

SEABREEZE

THE SEABROKERS MONTHLY MARKET REPORT

JUNE 2018

GAZPROM GEARING UP FOR ANOTHER RUSSIA CAMPAIGN



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Production and Administration:
Seabrokers Ltd, Aberdeen
For your free copy of
Seabreeze, email:
chartering@seabrokers.co.uk

The Seabreeze Monthly Market Report is distributed worldwide through our offices in Aberdeen, Stavanger and Rio de Janeiro.

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ABOUT SEABROKERS GROUP

The Seabrokers Group was established in 1982. We provide a unique and varied range of services to clients. The Seabrokers Group has an experienced workforce within Shipbroking, Real Estate, Facilities Management, Construction, Sea Surveillance, Harbour Cranes and Safe Lifting Operations. Our head office is located in Stavanger, but we also have offices in Aberdeen, Bergen and Rio de Janeiro.

The Seabrokers Group is different – and we are proud of this fact. Our information, experience and knowledge provide us with the ability to perform in our diverse business areas.

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OSV MARKET ROUND-UP

VESSEL OWNERS READY FOR SUMMER

The sun has been shining across Northwest Europe in recent weeks as summer has arrived in style. This is the point that all vessel owners in the region look forward to - as demand and rates tend to turn in their favour.

Generally, it is fair to say that the spot market has been weaker than many owners had expected so far this year. That can partially be attributed to the reactivation of a considerable number of vessels from layup, and the relocation of tonnage from other regions. However, there were some signs in June that the market momentum has started, with the Norwegian sector in particular experiencing very limited levels of spot vessel availability in the second half of the month.

We have reached a point where activity levels have started to ramp up considerably and a long list of PSVs (particularly large vessels) have moved onto term contracts for the summer. Furthermore, Gazprom is preparing to commence a drilling campaign in the Kara Sea offshore Russia that has drawn several vessels away from the North Sea market. If this tightening of supply does not enable owners to make any money on the spot market over the next few months then they never will this year.

NORWAY OFFERS 12 PRODUCTION LICENCES

The Ministry of Petroleum and Energy in Norway has offered 12 new production licences to 11 companies as a result of its 24th Licensing Round. Nine of the licences are located in the Barents Sea, with the remaining three in the Norwegian Sea.

In total, there were 102 blocks/part-blocks on offer, consisting of nine in the Norwegian Sea and 93 in the Barents Sea. The 12 licences that were awarded cover nearly half of the blocks that had been on offer - all nine blocks in the Norwegian Sea were incorporated into the three licences that were awarded there, and 38 of the blocks in the Barents Sea were included in the nine licences there.

The operatorship of the new licences were awarded to Aker BP (2 licences), Equinor (5),

Lundin (1), OMV (1), Shell (1) and Spirit Energy (2). The other successful bidders who were awarded minority licence stakes without operatorship were DEA, Idemitsu, M Vest Energy, Petoro, VNG and Wintershall.

The award of vast swathes of acreage from this round is a positive development for Norway, with a recent report from the Norwegian Petroleum Directorate suggesting that new and larger discoveries will have to be made in order to maintain production levels beyond the mid-2020s. The report indicated that after more than 50 years of activity, around 55% of Norway's anticipated oil and gas resources have yet to be produced; two-thirds of the projected resources are in the Barents Sea, with the remainder split between the North and Norwegian Seas.

SEABROKERS RECERTIFIED BY DNV GL

The Seabrokers Group is pleased to confirm that its shipbroking divisions in both Stavanger and Aberdeen have had their Management System procedures recertified by DNV GL to meet the new ISO standard.

Seabrokers Chartering AS in Norway and Seabrokers Ltd in Scotland have had their Quality Assurance procedures for the Provision of a Shipbroking Service recertified in line with

Management System Standard BS-EN-ISO 9001:2015. Both organisations are now certified until August 2020.

Seabrokers has always strived to ensure that our Management System processes are in line with universally acknowledged procedural guidelines, enabling us to provide a market-leading shipbroking service for the global offshore market.

OSV MARKET ROUND-UP

LONG-TERM CONTRACTS WITH MAERSK OIL/TOTAL

Maersk Oil North Sea UK Ltd (a Total company) has closed a long-term tender with the award of five PSV contracts.

SolstadFarstad picked up four of the five contracts. The 2013-built Sea Tantalus (pictured c/o O Halland) and the 2010-built Far Server will provide support for Maersk Oil's drilling campaign with semisubmersible rig Ocean Valiant for approximately two years; meanwhile, the 2014-built Sea Springer and the 2003-built Normand Flipper will support the Culzean FSO hook-up and commissioning for around nine months. SolstadFarstad has successfully reactivated the Far Server, Sea Springer and Sea Tantalus from layup this year.



The final contract award went to Rem Offshore, with the 2012-built PSV Rem Mistral chartered for a firm period of two years to support Maersk

Oil's drilling campaign with jackup rig Maersk Highlander. All of the contracts came with commencement dates in June or July.

MORE TERM FIXTURES FOR SOLSTAD FARSTAD



SolstadFarstad has confirmed a range of other contracts in recent weeks. In the North Sea, Aker BP has awarded four-month contracts to PSVs Normand Arctic and Normand Skude, and a two-month contract to PSV Far Solitaire, while Statoil has exercised a one-year option with AHTS vessel Normand

Ferking. In Egypt, BP has chartered PSV Sea Spark for one year, while sister vessels Sea Spear and Sea Supra were awarded three-month contracts with Gazprom offshore Russia. Finally, AHTS Far Scimitar (pictured c/o D Dodds) has been chartered for four months by a major oil company in Brunei.

ANOTHER SHELL CONTRACT FOR ØSTENSJØ

Having recently entered into a contractual agreement that will see PSV Edda Frende chartered in the UK sector for three years, Shell has awarded another long-term contract to Østensjø Rederi. This time, PSV Edda Ferd

(pictured c/o D Dodds) has been chartered for a firm period of six wells with 12 further one-well options. The firm portion of this contract is expected to last for at least 18 months, and the vessel went on hire in June.



OSV MARKET ROUND-UP

CONTRACT EXTENSION AND NEWBUILD OPTIONS FOR GOLDEN ENERGY

Golden Energy Offshore has secured another three-month contract extension for its PSV Energy Scout with Total offshore Nigeria. The 2005-built vessel is now firmly contracted until October 2018, with a further three-month option available. The Energy Scout has worked for Total in a variety of different West African nations going back as far as 2008.

With an eye on an improving market, Golden Energy has also entered into an agreement with Nantong Rainbow Offshore & Engineering in China, whereby Golden Energy has secured the rights to acquire two newbuild Ulstein PX121H MPSVs at a price of USD 17.9 million per vessel.



The PX121H MPSVs can be upgraded at relatively low cost either for IMR work or for the renewables market. Golden Energy has had supervision of the vessels, known as the Energy

Duchess (pictured) and Energy Empress, during construction. Therefore, the company is well placed to acknowledge their quality, and will now start marketing them for work.

DEA AND WINTERSHALL FIX UP FOR DRILLING CAMPAIGNS



DEA and Wintershall have both chartered a pair of large PSVs to support upcoming drilling campaigns offshore Norway. DEA has chartered the Stril Mar (pictured c/o O Halland) from Simon Møkster Shipping, and the Olympic Energy from Olym-

pic Subsea, to support the Island Innovator on a one-well contract from September. Meanwhile, Wintershall has fixed the Island Crusader and Skandi Gamma from Island Offshore and DOF to support the Transocean Spitsbergen on equivalent contracts.

STIMULATING NETHERLANDS ACTIVITY

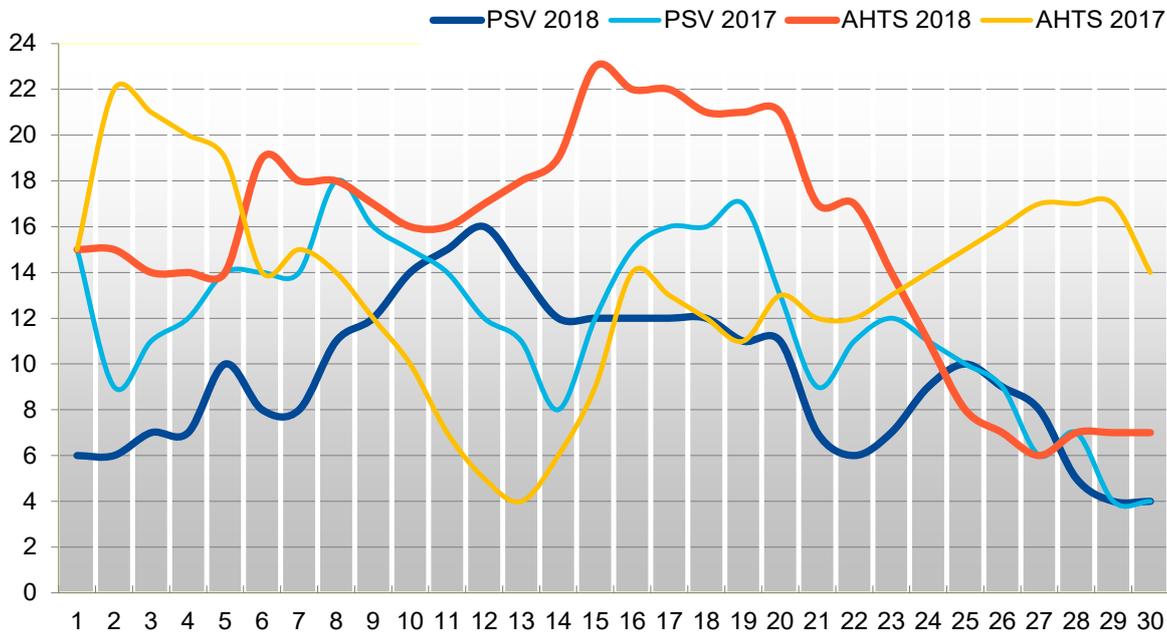
In an attempt to stimulate more investment and activity offshore the Netherlands, the Dutch Minister for Economic Affairs and Climate Policy has proposed an amendment to the country's taxation system for small offshore gas fields. While there has already

been a tax incentive of 25% for the exploration and production of qualifying small offshore natural gas fields, the Minister has proposed increasing this incentive to 40%. It is hoped that this will generate more shallow-water gas production in the years to come.



OSV RATES & UTILISATION

JUNE 2018 - DAILY NORTH SEA OSV AVAILABILITY



RATES & UTILISATION

NORTH SEA SPOT AVERAGE UTILISATION JUNE 2018

TYPE	JUN 2018	MAY 2018	APR 2018	MAR 2018	FEB 2018	JAN 2018
MED PSV	72%	64%	57%	58%	56%	52%
LARGE PSV	82%	75%	83%	74%	76%	76%
MED AHTS	44%	46%	63%	55%	23%	37%
LARGE AHTS	58%	56%	61%	60%	61%	44%

NORTH SEA AVERAGE RATES JUNE 2018

CATEGORY	AVERAGE RATE JUN 2018	AVERAGE RATE JUN 2017	% CHANGE	MINIMUM	MAXIMUM
SUPPLY DUTIES PSVs < 900M ²	£7,631	£5,452	+39.97%	£4,000	£22,000
SUPPLY DUTIES PSVs > 900M ²	£7,585	£5,684	+33.44%	£4,750	£14,018
AHTS DUTIES AHTS < 22,000 BHP	£9,875	£8,036	+22.88%	£3,000	£29,000
AHTS DUTIES AHTS > 22,000 BHP	£16,931	£14,237	+18.92%	£5,140	£46,278

SPOT MARKET ARRIVALS & DEPARTURES JUNE 2018

ARRIVALS - NORTH SEA SPOT

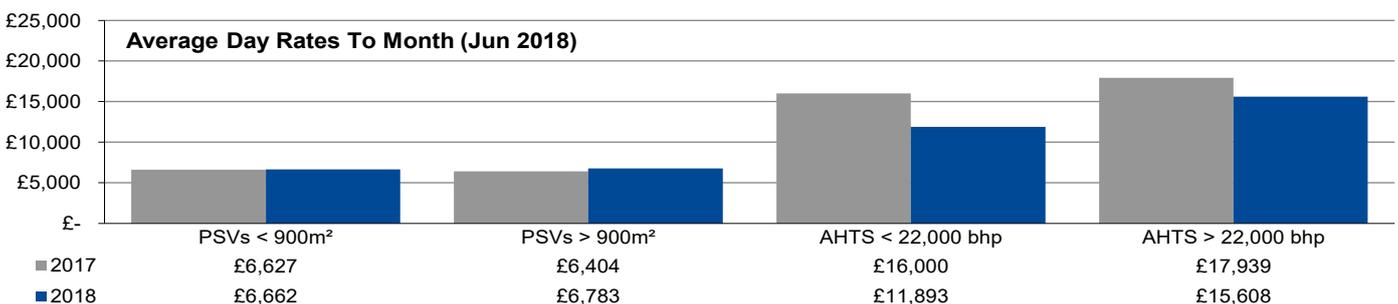
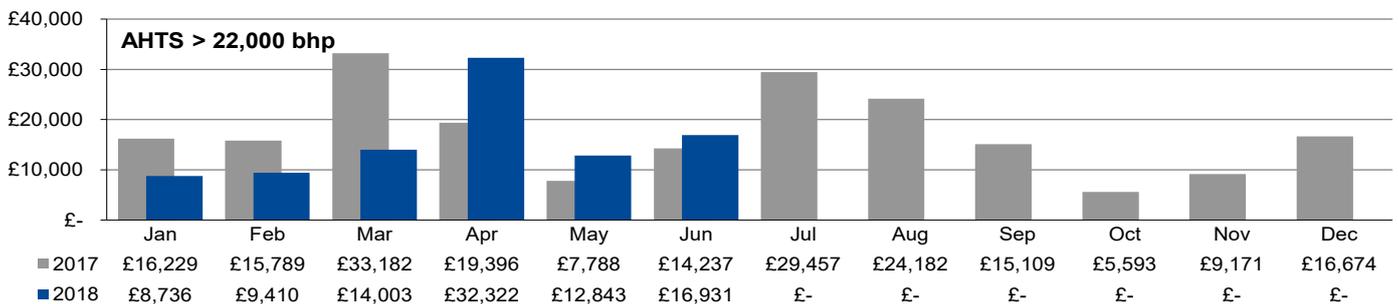
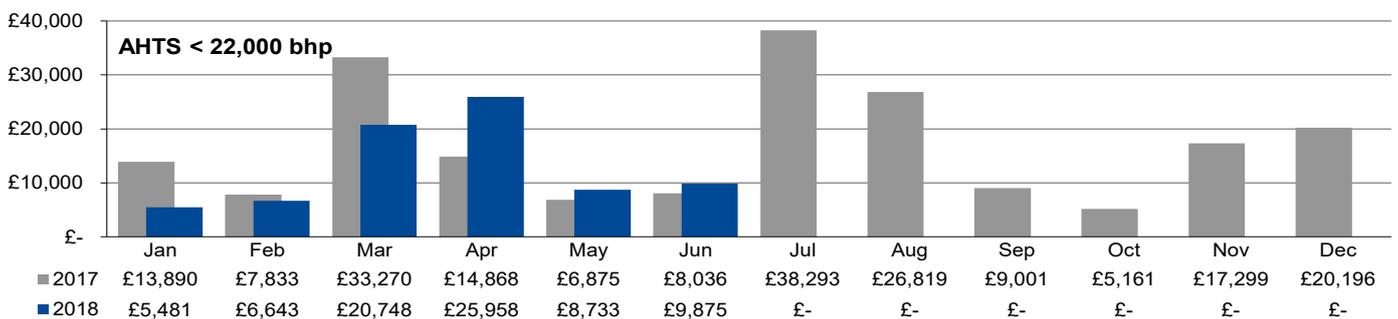
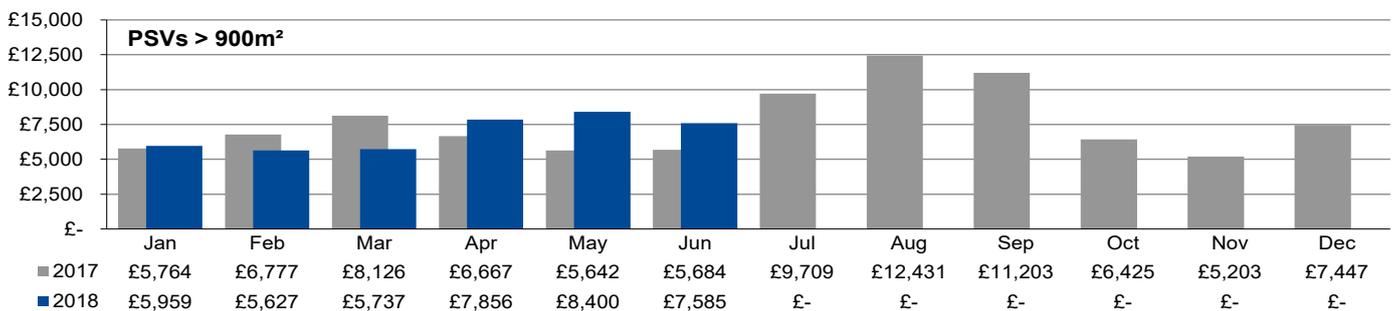
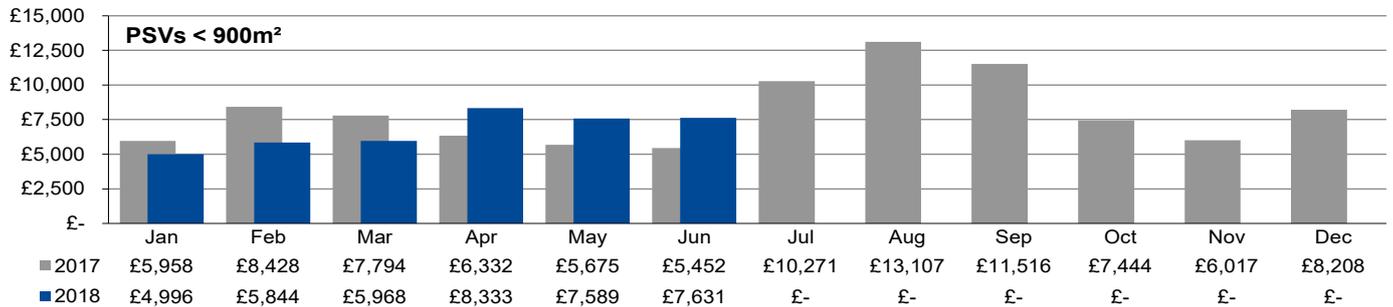
MAERSK LANCER	EX SOUTH AMERICA
PACIFIC DOLPHIN	EX MEDITERRANEAN

DEPARTURES - NORTH SEA SPOT

BOA BISON	RUSSIA
BOA JARL	RUSSIA
NORSEA FIGHTER	RUSSIA
SIEM EMERALD	RUSSIA

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

NORTH SEA AVERAGE SPOT RATES



FEATURE VESSEL

SKANDI RECIFE



The Skandi Recife, a newbuild flexible lay and construction vessel owned by a TechnipFMC and DOF joint venture, has commenced her maiden contract with Petrobras offshore Brazil.

The Brazilian-flagged vessel, built at the Vard Promar facility, has been contracted by Petrobras for a firm period of eight years. She will be working in the Campos, Santos and Espírito Santo basins.

Built to the VARD 3 16 design, the Recife has a length of 139.9m, breadth of 28.0m and draft of 8.5m. She has a deadweight of 10,800t and an accommodation capacity for 120 persons.

The Skandi Recife has been built with state of the art pipelay and marine technology. She is equipped with a 340t Vertical Lay

System tower, a 2,500t under-deck carousel and two work-class ROVs. This enables her to lay flexible pipes in water depths of up to 2,500m.

Under the joint venture, DOF will be responsible for marine operations while TechnipFMC will manage the flexible pipelay.

A sister ship to the Skandi Recife, the Skandi Olinda, is also under construction at Vard Promar, with delivery expected in the first quarter of 2019. She has also been contracted by Petrobras for an eight-year firm charter.



SKANDI RECIFE SPECS:

Owner: DOF / TechnipFMC JV
Build Yard: Vard Promar, Brazil
Design: VARD 3 16
LOA: 139.9m
Breadth: 28.0m
Draft: 8.5m
Deadweight: 10,800t
Accommodation: 120 persons
Vertical Lay System: 340t tower
Underdeck Carousel: 2,500t
ROVs: 2 x work-class
Pipelay Limit: 2,500m WD

OSV NEWBUILDINGS, S&P

MAERSK ADDS MINDER

Maersk Supply Service has added a fourth "Starfish" AHTS vessel to its fleet. The Maersk Minder (pictured c/o G Lewis) is the fourth of six units built to the SALT 200 design by the Kleven Verft Shipyard in Norway. Following delivery, the Minder commenced a charter for Maersk

Oil/Total, supporting activities at the Culzean development in the UK sector of the North Sea. The Starfish vessels have a length of 95m and breadth of 25m. They are powered by five medium speed engines with a total output of 23,000 bhp, providing a bollard pull in excess of 230t.



ANOTHER AHTS FOR CBO



AHTS vessel CBO Xavantes has entered service for Grupo CBO following her delivery from the company's Estaleiro Aliança facility in Niterói, Brazil. The vessel was commissioned to fulfil an eight-year firm contract that Grupo CBO was awarded during the seventh round

of Petrobras' Prorefam (fleet renewal) programme. The CBO Xavantes (pictured c/o R Cordeiro) was built to the Havyard 843 design. This is well suited for the Brazilian market, with the wide deck enabling more equipment, buoys and anchors to be stored on deck.

NEW MASTER FOR TOPAZ

Newbuild AHTS vessel SK Line 905 has arrived in the Middle East. The Topaz Marine vessel was mobilised to the UAE following her delivery from the Ghuangzhou Hangtong Shipyard in China. The DP2 vessel will be renamed Topaz Master. She has a length

of 64.8m, breadth of 16.0m and a maximum draft of 5.4m. With an engine output of 5,700kw (7,644 bhp), the vessel has a bollard pull of circa 85-90t. The Master has a deck area of 420m² with a deadweight of 2,000t, and she is equipped with FiFi 1 equipment.



FINAL 'G CLASS' DELIVERED TO SWIRE



Swire Pacific Offshore has concluded its newbuild PSV programme with the delivery of its tenth and final 'G Class' vessel from Japan Marine United Corporation. The Pacific Gull set a course for Singapore following her delivery from the Tsurumi Shipyard in Japan.

The G Class vessels were built to the IMT 984 design. They have a length of 84.65m, a deck area of 810m² and a deadweight of more than 4,000 tonnes. The ten units are dotted around the globe, trading in Australasia, West Africa, Southeast Asia and the Indian Ocean.

OSV NEWBUILDINGS, S&P

DILIGENCE DELIVERED TO ISLAND



The Island Diligence has entered service for Island Offshore. The Diligence, built by Vard Brevik in Norway, is based on the UT 717 CDX PSV design. However, she has been modified for operations as a Walk-to-Work/Accommodation

vessel. The Diligence (pictured c/o G.T. Sanderson) has a length of 86.0m and a breadth of 18.5m. She has an accommodation capacity for 100 persons, with an Uptime gangway installed for walk-to-work operations.

VIKING SELLS THREE PSVs

Viking Supply Ships has entered into an agreement to sell three of its laid-up PSVs to an undisclosed buyer. The 2007-built Freyja Viking (pictured), 2006-built Nanna Viking and 2006-built Sol Viking will be delivered to their

new owners in July. The Freyja Viking and Sol Viking have been in cold layup since March 2016, with the Nanna Viking in cold layup since September 2015. This sale is estimated to result in a book loss of USD 12 million for Viking.



CANADA TO ACQUIRE THREE ICEBREAKERS



Public Services and Procurement Canada, on behalf of the Coast Guard, has issued an Advanced Contract Award Notice to Chantier Davie of Quebec for the acquisition and conversion of three medium commercial

icebreakers. Based on Chantier Davie's Project Resolute proposal, this would entail the acquisition of three AHTS icebreakers, with Viking Supply Ships' Balder Viking, Tor Viking II and Vidar Viking identified as candidates.

SOLSTAD FARSTAD SELLS JACKAL

SolstadFarstad has sold the 2011-built AHTS vessel Sea Jackal to undisclosed buyers, with delivery of the vessel to its new owners taking place

on 20th June. The Sea Jackal was built to the SeaTech P-729 design, with a bollard pull of 91t. She has been laid up in Norway since the fourth quarter of 2016.



RECENT DELIVERIES OF NEWBUILD OSVs

NAME	TYPE/DESIGN	OWNER/ MANAGER	COMMITMENT
CBO XAVANTES	HAVYARD 843 AHTS	GRUPO CBO	SOUTH AMERICA
ISLAND DILIGENCE	ROLLS ROYCE UT 717 CDX W2W/PSV	ISLAND OFFSHORE	NORTHWEST EUROPE
MAERSK MINDER	SALT 200 AHTS	MAERSK SUPPLY SERVICE	NORTHWEST EUROPE
PACIFIC GULL	IMT 984 PSV	SWIRE PACIFIC OFFSHORE	TBC
TOPAZ MASTER (SK LINE 905)	65M AHTS	TOPAZ MARINE	TBC

SUBSEA MARKET ROUND-UP

The Norwegian Ministry of Petroleum and Energy has approved Equinor's plan for the development and operation of the Johan Castberg field in the Barents Sea. According to Equinor, this is the largest subsea field currently under development in the world today.

The plan, which was submitted in December 2017, covers the field development concept which will include an FPSO and subsea development consisting of 30 wells, 10 subsea templates and two satellite structures. The Johan Castberg field was first

discovered in 2011, and first oil is now scheduled for 2022.

The field has an expected production horizon of 30 years, and will entail capital expenditure of some NOK 49 billion. The estimated recoverable resources are estimated at 450-650 million barrels of oil equivalent. The original capital expenditure had been estimated at more than NOK 100 billion and the break-even oil price was previously more than USD 80 per barrel. However, the revised plan now makes the project profitable at an oil price below USD 35 per

barrel. As previously reported in Seabreeze, Equinor has awarded a contract to Ocean Installer for marine operations on the Johan Castberg project, with offshore operations taking place in the summer seasons from 2019 until 2022. A contract has also been awarded to Subsea 7 for the design, coating, fabrication and installation of a 53km rigid flowline including 34km of pipe-in-pipe flowline.

The Johan Castberg partnership consists of Equinor (operator with 50%), Eni Norge (30%) and Petoro (20%).

SHELL AWARDS CONTRACTS TO SUBSEA 7



Shell has awarded two contracts to Subsea 7 covering work in the UK and the US Gulf of Mexico. The first award covers the Penguins redevelopment project, approximately 150 miles north-east of the Shetland Islands. The engineering, procurement, construction and installation (EPCI) contract covers the fabrication of two pipeline bundles containing pipe-in-pipe

production flowlines, gas lift flowlines and control systems. The contract also includes the fabrication of a 9km 16-inch gas export pipeline, a flexible riser system, dynamic umbilical riser system and associated subsea tie-ins. Offshore activities are scheduled to take place in 2020 and 2021.

The Penguins field currently processes oil and gas using four existing drill centres tied back to the Brent Charlie platform. The redevelopment of the field, required when Brent Charlie ceases production, will see an additional eight wells drilled, which will be tied back to the new FPSO vessel. Natural gas will then be exported through the tie-in of existing subsea facilities and additional pipeline

infrastructure. The Penguins field is a joint venture between Shell (50% and operator) and ExxonMobil (50%).

In the US Gulf, Shell awarded Subsea 7 a contract to cover the deepwater Vito development. Subsea 7 will provide the project management, engineering, procurement, installation and pull-in of two 12-inch infield production flowlines with 10-inch steel catenary risers (SCRs), one gas lift flowline and SCR, and the umbilical system. Project management and engineering will take place in Houston, Texas, with support from Subsea 7's specialist technical Pipeline Group in Glasgow, UK. Offshore installation activities are scheduled for 2020 and 2021.

TECHNIP SECURES LARGE LIUHUA CONTRACT

TechnipFMC has been awarded a subsea contract with CNOOC to cover the engineering, procurement and construction of subsea equipment, including 26 units of enhanced horizontal

subsea trees, for the Liuhua oilfield joint development project in the South China Sea. TechnipFMC will also install and commission the kit for the field, which has water depths ranging

from 380 to 430 metres.



SAIPEM LANDS USD 1.3 BILLION CONTRACT



Saipem has been awarded a USD 1.3 billion EPCI pipeline contract for a project in the Middle East. The work scope covers two 32-inch export pipelines, two 24-inch Corrosion-Resistant Alloy (CRA) intra-field pipelines, risers, spool pieces and subsea structures, also entailing a short onshore section

and offshore brownfield topsides modifications. Additionally, the award also includes the novation of substantial CRA line-pipe and long lead item contracts. Industry sources have indicated that the award is related to the Barzan pipeline programme offshore Qatar.

SUCCESSFUL SPELL FOR DOF SUBSEA

DOF Subsea has experienced a successful spell on the chartering front, most notably securing a 650-day contract for CSV Skandi Salvador (pictured) with Petrobras. The contract will commence in July, following the completion of the vessel's charter with Shell Brasil. The Petrobras

contract may be extended by 650 more days by mutual agreement. DOF has also been awarded several contracts in the Atlantic region, securing utilisation for the Geosund and Skandi Skansen through the third quarter of 2018. All of the awards are within the Subsea IMR Projects segment.



POSH DAEWOO AWARDS MYANMAR CONTRACTS



POSH Daewoo has awarded contracts for the Shwe gas field development offshore Myanmar to McDermott and Baker

Hughes, a GE company (BGHE). The EPCI contract covers SURF and SPS for an eight-well subsea development in water depths of 85-142m (279-466ft). It also covers brownfield modifications to tie-back the new subsea facilities to the existing Shwe platform.

McDermott will undertake the EPCIC of SURF and brownfield modification scopes. The

installation of the SURF and SPS components will be carried out using McDermott's state of the art pipelay assets, including the Derrick Lay Vessel 2000 (pictured). BHGE will supply the SPS scope, including eight Medium-water Horizontal Xmas Trees, eight subsea production control systems and distribution equipment, and topside controls.

EPIC DEALS FOR SUBSEA 7

Further to the Shell contracts detailed on page 11, Subsea 7 has also scooped two significant engineering, procurement, installation and commissioning (EPIC) contracts offshore Angola and Egypt in recent weeks. Total has awarded the EPIC contract for the subsea flowlines and umbilicals for the Zinia Phase 2

Project offshore Angola. This will involve the tie-back development of two reservoirs to the existing Pazflor FPSO in Block 17; offshore operations are scheduled for 2020. Meanwhile in Egypt, Subsea 7 has been awarded an EPIC contract with Burullus for the West Delta Deep Marine Phase 9b development; six wells will be

connected into existing subsea facilities using umbilicals and flexible flowlines. Offshore work will commence in the second half of 2019.



THREE-YEAR CONTRACT FOR MMA PINNACLE



While Subsea 7 has managed to win a range of new contracts in

recent weeks, the company has been returning the favour on the vessel front, with MMA Offshore the recipient of a multi-year contract for the MMA Pinnacle. The vessel has been chartered by i-Tech Services, a subsidiary of Subsea 7, for a three-year firm contract with further options.

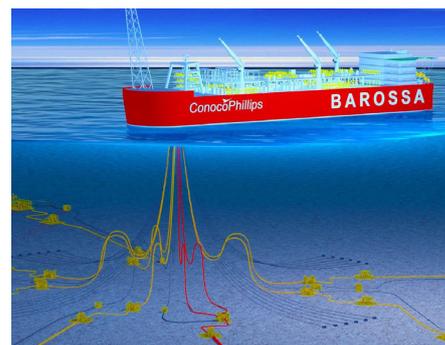
The Pinnacle will be fitted with i-Tech equipment to provide Life-of-Field services to clients in Australia and internationally. The vessel is designed and built to provide customers with a cost effective solution for offshore IMR and light construction activities.

FEED CONTRACTS AWARDED FOR BAROSSA

ConocoPhillips has awarded three major projects for the front end engineering and design (FEED) phase of the Barossa field development offshore western Australia.

Separate engineering contracts for the FPSO were awarded to MODEC and a consortium

between TechnipFMC and Samsung Heavy Industries. A design competition will be conducted between the two parties. A third contract for the subsea infrastructure, including umbilicals, flowlines, risers and the gas export pipeline, has been awarded to INTECSEA.



INPEX AWARDS PRE-FEED CONTRACT



A consortium of Chiyoda Corporation and PT Synergy Engineering has been awarded a pre-FEED contract by INPEX for the SURF and Gas Export Pipeline facilities of the Abadi LNG Project offshore Indonesia. Chiyoda and Synergy will pro-

vide various engineering, safety and cost studies to INPEX, as well as development of the future FEED scope of work, while Xodus Group and Subsea 7 will deploy their specialised capabilities for specific studies as nominated subcontractors.

RENEWABLES

EU AGREES NEW RENEWABLES TARGET

The European Commission, the European Parliament and the European Council have made a political agreement on a binding renewable energy target of 20% by 2030 for the European Union. The agreement will have a clause installed so it can be amended by

2023 for an upward revision of the target. The European Parliament and Council are now reviewing the agreement for formal approval. It is understood that the new target is a compromise between the 35% proposed by the Parliament and 27% proposed by the Council.



LIVING STONE READY FOR HORNSEA ONE



DEME Group's newbuild cable laying and multipurpose vessel Living Stone has completed sea trials. The vessel is now ready to commence her maiden charter, a cable laying assignment at the Hornsea Project One Wind

Farm in UK waters. The Living Stone recently underwent final outfitting at Vlissingen in the Netherlands, including the addition of a dual-lane cable installation system with a total capacity of 10,000 tonnes.

SOUTH BOATS CTV DEAL FOR MAPC

Blount Boats Inc. has signed a sub-licence agreement with Marine Applied Physics Corp. (MAPC) for the construction of South Boats-designed crew transfer vessels.

South Boats has designed and built approximately 30% of the wind-farm crew transfer vessels operating on European wind farms, and Blount Boats has held

the US license for South Boats designs since 2011.

In 2016, Blount Boats delivered the Atlantic Pioneer, a 21m South Boats transfer vessel, to Rhode Island Fast Ferry. The vessel is the first US-flagged crew transfer vessel to operate in US waters and she services the Deepwater Wind Block Island Wind Farm, which is the first, and currently the sole,



operational offshore wind farm in the USA.

REACH SUBSEA NETS WIND FARM DEAL



Reach Subsea has been awarded a contract with Equinor for the survey and inspection, repair and maintenance (IMR) work at the Dudgeon and Hywind offshore wind farms in UK waters. Reach

Subsea will execute the contract together with MMT.

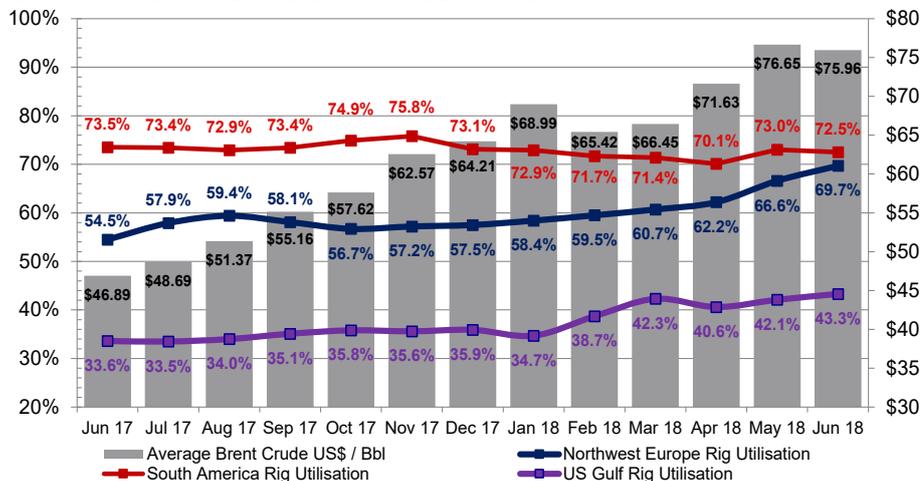
The contract is a three-year frame agreement, with extension options for two further years, and will be applied on a call-off basis, allowing Equinor to award contracts for survey and IMR services on an 'as-needed' basis.

Under the new agreement, the first

call-off will be made for survey services at the Dudgeon offshore wind farm, with work commencing in August for circa 20 days. The 30MW Hywind Scotland project, Scotland's first commercial floating wind farm, was officially opened in October 2017, while the 402MW Dudgeon wind farm was inaugurated the following month.

RIGS

OIL PRICE VS RIG UTILISATION



TRANSOCEAN SCRAPPING FOUR MORE...

Transocean has announced its intention to retire four more floating rigs due to the continued oversupply in the market. Three ultra-deepwater drillships (the Deepwater Discovery, Deepwater Frontier and Deepwater

Millennium) will be retired, while harsh environment semi-submersible Songa Trym will also be scrapped. The drillships entered service between 1999 and 2000, while the Trym was delivered in 1976.

... BUT SHELF LOOKING TO EXPAND

Shelf Drilling has raised USD 225 million from an initial public offering (IPO), with its shares now listed on the Oslo Exchange. The funds were raised to enable the acquisition of one or two modern, premium jackup rigs, and the first

of those has already been purchased, with the 2008-built Ocean Scepter bought from Diamond Offshore. Shelf estimates the total bill (including the purchase, reactivation and mobilisation cost) will be USD 90 million.

RIG UTILISATION AND DAY RATES

UTILISATION	JUN 2018	JUN 2017	JUN 2016	JUN 2015	JUN 2014
NORTHWEST EUROPE	69.7%	54.5%	66.3%	87.7%	98.3%
SOUTH AMERICA	72.5%	73.5%	75.1%	84.4%	94.1%
US GULF	43.3%	33.6%	35.8%	51.6%	70.5%

RECENT DAY RATE BENCHMARKS	LOW (USD)	HIGH (USD)
UK HARSH HIGH SPEC JACKUPS	69,500	100,000
NORWAY HARSH HIGH SPEC JACKUPS	160,000	160,000
UK HARSH HIGH-SPEC SEMISUBS	130,000	130,000
NORWAY HARSH HIGH-SPEC SEMISUBS	160,000	160,000
GLOBAL ULTRA-DEEPWATER SEMISUBS	118,000	145,000
GLOBAL ULTRA-DEEPWATER DRILLSHIPS	130,000	150,000

INACTIVE RIGS NORTHWEST EUROPE		
NAME	TYPE	STATUS
BAUG	JU	COLD STACK
BIDEFORD DOLPHIN	SS	WARM STACK
BORGLAND DOLPHIN	SS	WARM STACK
BREDFORD DOLPHIN	SS	COLD STACK
BYFORD DOLPHIN	SS	WARM STACK
COSLPROSPECTOR	SS	HOT STACK
EIR	JU	COLD STACK
ENSCO 70	JU	COLD STACK
ENSCO 71	JU	COLD STACK
ENSCO 101	JU	HOT STACK
MAERSK GALLANT	JU	WARM STACK
MAERSK GIANT	JU	COLD STACK
MAERSK REACHER	JU	WARM STACK
POLAR PIONEER	SS	COLD STACK
PROSPECTOR 5	JU	WARM STACK
RAN	JU	WARM STACK
ROWAN NORWAY	JU	WARM STACK
ROWAN STAVANGER	JU	WARM 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
SONGA DELTA	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
WILPHOENIX	SS	HOT STACK

Source: IHS-Petrodata

CONUNDRUM CORNER, DUTY PHONES

MAIDEN CONTRACT FOR MIRA

Northern Drilling has secured its first contract for newbuild harsh environment semisubmersible West Mira, which is due for delivery from the Hyundai Heavy Industries Shipyard in South Korea next year. Northern has been awarded a six-well firm contract for the Mira with Wintershall Norge for the Nova field development in the Norwegian Sea. The charter is scheduled to start in March 2020, however there are options for an earlier commencement, potentially as soon as the third quarter of 2019, and further options after the firm period which could last until the first quarter of 2022. The estimated contract value is USD 106 million, and Seadrill will operate the rig on behalf of Northern Drilling.

CONUNDRUM CORNER

The answer to last month's teaser :-

Pair the words below to give three longer words. What are they?

PRINT ART OUT REST DOOR FOOT

The correct answer was :- OUTDOOR, RESTART & FOOTPRINT

This month, our poser is as follows:

What is the longest word that you can make moving from square to touching square? (Hint: it has 15 letters!)

	E	S	O
C	T	P	R
I	E	E	T
V	R	L	Y

Answers back to chartering@seabrokers.co.uk.

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SEABROKERS GROUP CONTACTS

SEABROKERS HEAD OFFICE

Forusbeen 78 - 4033 Stavanger - Norway
Tel: (+47) 51 80 00 00
Internet: www.seabrokers-group.com

SEABROKERS CHARTERING AS - STAVANGER

Duty Telephone ++47 51 815400 (24 Hrs)
E-mail chartering@seabrokers.no

SEABROKERS LTD - ABERDEEN

Duty Telephone ++44 1224 747744 (24 Hrs)
Duty Mobile ++44 7802 304129
E-Mail chartering@seabrokers.co.uk

SEABROKERS BRAZIL LTDA - RIO DE JANEIRO

Duty Telephone ++55 21 3505 4200 (24 Hrs)
E-mail chartering@seabrokers.com.br

SECURALIFT AS - STAVANGER

Telephone ++47 51 800000
E-mail stig@seabrokers.no

SEA SURVEILLANCE AS - BERGEN

Telephone ++47 55 136500
E-mail info@seasurv.net

SEABROKERS EIENDOM AS - STAVANGER

Telephone ++47 51 800000
E-mail frode.albretsen@seabrokers.no

SEABROKERS SERVICES AS - STAVANGER

Telephone ++47 51 800000
E-mail eli@seabrokers.no

SEABROKERS FUNDAMENTERING AS - STAVANGER

Telephone ++47 51 800000
E-mail fundamentering@seabrokers.no

SEABROKERS HAVNEKRANER AS - STAVANGER

Telephone ++47 51 800000
E-mail havnekraner@seabrokers.no