

SEABREEZE

THE SEABROKERS MONTHLY MARKET REPORT

JULY 2020

**WILL CHEVRON'S ACQUISITION
OF NOBLE ENERGY SPARK A
WAVE OF M&A ACTIVITY?**



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OSV MARKET ROUND-UP

MORE OF THE SAME IN THE NORTH SEA

It has been a fairly uneventful period in the North Sea spot market lately. In fact, not much has really changed since the last edition of *Seabreeze* was published.

In the PSV sector, the market has remained firmly in the favour of charterers. Even with several vessels departing to support the summer drilling campaigns that are taking place in Arctic Russia, there have still been plenty of vessels to go around to fulfil charterers' spot requirements.

In the UK market, there were only five spot fixtures with a rate of more than GBP 5,000 (USD 6,510). The vast majority of owners had to settle for GBP 3,000-5,000 (USD 3,905-6,510) although some were forced to drop their rates below the dreaded GBP 3,000 figure. In Norway, only one owner was able to secure a spot fixture with a rate of more than NOK 60,000 (USD 6,550).

In the AHTS sector, trading conditions in July were pretty similar to prior months. There were sporadic periods where there were very few vessels available for charter but there was still a much lower ceiling on rates than there would have been with a similar availability scenario in years gone by.

CHEVRON TO ACQUIRE NOBLE ENERGY

Chevron has entered into a definitive agreement to acquire all of the outstanding shares in Noble Energy in an all-stock transaction valued at USD 5 billion.

Based on Chevron's closing share price on July 17th, Noble Energy shareholders will receive 0.1191 shares of Chevron for each Noble Energy share held.

The total enterprise value of the transaction, including debt, has been valued at USD 13 billion.

Chevron has highlighted that the acquisition will provide it with low-cost, proved reserves and attractive undeveloped resources that will enhance its upstream portfolio.

Noble Energy holds low-capital, cash-generating assets in the Eastern Mediterranean Sea offshore Israel, while Chevron's position in the unconventional U.S. market will be enhanced with de-risked acreage in the Denver-Julesburg (DJ) Basin, and 92,000 largely contiguous and adjacent acres in the Permian Basin.

Based on Noble Energy's proved resources at year-end 2019, this will add approximately 18% to Chevron's year-end 2019 proved oil & gas reserves at a cost of less than USD 5 per barrel, and almost 7 billion barrels of risked resource for less than USD 1.50 per barrel. The transaction is expected to close in the fourth quarter of 2020.

ACTIVITY RISING AGAIN IN NORWAY

The Norwegian Petroleum Directorate (NPD) has released an interim report noting that offshore activity levels appear to be rising again following an understandably "turbulent" start to the year.

It is clear that the well publicised temporary changes to Norway's petroleum taxation system have enabled many E&P companies to proceed with projects which may have been unviable otherwise.

Through the first half of the year, 84 new development wells had

been drilled which is close to the same level as 2019. However, it has been noted that exploration activity has declined with many campaigns postponed. Only 12 wells were completed in the first half of the year. From a positive perspective, the NPD has found that many wells have merely been postponed until 2021 as opposed to cancelled completely.

By the end of the year, the NPD expects around 30 exploration wells to have been drilled. This is well down on the figure of 58 from last year.

OSV MARKET ROUND-UP

TOTAL KEEPING VROON VESSELS BUSY

Term contracts have been in short supply since the onslaught of Covid-19 started in tandem with a dramatic reduction in oil prices. With that in mind, Vroon Offshore will be glad to have capitalised on a good working relationship with Total to secure several term contracts in the UK sector in recent weeks.

In the ERRV market, the VOS Enterprise, VOS Prospector and VOS Vigilant were each awarded three-year firm contracts to provide support for Total at the Dunbar, Culzean and Elgin/Franklin fields. Each of the contracts started in June/July. Sentinel Marine picked up an equivalent contract for the Portland Sentinel.



VOS Patriot (pictured c/o P. Gowen)

Separately, Total also selected a trio of Vroon vessels to provide support for its forthcoming drilling campaign with jackup Noble Sam Turner. The VOS Paradise and VOS Patriot will be

working alongside ERRV VOS Trapper while Total is drilling an exploration well at the Finzean prospect. Operations are due to commence in the second half of August.

HERMITAGE BAGS UK BRACE



Hermit Prosper (c/o G. Campbell)

In addition to the contracts detailed above, Total has also secured a PSV from Hermitage Offshore for work in the UK sector. The Hermit Thunder was fixed up for a one-year firm period with three further three-month options. The contract

started in July. It has been a productive period for Hermitage on the chartering front, with the Hermitage Prosper also awarded a term fixture with Peterson UK. The vessel is committed until at least November with three one-month options available.

ANOTHER NORTH SEA PSV OFF TO RUSSIA

Trading conditions within the North Sea spot PSV market are still tough for owners. But it could have been much worse for them this summer if there hadn't been a long list of vessels departing for work in the Russian Arctic. Sevnor is the

latest owner to have picked up a contract, with the Sayan Princess fixed up to Gazprom for a three-month charter. No fewer than nine PSVs, along with several AHTS vessels, have departed the North Sea market and headed for Russia in recent weeks.



Sayan Princess (pictured c/o T. Reid)

OSV MARKET ROUND-UP

FINAL FAREWELL FOR TRANSOCEAN RIGS

Back in March, Transocean announced that it would be permanently retiring four North Sea semisubmersibles from its drilling fleet: the Polar Pioneer, Sedco 711, Sedco 714 and Songa Dee. That announcement was followed a couple of months later with a decision to retire the Transocean 712 as well.

The end is nigh for these rigs, with ALP Maritime entrusted with the job of towing them to Turkey for recycling. The first rig to complete its final journey was the Sedco 714, having been towed to Turkey from the UK by the ALP Winger. Meanwhile, the ALP Forward is in the final stages of a similar journey with



ALP Forward (c/o O. Halland)

the Transocean 712 in tow. The ALP Centre towed the Sedco 711 as far as Portugal before passing the rig on for the ALP Ace to complete the tow. This allowed

the ALP Centre to return to the North Sea to tow the Songa Dee from Norway to Turkey. The Polar Pioneer will likely not be far behind.

WELL EXPERTISE PICKS PSVs FOR WELLESLEY



Stril Luna (pictured c/o O. Halland)

In Norway, Well Expertise has fixed up a pair of PSVs from Simon Møkster Shipping and Tidewater on behalf of Wellesley Petroleum. Wellesley will be drilling an exploration well at the Schweinsteiger prospect in the Norwegian Sea with the Borgland Dolphin. Support for

the campaign will be provided by the Stril Luna and North Cruys PSVs. Operations are scheduled to commence before the end of August. Wellesley has committed to drilling at least one well with the rig in 2021 as well, with options available for two more wells next year.

MANAGEMENT GIG FOR EIDESVIK

Eidesvik Offshore has been awarded a contract with Aker BP to provide management services for two PSVs that are working offshore Norway. The NS Frayja and NS Orla were both delivered in 2014 but later upgraded in 2019 with battery

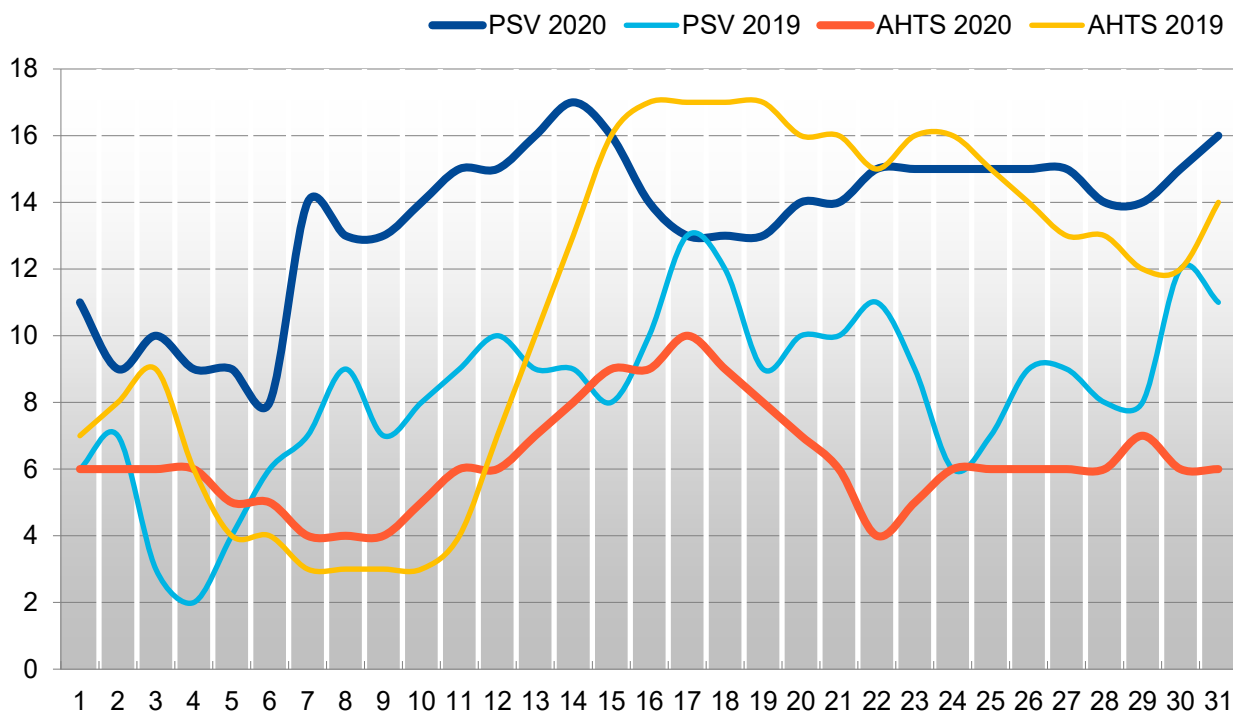
hybrid solutions installed. The management contract, commencing in October, is for a firm period of three years with further options available. Ocean Yield acquired the PSVs from their original owner BP Shipping in 2017.



NS Orla (pictured c/o O. Halland)

OSV RATES & UTILISATION

JULY 2020 - DAILY NORTH SEA OSV AVAILABILITY



RATES & UTILISATION

NORTH SEA SPOT AVERAGE UTILISATION JULY 2020

TYPE	JUL 2020	JUN 2020	MAY 2020	APR 2020	MAR 2020	FEB 2020
MED PSV	47%	60%	42%	66%	63%	59%
LARGE PSV	55%	63%	50%	58%	74%	65%
MED AHTS	48%	41%	38%	51%	38%	13%
LARGE AHTS	74%	52%	55%	67%	57%	36%

NORTH SEA AVERAGE RATES JULY 2020

CATEGORY	AVERAGE RATE JUL 2020	AVERAGE RATE JUL 2019	% CHANGE	MINIMUM	MAXIMUM
SUPPLY DUTIES PSVs < 900M ²	£4,650	£10,639	-56.29%	£3,500	£5,750
SUPPLY DUTIES PSVs > 900M ²	£4,310	£11,928	-63.87%	£1,867	£10,000
AHTS DUTIES AHTS < 22,000 BHP	£16,961	£20,533	-17.40%	£9,750	£28,861
AHTS DUTIES AHTS > 22,000 BHP	£18,132	£23,150	-21.68%	£5,942	£33,954

SPOT MARKET ARRIVALS & DEPARTURES - JULY 2020

ARRIVALS - NORTH SEA SPOT

PRINCESS	EX CANADA
SEA GULL	EX SOUTHEAST ASIA

DEPARTURES - NORTH SEA SPOT

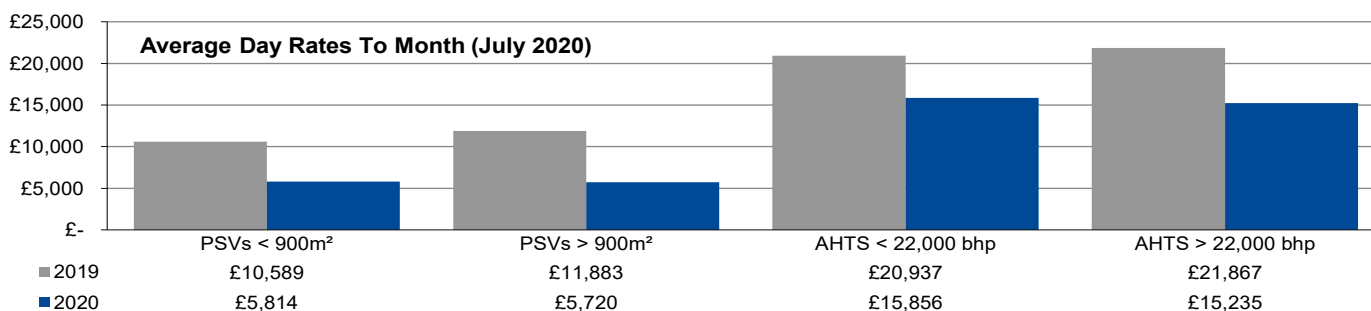
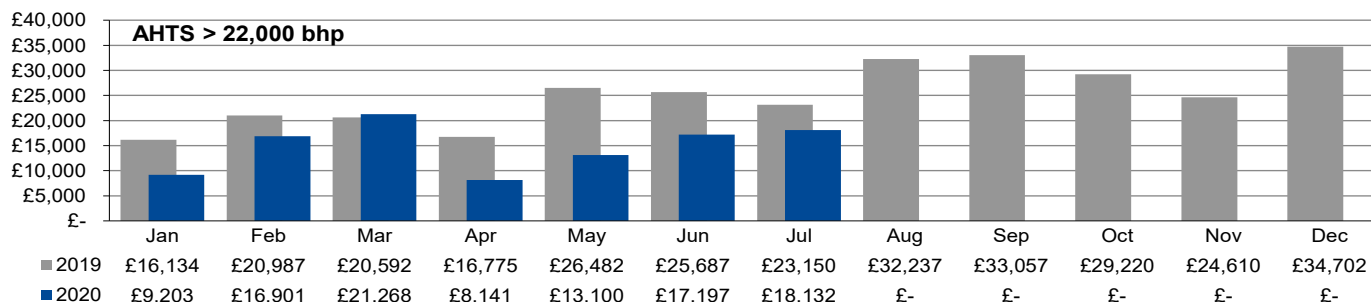
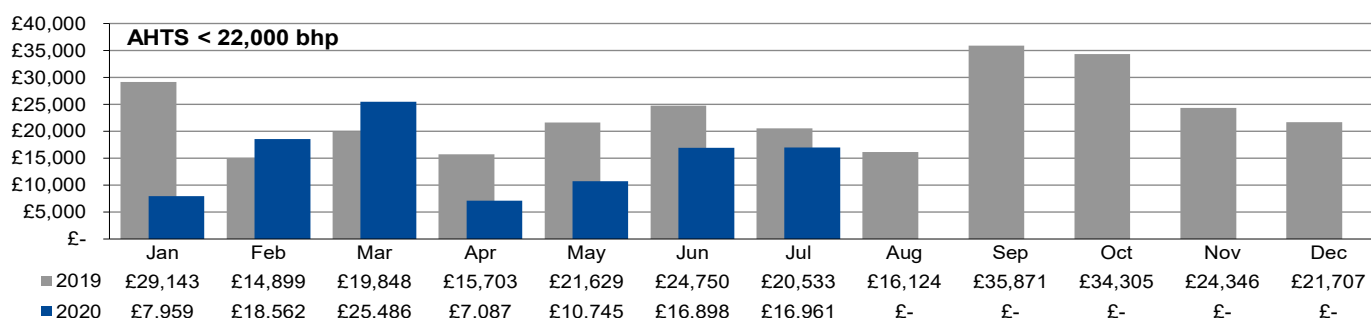
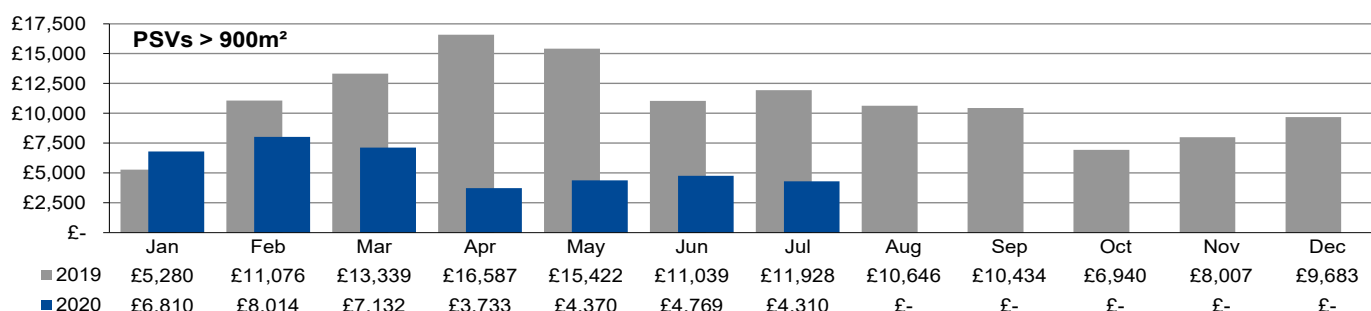
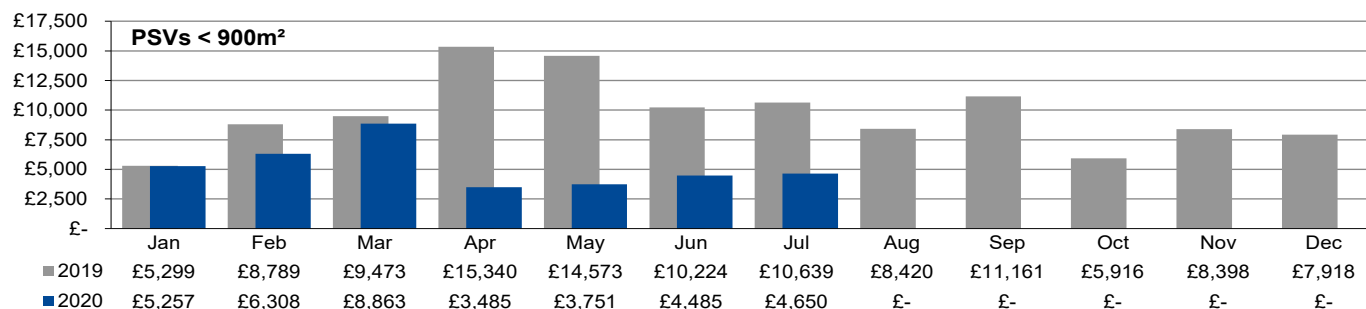
ALP FORWARD	BLACK SEA
NORMAND DROTT	SOUTH AFRICA
NORMAND PROSPER	SOUTH AFRICA
NORMAND SERENADE	RUSSIA

DEPARTURES CONTINUED

REM CETUS	RUSSIA
SAYAN PRINCESS	RUSSIA
SEA SPEAR	RUSSIA
SOLVIK SUPPLIER	RUSSIA

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

NORTH SEA AVERAGE SPOT RATES



FEATURE VESSEL

MALIN SENTINEL



Sentinel Marine has accepted delivery of the Malin Sentinel from the Cosco Dalian Shipyard in China, with the multi-role ERRV currently making her way towards the North Sea.

The Malin Sentinel is the ninth and final vessel in Sentinel's second newbuild cycle, a GBP 150 million investment from 2015. She is a sister to the Bailey Sentinel, Biscay Sentinel and Portland Sentinel; all three of those vessels are currently working in UK waters. Each vessel is equipped with Tier 4 engines to reduce emissions and greenhouse gases to near zero.

The next phase of Sentinel's fleet expansion will see three more ERRVs added to the company's fleet: the Cromarty Sentinel,

Trafalgar Sentinel and Viking Sentinel. They are also being built at Cosco Dalian. Their deliveries will see Sentinel's seafarer complement rise from 300 to nearly 400.

Built to the Focal 531 design, the Malin Sentinel is a multi-role field support ERRV. She is outfitted as a Class B ERRV for the rescue of up to 300 persons, although she can be upgraded to a Class A vessel. Furthermore, she can also be utilised for alternative duties such as oil spill recovery and cargo handling.



MALIN SENTINEL SPECS:

Design: Focal 531

LOA: 62m

Beam: 15.5m

Deadweight: 1,500t

Deck Area: 408m²

Deck Cargo: 600t

Daughter Craft: 1 x 15-man

Fast Rescue Craft: 1 x 15-man

Crew Accommodation: 26

Main Propulsion: 2 x CAT @ 1,500kW

NEWBUILDS, CONVERSIONS, S&P

ANOTHER DUO FOR KIM HENG

Kim Heng Offshore & Marine has acquired another pair of AHT vessels from the former fleet of the liquidated owner Posh Terasea. Via its 51% owned subsidiary Bridgewater Offshore Pte Ltd, Kim Heng acquired the Salvanguard and Salvigilant for a consideration of USD 4.8

million. This will be funded via internal resources and bank loans, and the vessels will be renamed as Bridgewater 160 and Bridgewater 161. This follows Kim Heng's earlier acquisition of the Salveritas (Bridgewater 163) and Salviceroy (Bridgewater 168) for USD 5.2 million in May 2020.



Salvigilant

COSL BAREBOATS NEWBUILD AHTS



ENA Enterprise / Guo Hai Min He

Following the news that COSL would bareboat charter four newbuild PSVs from SinoOcean (Guo Hai Min Fu, Guo Hai Min Sheng, Guo Hai Min Qiang and Guo Hai Min Xing), the company has entered into a similar deal for a first newbuild AHTS vessel, the Ena Enterprise. The Focal

502 WD vessel, which was built by Wuchang Shipbuilding in China, was originally ordered by Singaporean owner Eastern Navigation; she will be renamed as Guo Hai Min He. SinoOcean was set up by major Chinese shipbuilders to market idle offshore assets.

TIDEWATER CONCLUDES FURTHER SALES FOR RECYCLING

Tidewater has concluded the sales of three more vessels from its laid up fleet in Northwest Europe. The deal for AHTS vessel Highland Valour was concluded in mid-July, with the sale of PSVs Highland Bugler and Highland Challenger closing later in the month. All three

will be recycled in Turkey. This follows the recent sales of AHTS vessels Highland Courage and Highland Endurance, and PSV Highland Rover; of those three units, only the Endurance will remain as an active vessel. The Highland Courage and Rover are currently being towed to Turkey.



Highland Bugler (pictured c/o P. Gowen)

THREE MORE VESSELS SOLD



Jermaine Gibson

Elsewhere, Tidewater has reportedly sold three of its US-based PSVs to undisclosed buyers. The Homerun, Jermaine Gibson and Touchdown have all been laid up in the USA for several years; industry sources suggest they were recently sold to a new owner in Nigeria.

The sister vessels were all delivered by Bollinger Shipyards in the States in 2008. They were initially part of the GulfMark fleet prior to GulfMark's merger with Tidewater. They have a length of 68.6m, breadth of 14.0m, deck area of 502m² and deadweight of 2,151t.

NEWBUILDS, CONVERSIONS, S&P

NEW OWNERS AT KLEVEN VERFT



Atlantic Harrier

The Kleven Verft Shipyard in Norway has new owners after the previous management were forced to file for bankruptcy after a loan agreement was terminated. The new owners are ship recycling firm Green Yard. The loan agreement was put in

place to finance the completion of the Atlantic Harrier PSV for Atlantic Towing of Canada. The vessel was originally being built at Havyard. The termination of that loan deal has also led to the cancellation of the construction contract for the Atlantic Harrier.

NEW VESSEL FOR MILLER'S LAUNCH

Miller's Launch in New York has added a new vessel to its fleet via the purchase of PSV Harvey Gulf Charger from Harvey Gulf International Marine. Under her previous ownership, the vessel concluded her most recent charter with Occidental in the

US Gulf in April. Following the transaction, the 11-year old PSV was renamed as the Annabelle Miller. The vessel has a length of 62.5m, breadth of 14.0m, deck area of 466m² and a deadweight of 1,231t. She has accommodation for 22 persons.



Annabelle Miller (pictured c/o J.G. Teske)

TAS OFFSHORE & HANGTONG TERMINATE CONTRACTS FOR 16 OSVs



Malaysia-based TAS Offshore has entered into an agreement with Hangtong Shipbuilding to terminate the contracts it had entered into for 16 OSVs to be built at two of Hangtong's yards in China. The orders were

originally placed between 2013 and 2015, with the price per vessel ranging from USD 10.4 million to USD 39.4 million. TAS Offshore expects to recognise a loss of RM 70 million (USD 16.6 million) from the terminations.

ZHEJIANG ASSETS SOLD AT AUCTION

The entire asset base of Zhejiang Shibuilding in China has been sold at auction. Formerly part of the SinoPacific Shipbuilding Group, Zhejiang went bankrupt in 2016. The assets included in the auction included buildings,

manufacturing equipment and 11 uncompleted OSVs which had been left stranded at the yard. The assets were acquired by an undisclosed buyer for a price of RMB 409 million (USD 58.6 million).



RECENT DELIVERIES OF NEWBUILD OSVs

NAME	TYPE/DESIGN	OWNER / MANAGER	COMMITMENT
MALIN SENTINEL	FOCAL 531 MULTIROLE ERRV	SENTINEL MARINE	TBC

SUBSEA MARKET ROUND-UP

Outside of the renewables market, most of the new requirements materialising are still only for spot jobs that result in just a few days of operational duties. This will at least increase utilisation slightly for some owners. However, part of the deal for this type of fixture will require the vessel to wait alongside for a period of time because of restrictions due to the pandemic or if they have to wait for equipment to arrive.

Due to the short assignments and the associated time waiting quayside, this has restricted how many owners are actually bidding for some scopes despite the need to increase utilisation. Due to current conditions we have seen more vessels going into layup or owners reducing the size of the crews onboard. The owners of these partially manned vessels have found it difficult to submit a bid for short assignments because they would

have to fully man the vessel in time for the campaign, and with rates yet to improve it is not worth it financially for these short projects. It is not just the current situation that is troubling owners either. Many of them have stated that the fourth quarter of 2020 is concerning them even more because a lot of the work they have retained this year will have been completed by the end of the third quarter.

MERMAID ESTABLISHES NEW BUSINESS UNIT

As part of its diversification strategy, Mermaid Maritime has established a new offshore transportation, installation and decommissioning business unit that will target opportunities for work in the Gulf of Thailand. The company has taken this approach because the potential for future decommissioning work is expected to increase in 2021 and continue rising over the next 10-20 years. The Gulf of Thailand in particular has more than 400 offshore platforms,

with an estimated 100 platforms expected to be approved for decommissioning by the Thai government over the next 10 years. The scope of Mermaid's services will include new platform and pipeline installation as well as decommissioning to meet demand from major oil operators in Thailand and the surrounding region. According to Mermaid, a major oil and gas operator in Thailand has already initiated a

decommissioning programme for 49 platforms for the period from 2020-2023 and Mermaid has been approved as a qualified bidder to participate in the provision of services for these potential projects.



PETROBRAS STARTS DECOMMISSIONING CAMPAIGN

Petrobras has commenced the decommissioning of its 1983-built P-12 platform in the Campos Basin offshore Brazil. The operator also plans on decommissioning the 1977-built P-07 platform, which was last upgraded in 2002, and the 1983-built P-15 platform, which was last upgraded in 2011.

As well as the platforms in the Campos Basin, the Piranema FPSO in the Sergipe-Alagoas Basin is also planned to be decommissioned in 2020. According to Petrobras' strategic plan for 2020-2024, no fewer than 18 production platforms will be decommissioned by 2024. The P-07, P-12, and P-15

platforms were offered at a public auction on July 24th.



SAIPEM FDS TO WORK ON BÚZIOS

Meanwhile, Petrobras has also awarded a USD 325 million contract to Saipem for the installation of a rigid riser-based subsea system to serve the Búzios pre-salt project offshore Brazil.

The contract covers the engineering, procurement, construction and installation (EPCI) of the steel lazy wave risers (SLWR) and associated flowlines between all of the wells

and the FPSO. Installation will be carried out in water depths between 1,537 to 2,190m. The scope of work consists of five production and five injection risers and flowlines with a total length of 59km, a 16km gas export line to be connected to an existing pipeline, 11 rigid jumpers, and 21 foundation subsea structures (risers and PLETs). Saipem will utilise its 2001-built derrick pipelay barge Saipem

FDS on the campaign. The barge is equipped with a J-Lay tower, two work-class ROVs, a 600t crane and accommodation for up to 245 persons.



HEWETT DECOMMISSIONING PLAN REVEALED

Eni has submitted plans for the decommissioning of six platforms at the Hewett field in the southern North Sea offshore the UK. The earliest start date for the decommissioning would be in late 2021.

The Hewett field infrastructure comprises six platforms and 32 platform wells, with a further eight subsea wells that are tied back to the platforms.

Under the plan, the topsides and jackets for all six platforms will be removed and returned to shore for processing, recycling or disposal.

The topside will be removed via one of several possible options. These include a single lift removal by a single lift vessel or monohull crane vessel; or modular/'piece-large' removal by heavy-lift vessel for re-use/recycling/disposal; or offshore removal for onshore re-use/disposal.

The jackets will be removed either in a single lift or cut and recovered in several pieces. In addition to the topsides and jacket removal work, Eni has proposed this year to remove the vent stack and the redundant

compressor package on the 52/5A platform to clear any obstructions for rig access. This will facilitate the plug and abandonment of the platform wells.

The Hewett area contains the main Hewett field, which has five horizons situated vertically above each other, along with six adjacent satellite fields: Big Dotty, Little Dotty, Deborah, Dawn, Della and Delilah.



CYGNUS WORK FOR EDDA SUN

Neptune Energy has awarded a subsea inspection contract to Fugro to survey the structures at the Cygnus gas field in the UK's southern North Sea. The scope of work includes inspection of subsea infrastructure including pipelines and umbilicals, spools and communication cables, as

well as structural surveys of the gas platform jackets. Fugro will utilise the 2009-built Edda Sun, which is equipped with two crane-deployed Seabeey Lynx inspection-class ROV systems, one hangar-deployed FCV 3000 work-class ROV system and a 70t crane.



Edda Sun (pictured c/o O. Halland)

SUBSEA 7 PICKS UP EPCI CONTRACTS



It has been a busy spell for Subsea 7, with the company securing the engineering, procurement, construction and installation (EPCI) contract for Aker BP's Hod development

in the North Sea. This was followed up with a second EPCI contract in the Gulf of Mexico. The contract covering the Hod field includes the EPCI for pipelines, umbilicals and tie-ins utilising vessels from Subsea 7's own fleet.

The production pipeline is a pipe-in-pipe design which will incorporate the first application of mechanically lined pipe based on GluBi technology from Butting. Offshore operations will take place this year and in 2021.

The re-development of the Hod field will include a new wellhead platform (Hod B) that will be linked to the Valhall field centre with rigid pipelines and an umbilical.

Separately, for the Gulf of Mexico contract, the work scope for an undisclosed client will include the engineering, procurement, construction and installation of subsea pipelines, as well as the transportation and installation works associated with the project.

AMETHYST DECOMMISSIONING PLANS APPROVED

UK authorities have approved the draft decommissioning plans from Perenco for four Amethyst gas field topsides in the southern North Sea. The Amethyst field consists of four normally unmanned installations (NUIs) – A1D and A2D (both installed in 1989), and B1D and C1D (both installed in 1991). The field is located in Block 47/14a but also extends into Blocks 47/13a, 47/9a and 47/15a.

The plan was approved in early July after Perenco originally submitted its proposal back in April. The programme suggests that the preferred order of decommissioning would be C1D first, followed by B1D, A2D and then A1D utilising a jackup barge or a drilling rig jackup to plug and abandon the platform wells and make the platforms hydrocarbon free.

The current plan is to use a

decommissioning jackup barge to remove the topside modules. There will also be a separate programme for the removal of the Amethyst installation jackets and an individual programme for the decommissioning of the pipelines that are associated with the Amethyst installations.

P E R E N C O



LICHTENSTEIN ARRIVES IN GOM

Ultra Deep Solutions' diving support vessel Lichtenstein has arrived in the Gulf of Mexico ahead of commencing a new contract, understood to be with McDermott.

The MT6024 DSCV-designed vessel was delivered in 2017. She is equipped with an 18-man twin bell saturation system for operations in depths of up to

300m. The vessel is outfitted with diesel electric frequency controlled propulsion, azimuth thrusters, a class two dynamic positioning system and 140-tonne offshore cranes, while she has an accommodation capacity for 130 persons. The Lichtenstein will work on multiple subsea projects while she is in the Gulf of Mexico. The

contract should see the 121m vessel remain in the region for the next 6-12 months.



RENEWABLES

WINDEA JULES VERNE BEGINS WORK ON MERKUR

Bernhard Schulte's newbuild SOV Windea Jules Verne has started her multi-year contract servicing the 396 MW Merkur wind farm offshore Germany on behalf of GE Renewable Energy. The 93m SOV, which was recently delivered by Ulstein Verft in Norway, is based on the Ulstein SX195 design. She is equipped with both an X-Bow and an X-Stern to soften motions

and reduce vibrations, and she can accommodate up to 120 persons onboard. The SOV has a large centrally positioned walk-to-work motion compensated gangway and a lift tower for personnel and cargo transfers. Furthermore, a 3D compensated crane capable of two-tonne cargo lifts is available. The vessel is powered by a diesel-electric hybrid system.

The Windea Jules Verne will service GE's 66 Haliade 150-6 MW turbines. Bernhard Schulte secured the ten-year O&M agreement with GE Renewable Energy in July 2018 to provide an SOV for the service and maintenance of the turbines.



DENMARK SPEEDS UP HESSELØ TENDER

Denmark is accelerating its tendering procedure for the Hesselø offshore wind farm to allow for the commissioning of the project one year earlier than had initially been planned. The plan now is to target 2027 for the commissioning of the project.

Hesselø is the second of three offshore wind farms proposed in the Energy Agreement 2018, with the first being the Thor project. The recently approved Climate Action Plan includes both the Thor and Hesselø projects being commissioned in

the same year. Denmark plans to start the tendering procedure for the development of the wind farm in 2021, with the winner to be selected in 2022. The Hesselø wind farm will have an installed capacity of between 800 and 1,200 MW.

BRAVE TERN ARRIVES IN TAIWAN

Having recently arrived in Taiwan following mobilisation from Denmark, Fred Olsen Windcarrier's jackup vessel Brave Tern has started work on the 640 MW Yunlin offshore wind project. The 2012-built unit will install 80 Siemens Gamesa

8.0-167 DD turbines having already transported them from Denmark. After this project, the Brave Tern will transport and install the 62 MHI Vestas V174-9.5 MW turbines at the two 589 MW Changfang and Xidao wind farms offshore Taiwan.



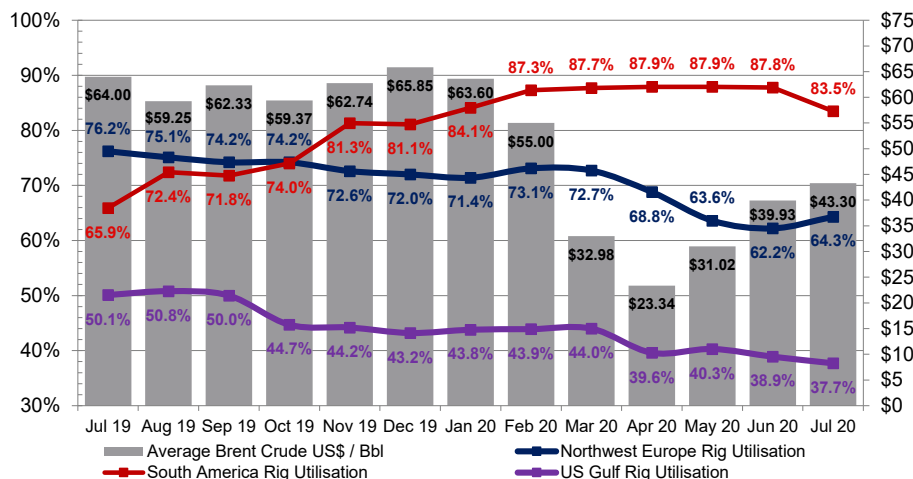
CROSSWIND TO DEVELOP HOLLANDSE KUST

CrossWind, a consortium between Shell and Eneco, has won the tender to develop the 759 MW Hollandse Kust (noord) wind farm offshore Holland. CrossWind will include five technology demonstrations that could be implemented at full-

scale in the future. These include a floating solar park, short-term battery storage, wind turbines that are optimally tuned to the network to minimise the negative 'wake'-effects that wind turbines have on each other, green hydrogen made by

electrolysis as a further storage technique, and the combination of these individual measures to ensure a continuous power supply regardless of the wind. The wind farm is expected to be online in 2023 with 69 Siemens Gamesa 11 MW turbines.

OIL PRICE VS RIG UTILISATION



RESTRUCTURING AT NOBLE

Noble Corporation has entered into a financial restructuring agreement to significantly deleverage its balance sheet. The agreement would eliminate all of Noble's bond debt, which stands at more than USD 3.4 billion,

through the cancellation and exchange of debt for new equity in the reorganised company. Noble has entered into voluntary Chapter 11 relief, and expects to re-emerge from Chapter 11 before the end of the year.

LONG-TERM US GULF DRILLSHIP CONTRACT

Pacific Drilling has secured some much needed long-term contract backlog for its Pacific Sharav drillship. Murphy Oil had chartered the rig to drill two firm wells offshore Mexico from January 2021. That contract has

since been cancelled, however Murphy has awarded a much longer 10-well firm contract to the rig for US Gulf drilling instead. This longer contract, for around 450 firm days, will start in the second quarter of 2021.

RIG UTILISATION AND DAY RATES

UTILISATION	JUL 2020	JUL 2019	JUL 2018	JUL 2017	JUL 2016
NORTHWEST EUROPE	64.3%	76.2%	68.8%	57.9%	64.6%
SOUTH AMERICA	83.5%	65.9%	62.8%	69.2%	74.3%
US GULF	37.7%	50.1%	45.1%	33.5%	35.0%

RECENT DAY RATE BENCHMARKS	LOW (USD)	HIGH (USD)
UK HARSH HIGH SPEC JACKUPS	65,000	65,000
NORWAY HARSH HIGH SPEC JACKUPS	274,000	280,000
UK HARSH STANDARD SEMISUBS	140,000	170,000
GLOBAL ULTRA-DEEPWATER SEMISUBS	150,000	180,950
GLOBAL ULTRA-DEEPWATER DRILLSHIPS	170,000	230,000

INACTIVE RIGS NORTHWEST EUROPE		
NAME	TYPE	STATUS
BIDEFORD DOLPHIN	SS	WARM STACK
BLACKFORD DOLPHIN	SS	WARM STACK
BOLETTE DOLPHIN	DS	WARM STACK
BORGLAND DOLPHIN	SS	HOT STACK
COSLINNOVATOR	SS	WARM STACK
DEEPSEA BERGEN	SS	WARM STACK
ISLAND INNOVATOR	SS	WARM STACK
MAERSK GALLANT	JU	COLD STACK
MAERSK INNOVATOR	JU	WARM STACK
MAERSK INTERCEPTOR	JU	WARM STACK
MAERSK REACHER	JU	WARM STACK
MAERSK RESILIENT	JU	WARM STACK
MAERSK RESOLUTE	JU	WARM STACK
NOBLE HANS DEUL	JU	WARM STACK
NOBLE HOUSTON COLBERT	JU	WARM STACK
NOBLE SAM HARTLEY	JU	HOT STACK
NOBLE SAM TURNER	JU	HOT STACK
OCEAN VALIANT	SS	COLD STACK
PAUL B. LOYD, JR.	SS	WARM STACK
PROSPECTOR 1	JU	WARM STACK
PROSPECTOR 5	JU	WARM STACK
RAN	JU	WARM STACK
SCARABEO 8	SS	WARM STACK
STENA DON	SS	WARM STACK
STENA SPEY	SS	HOT STACK
SWIFT 10	JU	COLD STACK
TRANSOCEAN LEADER	SS	WARM STACK
VALARIS JU-100	JU	WARM STACK
VALARIS JU-101	JU	WARM STACK
VALARIS JU-121	JU	WARM STACK
VALARIS JU-123	JU	WARM STACK
VALARIS JU-249	JU	WARM STACK
WEST ALPHA	SS	COLD STACK
WEST BOLLSTA	SS	WARM STACK
WEST EPSILON	JU	COLD STACK
WEST LEO	SS	COLD STACK
WEST NAVIGATOR	DS	COLD STACK
WEST PEGASUS	SS	COLD STACK
WEST TAURUS	SS	COLD STACK
WEST VENTURE	SS	COLD STACK
WILHUNTER	SS	COLD STACK

Source: IHS-Petrodata

CONUNDRUM CORNER, DUTY PHONES

NORWAY LEADS THE WAY

There has been a real dearth of contracting activity within the global rig market recently. With one notable exception - Norway. Since the government announced temporary changes to its petroleum taxation laws in June, several E&P companies have given the green light to drilling campaigns. Some of these may not have gone ahead otherwise.

Vår Energi has decided to proceed with its four-well drilling programme with the Scarabeo 8 in the Barents Sea and North Sea after all; this had previously been postponed before the taxation change. Meanwhile, Equinor has awarded an LOI to Odfjell Drilling for a 12-well firm charter with the Deepsea Atlantic at Johan Sverdrup from 2022; Chrysaor has awarded an LOI for a 2-3 well programme with the COSLInnovator; Dolphin Drilling picked up a three-well P&A charter for the Borgland Dolphin (thought to be with DNO); and Aker BP has awarded a new one-well contract to jackup Maersk Integrator.

CONUNDRUM CORNER

Last month's answer :-

Add the vowels to give six associated names. What are they? WSP RPPL YRK R DM BST

The answer was :- Wispa, Ripple, Yorkie, Aero, Daim, Boost

This month, our poser is as follows: A train timetable is listed below. What time should the Penzance train depart?

Glasgow 07:12
Reading 18:05
Norwich 14:15
Sheffield 19:08
Penzance ?

Answers back to chartering@seabrokers.co.uk.

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