its Glengorm prospect in the UK Central North Sea.

Glengorm is located in Licence P2215, where CNOOC is the operator with a 50% stake in partnership with Total and Edison (25% each).

If early indications prove to be accurate then this could turn out to be the largest discovery on the UK Continental Shelf in more than a decade. Partner Total has indicated that recoverable resources from the discovery are estimated at close to 250 million barrels of oil equivalent. Further drilling and testing will be carried out to appraise the

resources and productivity of the reservoir.

For Total, this follows in quick succession from its significant Glendronach discovery in UK waters west of Shetland. Glendronach was discovered in September 2018.

The Glengorm well was drilled in Licence P2215 with Borr Drilling jackup Prospector 5. The well was drilled to a total depth of 5,056m (16,588ft) in water depths of around 80m (262ft). The well encountered net gas and condensate pay zones with a total thickness of 37.6m (123ft). As a further bonus, Glengorm is located in close vicinity to existing infrastructure to offer tie-back development options.

OSV MARKET ROUND-UP

THREE-YEAR EXTENSIONS FOR REMØY TRIO

Remøy Shipping has received three-year contract extensions from Equinor for all three of its owned PSVs.

The Rem Eir, Rem Hrist and Rem Mist will proceed onto their new contract periods in direct continuation of their current charters with Equinor. The vessels are now firmly contracted until March 2022 (Rem Hrist) and May 2022 (Rem Eir and Rem Mist).

As part of the contracts, all three vessels will be retrofitted for hybrid battery operations.

The Rem Eir is a 2014-built VS 4412 DF vessel, while the Rem Hrist and Rem Mist, both



Rem Hrist

delivered in 2011, were built to the Ulstein PX 105 design. The Rem Eir has a length of 92.5m and deck area of 1,090m², while the Hrist and Mist have a length of 88.8m and deck area of 916m².

In addition to the Rem Eir, Hrist and Mist, Remøy Shipping is also the owner of one seismic vessel and one coastguard vessel, while also managing a wider fleet of externally owned vessels.

EQUINOR EXTENDS ESVAGT CONTRACTS



Esvagt Bergen

It has not just been the PSV market where Equinor has been awarding long-term contract extensions. In the ERRV market, Esvagt has also received three-year extensions for the Esvagt Bergen and Esvagt Stavanger, committing both vessels until

2022. The vessels will continue providing emergency response cover in the southern part of the Norwegian sector. The Esvagt Bergen and Esvagt Stavanger have been working continuously for Equinor since their deliveries in 2011 and 2012 respectively.

TERM DEALS FOR NORTH STAR & VESTLAND

North Star Shipping and Vestland Offshore have both picked up new one-year contracts for their PSVs to work in the UK sector. Hurricane Energy has chartered North Star PSV Grampian Sovereign for a firm period of one year with two one-year options.

The vessel will be supporting Hurricane's operations with the Aoka Mizu FPSO west of Shetland. Meanwhile, EnQuest has awarded an equivalent contract to incumbent PSV Vestland Artemis, firmly committing her until at least January 2020.



Grampian Sovereign (pictured c/o D. Dodds)

OSV MARKET ROUND-UP

FLURRY OF FIXTURES FOR SNS POOL

The turn of the year has led to a flurry of fixture activity, with no fewer than eight PSVs (mainly incumbents) awarded new term contracts with Peterson and the Southern North Sea (SNS) Pool.

DOF has been awarded one-year firm contracts for the Skandi Captain and Skandi Texel. The Captain will proceed to her new contract in direct continuation of her current charter, while the Skandi Texel is being reactivated from layup to commence her contract in the second quarter of 2019. The Texel has been in layup since the third quarter of 2016.

Similar one-year firm contracts were awarded to three other



Skandi Captain (pictured c/o P. Gowen)

vessel owners in relation to incumbent units. The contract renewals were awarded to Island Offshore for the Island Empress and Endeavour, Myklebusthaug

for the Dina Merkur and Dina Scout, and Vroon Offshore for the Pool Express and VOS Base. All eight vessels are contracted until at least the first quarter of 2020.

TWO-YEAR TERMS FOR TIDEWATER & DOF



North Promise (pictured c/o J. Plug)

Tidewater and DOF have both been awarded multi-year PSV contracts with a major oil & gas company for work in the UK sector of the North Sea. Tidewater PSV North Promise and DOF PSV Skandi Gamma have been fixed for a firm period

of two years with two further one-year options. The vessels are firmly committed until at least the first quarter of 2021. The North Promise is a 2007-built Aker (Vard) PSV 09 DE vessel, while the Skandi Gamma is a 2011-built STX (Vard) PSV 06 LNG vessel.

MAERSK SUPPLY SUPPORTING CHEVRON

Maersk Supply Service has been awarded a contract with Chevron Australia for two of its 'Starfish' AHTS vessels to support Chevron's Gorgon Stage Two drilling programme. The Maersk Mariner and Maersk Master will provide towing,

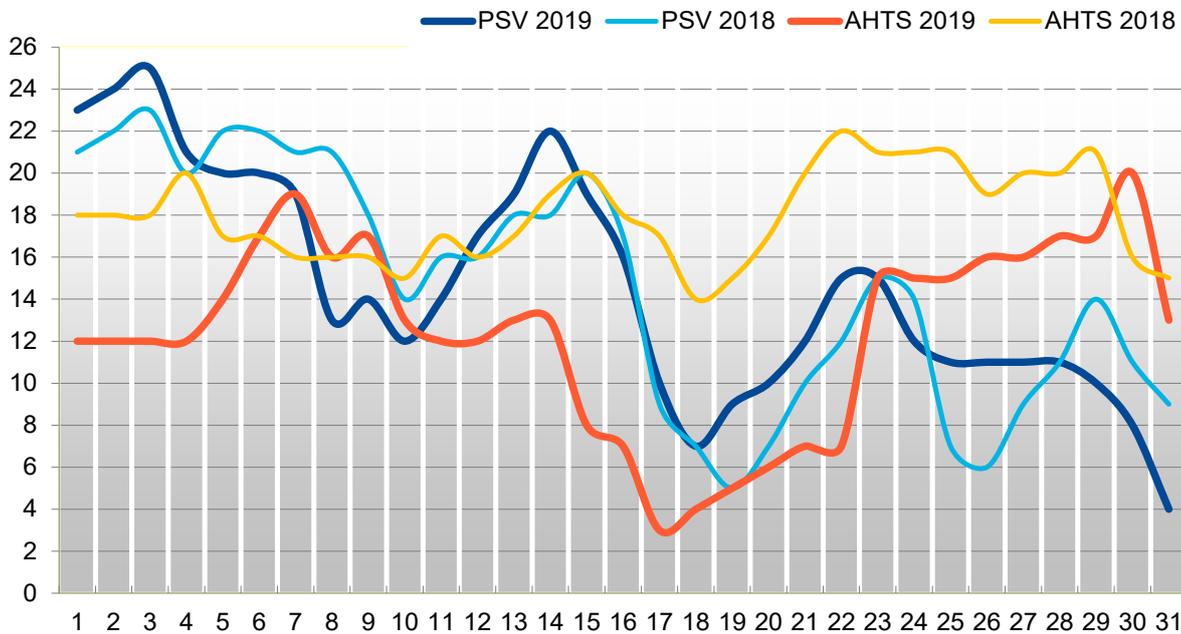
anchor handling, supply and WROV services from the second quarter of 2019. Chevron has contracted Transocean semi GSF Development Driller I for an 11-well plus options contract with an estimated duration of approximately 955 days.



Maersk Master (pictured c/o J. Bartels)

OSV RATES & UTILISATION

JANUARY 2019 - DAILY NORTH SEA OSV AVAILABILITY



RATES & UTILISATION

NORTH SEA SPOT AVERAGE UTILISATION JANUARY 2019

TYPE	JAN 2019	DEC 2018	NOV 2018	OCT 2018	SEP 2018	AUG 2018
MED PSV	62%	72%	59%	64%	77%	60%
LARGE PSV	58%	65%	67%	83%	81%	75%
MED AHTS	34%	31%	35%	52%	59%	59%
LARGE AHTS	61%	47%	50%	58%	66%	77%

NORTH SEA AVERAGE RATES JANUARY 2019

CATEGORY	AVERAGE RATE JAN 2019	AVERAGE RATE JAN 2018	% CHANGE	MINIMUM	MAXIMUM
SUPPLY DUTIES PSVs < 900M ²	£5,299	£4,996	+6.06%	£3,750	£8,000
SUPPLY DUTIES PSVs > 900M ²	£5,280	£5,959	-11.39%	£3,378	£9,500
AHTS DUTIES AHTS < 22,000 BHP	£29,893	£5,481	+445.39%	£6,960	£67,500
AHTS DUTIES AHTS > 22,000 BHP	£16,134	£8,736	+84.68%	£5,404	£38,288

SPOT MARKET ARRIVALS & DEPARTURES MID-DEC 2018 TO JAN 2019

ARRIVALS - NORTH SEA SPOT

UNION LYNX	EX BALTIC SEA
UNION MANTA	EX BALTIC SEA
UNION PRINCESS	EX BALTIC SEA
OLYMPIC ZEUS	WEST AFRICA

DEPARTURES - NORTH SEA SPOT

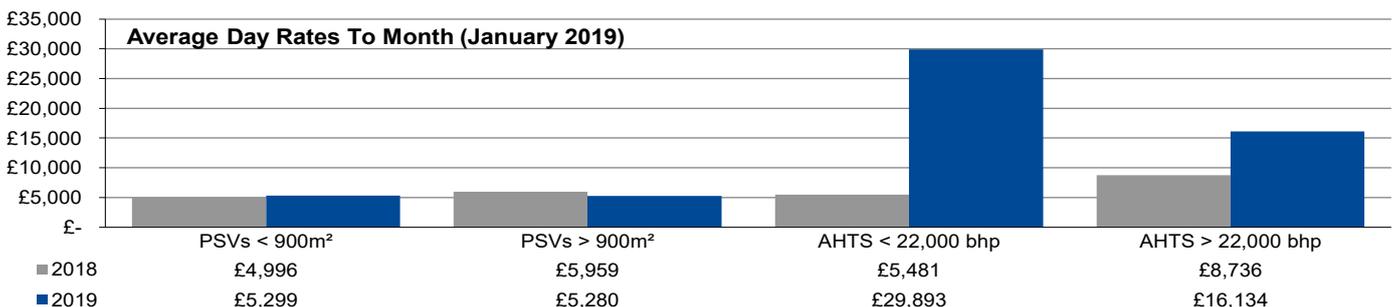
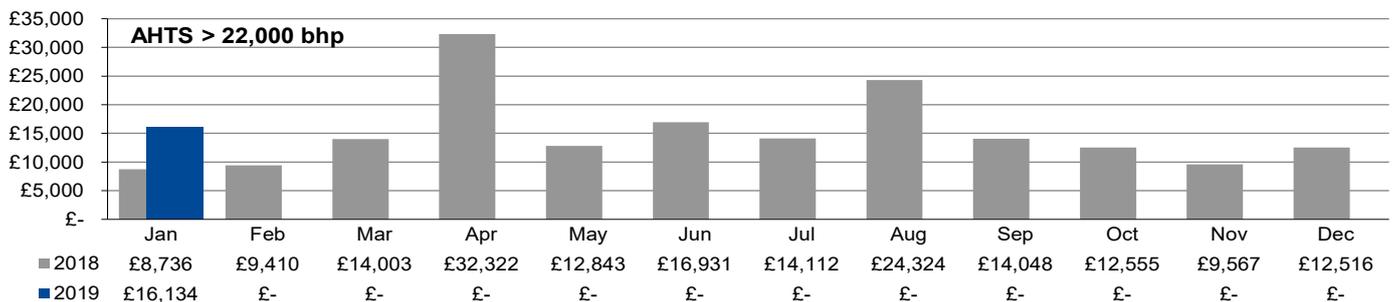
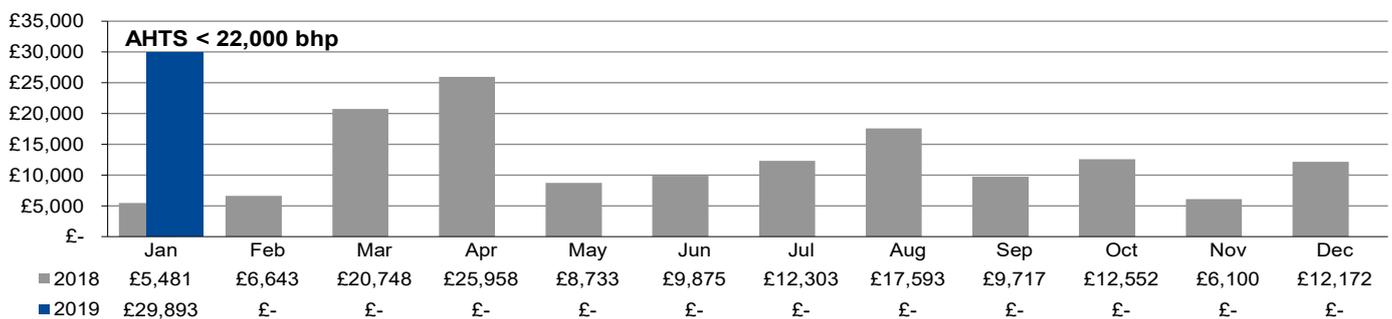
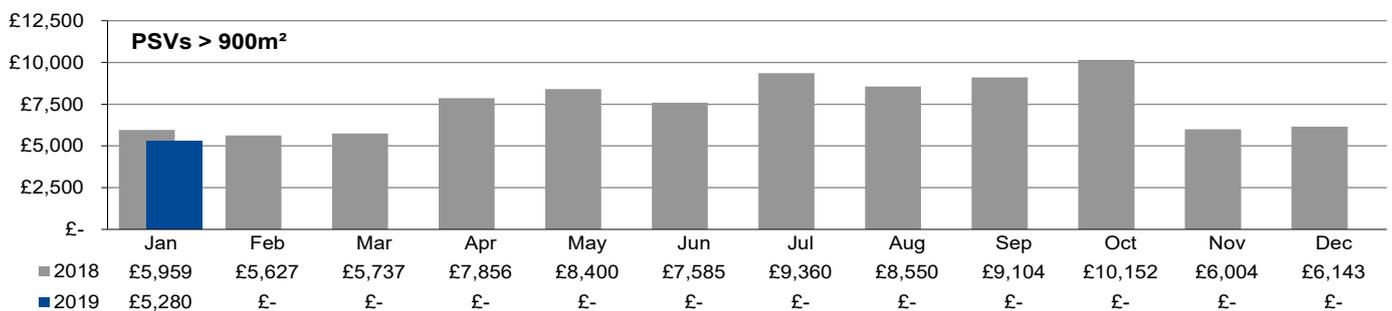
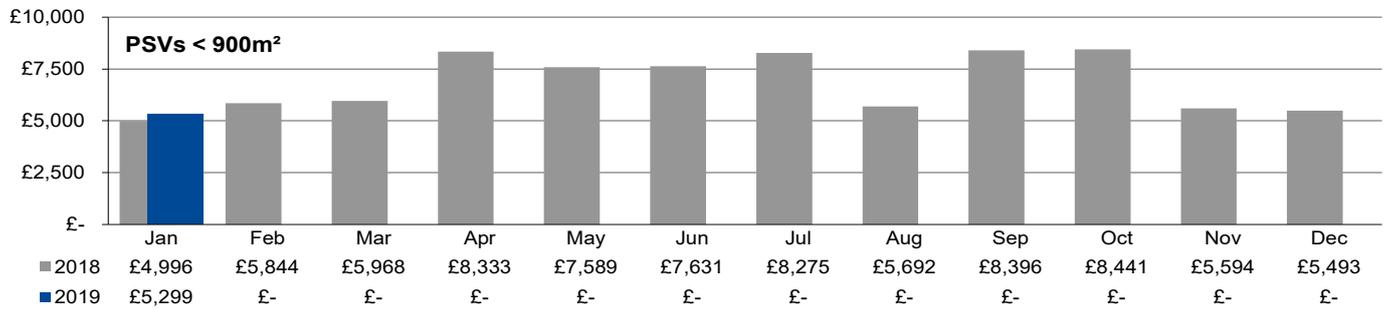
BOURBON SAPPHIRE	MEDITERRANEAN
FAR SOLITAIRE	BALTIC SEA
MAERSK MINDER	WEST AFRICA
PACIFIC DOLPHIN	WEST AFRICA

DEPARTURES CONTINUED

SAEBORG	MEDITERRANEAN
SOVEREIGN	AMERICAS
VIKING QUEEN	MEDITERRANEAN

* Vessels arriving in or departing from the North Sea term/layup market are not included here.

NORTH SEA AVERAGE SPOT RATES



FEATURE VESSEL

BOKA FALCON



Boskalis has agreed to charter the 2011-built IMR support vessel Lewek Falcon from DA Wang Limited on a long-term bareboat deal. She has been renamed as the Boka Falcon.

The contract includes an option for Boskalis to acquire the 93.4m vessel. The Boka Falcon is equipped with a 150-tonne active-heave compensated crane and two Triton XLX 150hp heavy work-class ROVs, and she has an accommodation capacity for 100 persons.

The Boka Falcon is currently in Rotterdam undergoing maintenance and repair work for a period of six weeks; she is expected to be available for

charter from early March.

The vessel has a deadweight of 5,033 tonnes, with a deck area of 815m² deck and a bollard pull of 403 tonnes.

The Boka Falcon was previously owned by Lewek Falcon Shipping Pte, which filed a voluntary petition for Chapter 11 in the United States in March 2017, along with parent company Emas Chiyoda Subsea.



BOKA Falcon specs:

Build Yard: Drydock World
Build Year: 2011
LOA: 93.4m
Breadth: 22.0m
Design Draft: 6.5m
Deck Area: 815m²
Deadweight: 5,033t
Helideck: Sikorsky S-92
Subsea Crane: 150t AHC
Accommodation: 100 persons

OSV NEWBUILDINGS, S&P

SEACOR BUYS THREE MORE UT 771 PSVs...

Having previously set up a Joint Venture (SEACOSCO) with the COSCO Shipping Group for the ownership of eight newbuild PSVs, SEACOR Marine has followed this up with the acquisition of three newbuild PSVs from the COSCO Zhoushan Shipyard for its exclusive

ownership. The vessels have been built to the Rolls Royce UT 771 CDL design, the same as the SEACOSCO Ohio and Yangtze. The three new vessels, to be named SEACOR Alps, Andes and Atlas, are scheduled for delivery in September 2019, January 2020 and April 2020.



The total purchase price for the three vessels will be around USD 46 million. They were originally ordered as part of a four-PSV deal for the East Sunrise Group (now Sunrise Offshore), but only one unit was delivered to Sunrise.

... AND EXPANDS BRAZIL PRESENCE



UP Agate (pictured c/o D. Dodds)

In another stage of its fleet expansion, Seacor Marine has also strengthened its presence in Brazil through the formation of a new joint venture that was set up to acquire UP Offshore. The JV company is owned 49% by Seacor and 51% by Proyectos Globales de Energía y Servicios

CME, S.A. de C.V. The equity of UP Offshore was acquired for a nominal consideration, with the debt refinanced with approximately USD 95 million of new indebtedness. UP Offshore operates a fleet of 14 vessels, 12 of which are located in Brazil and trading under the Brazilian flag.

LATC NEWBUILD ARRIVES IN NIGERIA

LATC Marine has welcomed a new PSV to its fleet in Nigeria following the vessel's arrival from Romania.

Named Dearest Miss Petté, the vessel was built to the Daman PSV 3300 design at Damen's Galati Shipyard in Romania. She is a sister vessel to the Lahama,

which was also constructed at Damen Galati.

Dearest Miss Petté has a length of 80m, breadth of 16.2m and a deck area of 728m². She has a maximum deadweight of 3,500 tonnes with an accommodation capacity for 16 crew with 6 passengers.



Dearest Miss Petté (pictured c/o P. Ionescu)

DEER ISLAND DELIVERED



Edison Chouest Offshore has added another newbuild PSV to its Jones Act US Gulf fleet following the completion of construction at the owner's Gulf Ship facility in Gulfport, Mississippi.

The Deer Island was built to the NA312E CD VE (Very Efficient)

design. She features a hull form that was designed to maximise deadweight while significantly reducing hydrodynamic resistance, thereby improving fuel efficiency. The vessel has a length of 95m, a breadth of 20m and a deadweight of more than 6,000t.

OSV NEWBUILDINGS, S&P

SENTINEL ORDERS ERRV TRIO



Malin Sentinel

Sentinel Marine has placed an order for three newbuild ERRVs to be built in China for GBP 36 million (USD 47.1 million). The vessels, to be named Cromarty Sentinel, Trafalgar Sentinel and Viking Sentinel, are scheduled to enter service in 2020. The DP2

ERRVs will have FiFi 1 and oil recovery equipment, along with liquid mud and dry bulk storage. Back in 2015, Sentinel placed an order for nine new ships to be built, with the final unit in that series (Malinel Sentinel) due to be delivered in April.

ANOTHER TOISA PSV SOLD AT AUCTION

Another former Toisa PSV has been sold at bankruptcy auction in the USA. A long list of vessels have been sold in recent months, with the latest auction seeing PSV Toisa Independent snapped up by A1 Offshore for a price

of USD 1.85 million. The Toisa Independent is based in Greece but she has not worked for several years. The vessel has a length of 83.2m, breadth of 19m, deadweight of 4,427 tonnes and a deck area of 1,000m².



Toisa Independent (pictured c/o D. Sands)

SIEM SELLS THREE



Siem Offshore has entered into an agreement to sell three VS 470 Mk II PSVs to an undisclosed buyer.

The Siem Louisa, Siem Sasha (pictured c/o P. Gowen) and Sophie Siem, built in 2005-2006,

are scheduled to be delivered to their new owners later this quarter. The three vessels are currently providing support for TPAO for its drilling campaign with jackup Rowan Norway offshore Turkey.

MAERSK ASSISTER SOLD TO JD CONTRACTORS

Maersk Supply Service recently sold AHTS vessel Maersk Assister, with JD Contractors emerging as the new buyer. Prior to the sale, the Maersk Assister had been laid up in Denmark since 2015. The 2000-built vessel

has been renamed as the Assister. She has a length of 90.3m, breadth of 23m and a maximum deadweight of more than 5,000t. With an engine output of more than 23,000 bhp, she has a bollard pull of circa 280t.



Maersk Assister (pictured c/o J. Zaal)

RECENT DELIVERIES OF NEWBUILD OSVs

NAME	TYPE/DESIGN	OWNER/ MANAGER	COMMITMENT
DEAREST MISS PETTÉ	DAMEN PSV 3300	LATC MARINE	TBC
DEER ISLAND	NA312E CD VE PSV	EDISON CHOUEST OFFSHORE	US GULF

SUBSEA MARKET ROUND-UP

Saudi Aramco has been busy in recent weeks awarding contracts for the Berri and Marjan offshore fields in Saudi Arabia, as well as awarding a multi-year LTA (long-term agreement).

TechnipFMC, in consortium with Malaysia Marine and Heavy Engineering, was awarded a six-year offshore agreement covering the engineering, procurement, fabrication, transportation and installation of offshore facilities for the development of Saudi Aramco's offshore projects. The LTA also includes options for an additional six years and allows the consortium partners to bid for Saudi Aramco's offshore oil and

gas tenders. This follows a similar deal awarded to Sapura Energy and a consortium of Lamprell and Boskalis in November 2018.

Saudi Aramco already has LTA programmes in place with other contractors including McDermott, Saipem, NPCC, LTHE (with its consortium partner Subsea 7) and Dynamic Industries.

Under the LTA agreement with Saipem, the contractor has been awarded two engineering, procurement, installation and construction contracts worth USD 1.3 billion. Under the deal, Saipem will design and provide

EPCI for subsea systems, in addition to the laying of pipelines, subsea cables and umbilicals, platform decks and jackets on the Berri and Marjan fields offshore Saudi Arabia. Saipem's LTA with Saudi Aramco is firm until 2021.

The operator has also awarded the consortium between L&T Hydrocarbon Engineering, a subsidiary of Larsen & Toubro, and Subsea 7 an EPCI contract for work on the Berri pipelines project. The contract covers three oil production deck manifolds and subsea pipelines in the Zuluf and Berri fields. This is the fifth award Saudi Aramco has awarded to the consortium.

BP GREEN LIGHTS FIRST PHASE OF GREATER TORTUE AHMEYIM



BP and its partners have approved the Final Investment Decision (FID) for Phase 1 of the cross-border Greater Tortue Ahmeyim development in the C-8 block off the coast of Mauritania and the Saint-Louis

Profond block offshore Senegal. Project execution activities are expected to start during the first quarter of 2019, with first gas for the West African project expected to be produced in the first half of 2022.

BILLION DOLLAR ZOHR CONTRACT FOR SAIPEM

Saipem has been granted an additional USD 1.2 billion EPCI contract with Petrobel for the Ramp Up to Plateau phase at the Zohr project offshore Egypt.

This scope covers the installation of a second 30-inch diameter gas export pipeline, infield clad lines, umbilicals and electrical/fibre optic cable, as well as EPCI work for the field

development of 10 wells.

In this new phase of work, Saipem will deploy a range of pipelay vessels including the Castorone, the FDS, the S7000, the Castoro Sei, the OCV Normand Maximus, heavy lift vessel Saipem 3000 and the multipurpose Normand Cutter and Far Samson vessels.

Operations at the Ramp Up to Plateau phase began in January 2019 and this follows on from the Optimised Ramp Up phase.

To remind, Saipem and Petrobel finalised offshore contract variations worth USD 900 million for EPCI activities in relation to the Optimised Ramp Up phase of the giant Zohr development project in July 2017.

PERENCO DECOM PLAN APPROVED

The UK authorities have approved Perenco's decommissioning plans for the Tyne and Guinevere gas field installations in the Southern North Sea. Perenco submitted its plans in July 2018, having ceased production from the Tyne field in November 2015 and the

Guinevere field in May 2017. The platform topsides on the Tyne field will be removed and transported to shore for re-use, recycling and/or disposal, while the jacket and subsea template will be removed to shore for cleaning and disposal. The decommissioning pro-

gramme for Guinevere includes well plugging & abandonment and the removal of the platform and jacket.



SUBSEA COMPRESSION FOR ORMEN LANGE



Shell has decided to use a subsea compression concept for the third phase of its Ormen Lange field development.

Shell, with its partners Equinor, Petoro, ExxonMobil and Ineos, will now decide between two remaining options for subsea compression: one for wet gas developed by OneSubsea and built on technology installed on the Gullfaks field, and a wet gas-tolerant system from TechnipFMC which is based on

experiences from the Åsgard field. Both of these options will need power from land. The cost for subsea compression on the field has reduced by more than 50% compared to the first time offshore compression for Ormen Lange was considered. The project was stopped in 2014 to reassess all opportunities.

SOLSTAD CHARTERS OUT DUO

DeepOcean has chartered Solstad Offshore OCV Normand Jarstein for the 2019 summer season, commencing in March, with further options for 2020 and 2021.

DeepOcean will mobilise two work-class ROVs onboard and will utilise the vessel for projects

within both the oil & gas and renewables markets.

Additionally, Rever Offshore (formally Bibby Offshore) have taken up the 2019 option on the VS 4125-designed Normand Clipper. Rever Offshore will utilise the vessel in the North Sea for a minimum of 120 days and

the contract will start between March 15th and April 15th.



Normand Jarstein (pictured c/o O. Halland)

ØSTENSJØ RENAMES IMR VESSEL



Østensjø Rederi has renamed its IMR support vessel Sun Enabler to Edda Sun, prior to the vessel commencing a long-term contract with Fugro in March. Fugro has chartered the ST 253-designed vessel for two years plus options. The 2009-built

vessel, which was built at the Batbygg shipyard in Norway, was previously named the Acergy Merlin, GSP Prince and Seabed Prince. The vessel has accommodation for 72 persons, with two work-class ROVs and 625m² of free deck area.

PALADIN FINDS A NEW HOME... AGAIN

Further to a report in a previous edition of Seabreeze, the bankruptcy courts have now accepted a higher offer for the sale of the former Toisa-owned DSV Toisa Paladin.

James Fisher offered a higher price of USD 20.35 million and the vessel will be utilised by Subtech in the Middle East. The court had earlier accepted ANG's offer of USD 18.5 million.

Meanwhile, Subsea 7 has also increased its offer for the DSV Toisa Pegasus from USD 34.3 million to USD 38.95 million. Subsea 7 will utilise the 2009-built DSV, which will be renamed Seven Pegasus, to support its operations in the North Sea and Asia Pacific markets. The vessel will undergo a dry docking and crew familiarisation programme before commencing

operations during the second quarter of 2019.



THREE-YEAR DEAL FOR BOKA CONSTRUCTOR



Boskalis has won a USD 40 million three-year subsea service

contract in the Middle East with an undisclosed client. It is understood that the contract is with Dubai Petroleum but this has not yet been confirmed. Under the agreement, Boskalis will carry out a broad spectrum of subsea IRM services including integrity assessments for offshore platforms and tripods,

wellhead jacket inspections, integrity assessments and inspections of pipelines, and light ad-hoc construction work. The 2010-built vessel BOKA Constructor will be used for the campaign and she will be outfitted with air-diving/ROV teams and options for saturation diving.

FAR SLEIPNER TO REMAIN WITH TOTAL

Solstad Offshore, through its local partner Petro Services, has been awarded a two-year firm plus four six-month options contract with Total for its Vard 307-designed OCV Far Sleipner. The 143m vessel, which is equipped with a 250t crane and

accommodation for 130 persons, will undertake IRM, SURF, subsea intervention and drilling support work at Total's assets offshore the Republic of Congo. The vessel has been chartered by the same client in Congo since January 2017.



PICASSO HEADS TO WEST AFRICA

Ultra Deep Solutions' MT 6024-designed diving support and construction vessel Picasso has departed Sharjah in the UAE and is now en route to West Africa.

Upon arrival, the 121m vessel, which is equipped with an 18-man twin bell saturation system, a 140t offshore crane and 1,300m² of deck area, will commence a long-term subsea

campaign for an undisclosed client. Prior to its departure, the vessel had been operating on Dubai Petroleum's Rashid D project in the Middle East.

RENEWABLES

SEVEN MONTH CHARTER FOR TOPAZ TANGAROA



Topaz Energy and Marine has fixed the second of its two IMR newbuildings into the renewables market.

The 98.1m Topaz Tangaroa, which is equipped with a 120t AHC crane, 1,000m² of free deck and accommodation for 82 persons, will commence the seven-month campaign in February. The undisclosed European contractor, understood to be Van Oord, will also have options to extend the contract duration

until late 2020.

The Vard Brattvåg yard in Norway has delivered the sister vessel, Topaz Tiamat, to Topaz Marine on January 17th. As previously reported, Reach Subsea and MMT have chartered the newbuild for two-and-a-half years, with three yearly options thereafter.

ESVAGT TAKES UP OPTION FOR SOV

Esvagt is to proceed with an option for a third newbuild SOV vessel, after MHI Vestas agreed to utilise it on the Moray East offshore wind farm from 2021. Esvagt has now placed an order with Havyard, which will design and build the new vessel for delivery in February 2021. The 831

L-designed newbuild will have a length of 70m and accommodation for up to 60 persons, with a walk-to-work gangway installed. The newbuild will bring the number of Esvagt vessels on contract to MHI Vestas to five in 2021.

MHI Vestas will deliver 100 of

its V164-9.5 MW offshore wind turbines for the 950MW project.



ZARATAN MOBILISING TO TAIWAN



The Seajacks Zaratan has begun its mobilisation to Taiwan to begin the installation of 20 Siemens Gamesa SWT-6.0-154 wind turbines on the 120MW Formosa 1 Phase 2 offshore wind farm.

The jackup will begin installation work during the second

quarter of 2019 in water depths between 15 and 30 metres. Once fully built in the second half of 2019 and fully operational in 2020, Formosa 1 will have a capacity of 128MW. During the first phase of the wind farm, two 4MW Siemens Gamesa wind turbines were installed.

CONSTRUCTION BEGINS ON CHINESE WIND FARMS

China Guangdong Nuclear Power Group (CGN) has started constructing two offshore wind farms off the eastern coast of the Guangdong Province, which will have a total installed capacity of 900MW.

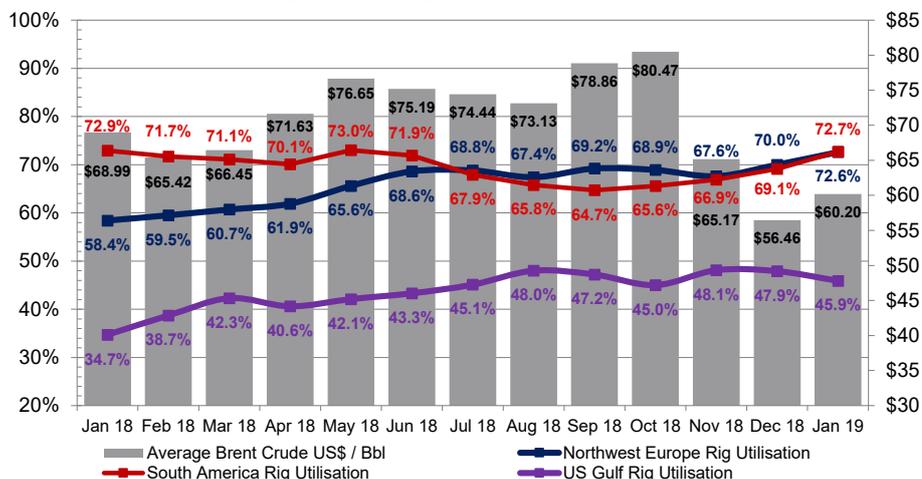
CGN started building a control

centre for the 500MW Houhu and 400MW Huizhou offshore wind farms in December 2018. The Houhu project is due to be commissioned by the end of 2021, while the Huizhou offshore wind farm is expected to be put into operation in mid-2022.

CGN states that this is its first batch of offshore wind projects in eastern Guangdong.



OIL PRICE VS RIG UTILISATION



DEEPSEA NORDKAPP DELIVERED

Odfjell Drilling has accepted delivery of its newbuild semisubmersible rig Deepsea Nordkapp from the Samsung Heavy Industries Shipyard in South Korea. An enhanced Moss Maritime CS-60 designed

rig, the Nordkapp will now be mobilised to Norway where she has been chartered by Aker BP for a two-year firm contract. The rig was acquired by Odfjell Drilling in April 2018 for a price of USD 505 million.

DAEWOO RESOLVES SONANGOL DISPUTE

South Korean shipbuilder Daewoo Shipbuilding & Marine Engineering has resolved a dispute with Sonangol relating to the delivery and payment for two newbuild drillships. The rigs were originally ordered by

Sonangol in 2013 for delivery in 2016 but the deal was placed in jeopardy due to the industry downturn. The new resolution will see both drillships delivered in the first quarter of this year for a price of USD 530 million.

RIG UTILISATION AND DAY RATES

UTILISATION	JAN 2019	JAN 2018	JAN 2017	JAN 2016	JAN 2015
NORTHWEST EUROPE	72.6%	58.4%	52.3%	74.2%	94.9%
SOUTH AMERICA	72.7%	72.9%	74.4%	83.2%	91.3%
US GULF	45.9%	34.7%	31.8%	42.2%	57.6%

RECENT DAY RATE BENCHMARKS	LOW (USD)	HIGH (USD)
UK HARSH HIGH SPEC JACKUPS	85,000	87,500
NORWAY HARSH HIGH SPEC JACKUPS	145,000	275,000
UK HARSH STANDARD SEMISUBS	100,000	130,000
NORWAY HARSH STANDARD SEMISUBS	180,000	180,000
GLOBAL ULTRA-DEEPWATER SEMISUBS	130,000	200,000
GLOBAL ULTRA-DEEPWATER DRILLSHIPS	150,000	455,000

INACTIVE RIGS NORTHWEST EUROPE

NAME	TYPE	STATUS
BAUG	JU	COLD STACK
BIDEFORD DOLPHIN	SS	WARM STACK
BLACKFORD DOLPHIN	SS	WARM STACK
BORGLAND DOLPHIN	SS	WARM STACK
BYFORD DOLPHIN	SS	WARM STACK
COSLINNOVATOR	SS	WARM STACK
COSLPIONEER	SS	HOT STACK
COSLPROSPECTOR	SS	WARM STACK
EIR	JU	COLD STACK
ENSCO 70	JU	COLD STACK
ENSCO 71	JU	COLD STACK
ENSCO 100	JU	WARM STACK
ISLAND INNOVATOR	SS	WARM STACK
MAERSK GALLANT	JU	WARM STACK
MAERSK GIANT	JU	COLD STACK
MAERSK RESILIENT	JU	WARM STACK
OCEAN GUARDIAN	SS	WARM STACK
POLAR PIONEER	SS	COLD STACK
SCARABEO 5	SS	COLD STACK
SEDCO 711	SS	COLD STACK
SEDCO 714	SS	COLD STACK
SERTA0	DS	COLD STACK
SONGA DEE	SS	COLD STACK
SWIFT 10	JU	WARM STACK
WEST ALPHA	SS	COLD STACK
WEST EPSILON	JU	COLD STACK
WEST NAVIGATOR	DS	COLD STACK
WEST VENTURE	SS	COLD STACK
WILHUNTER	SS	COLD STACK

Source: IHS-Petrodata

CONUNDRUM CORNER, DUTY PHONES

USD 830 MILLION RIG CONTRACT

Transocean Ltd has signed a rig design and construction management contract, as well as a five-year drilling contract, with Chevron USA, Inc for one of its two ultra-deepwater drillships that are currently under construction at the Jurong Shipyard in Singapore.

The rig will be the first ultra-deepwater floater rated for 20,000 psi operations, resulting in a contract value that is much higher than recent market benchmarks. The contract comes with an estimated backlog for Transocean of USD 830 million, excluding mobilisation and reimbursables. This would equate to a day rate of circa USD 455,000. The newbuild drillship is scheduled to commence operations for Chevron in the US Gulf of Mexico in the second half of 2021.

CONUNDRUM CORNER

Last month's answer :-

A fire engine travels six miles to an out of control bonfire. It travels at a speed of 32 mph. The fire engine's water tank holds 500 gallons but has been leaking through the journey at a rate of 20 gallons per hour.

If the fire engine needs 496 gallons of water to put out the fire, will it have enough, and if so, how much water will it have to spare?

The correct answer was :- 0.25 gallons spare

This month, our poser is as follows:

Rita has worked as a nurse, a guide, a tutor and a coach.

Who has worked as a comic, a guard, a carer and a baker?

Answers back to chartering@seabrokers.co.uk.

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