

# SEABREEZE

THE SEABROKERS MONTHLY MARKET REPORT

OCTOBER 2019

## AHTS TONNAGE IN SHORT SUPPLY IN NORTH SEA



# CONTENTS

- 3 OSV MARKET ROUND-UP
- 6 OSV AVAILABILITY, RATES & UTILISATION - NORTH SEA
- 7 MONTHLY OSV SPOT RATES - NORTH SEA
- 8 FEATURE VESSEL
- 9 OSV NEWBUILDINGS, CONVERSIONS, SALE & PURCHASE
- 11 SUBSEA
- 14 RENEWABLES
- 15 RIGS
- 16 CONUNDRUM CORNER & DUTY PHONES

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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

## SELL-OUT IN NORTH SEA AHTS SECTOR

AHTS vessel owners in the North Sea have endured another difficult year in 2019, with many struggling to sustain sufficient utilisation at adequate rates to allow them to break-even. However, the last couple of months have seen periods of sustained tightness on the spot market, with several days seeing the sector completely sold out in Norway and Scotland, with just a couple of vessels prompt available in the southern sector. The number one reason for this is the relatively small size of the regional AHTS fleet - it does not take long (particularly when bad weather delays operations) for supply to tighten if two or three rig moves materialise in quick succession.

That inevitably left charterers exposed to higher day rates than they had become accustomed to earlier in the year, with several faced with rates north of GBP 45,000 (NOK 533,000) per day. It was by no means plain-sailing for owners, and the market can soften just as quickly as it tightens in the first place, and there were several instances at the opposite end of the spectrum of charterers only having to pay GBP 10,000-15,000 per vessel (NOK 118,000-178,000) for rig moves. This is not a market for the faint-hearted, and there are no signs that the dynamics are likely to change any time soon.

## MAJOR MAURITANIA DISCOVERY FOR BP

BP has announced a "major gas discovery" offshore Mauritania. The discovery was made at the Orca-1 exploration well which is located in the BirAllah area in Block C8. The well has exceeded pre-drill expectations according to partner Kosmos Energy, with 36m of net pay encountered in excellent quality reservoirs.

This result continues the 100% success rate from the nine wells that have targeted the inboard gas trend in Mauritania/Senegal, but more excitingly this well had also been targeting a previously untested Albian play.

The well has also extended the Cenomanian play fairway from the earlier Marsouin-1 discovery.

With 13 trillion cubic feet (tcf) of gas in place, Wood Mackenzie has placed Orca as the third largest discovery of 2019, but the biggest in deep water. It is also thought to be the largest gas discovery so far this year.

The partners have indicated that the combination of the Orca and Marsouin discoveries should provide sufficient resources to support a world-scale LNG project.

With a string of significant discoveries also made offshore neighbouring Senegal in recent years, this part of West Africa may find itself established as a major LNG hub in the years to come.

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## BOURBON RHODE CONDOLENCES

Seabrokers would like to extend our deepest condolences to the friends, family and colleagues of the seafarers who were tragically lost when the Bourbon Rhode sank in the Atlantic Ocean on September 26th.

Despite the valiant efforts of the search and rescue team it was confirmed that four of the crew members had lost their lives, with seven more still missing. Three of the crew were rescued from a lifeboat after the AHT vessel went down 1,200 miles offshore Martinique during Hurricane Lorenzo.

This accident acts as a stark reminder of the inherent risks that are associated with offshore operations, and we should never take for granted the incredibly talented seafarers who are the backbone of this industry.

Thankfully, incidents of this nature are extremely rare today, but unfortunately accidents do happen and we should never forget the risks and sacrifices that our seafarers are faced with on a daily basis.

May they rest in peace.

# OSV MARKET ROUND-UP

## DOF KEEPING AHTS VESSELS BUSY

DOF has been successful in picking up new work scopes for AHTS vessels Skandi Vega and Skandi Skansen in recent weeks.

In Norway, a six-month option has been exercised by Equinor in relation to the Framework Agreement that was awarded to DOF in 2018. This agreement had seen the Skandi Vega fixed up for a one-year firm period (with 120 days of guaranteed work) with two six-month options. The second of these options has now been exercised which will run from mid-November 2019 until mid-May 2020.

Meanwhile, AHTS/Construction Support vessel Skandi Skansen



Skandi Vega (pictured c/o O. Halland)

will soon be relocating from the North Sea to West Africa for a mooring refurbishment and installation project with Eni offshore Ghana. Further into the future, the same vessel will be

the lead vessel deployed by DOF, in partnership with Kvaerner, for the installation of Equinor's Hywind Tampen floating wind farm west of the city of Bergen in Norway.

## MULTI-YEAR DEALS FOR SOLSTAD AHTS VESSELS



Normand Scorpion

In a recent quarterly results presentation, Siem Offshore rightly commented that "term contracts for AHTS vessels are still more or less non-existent." For that reason, any long-term opportunities that do arise are hotly contested, so Solstad will

be delighted to have picked up three-year contracts for two of its AHTS vessels to support Inpex at the Ichthys LNG development offshore Australia. The Normand Scorpion and Normand Sirius will go on hire in the first quarter of 2020.

## WINTERSHALL DEA DEALS IN NORWAY

Golden Energy Offshore has received a contract extension from Wintershall Dea for PSV Energy Swan. The eight-month extension will keep the vessel occupied until at least the end of July 2020. There are further options available which could

see the charter extended until November 2021. Wintershall Dea has also utilised its call-off frame agreement with Solstad to secure the services of PSV Normand Skude for an estimated duration of 120-200 days, with the vessel going on hire later this quarter.



Energy Swan (pictured c/o R. Paton)

# OSV MARKET ROUND-UP

## WINTER COVERAGE FOR TIDEWATER AND VROON

Tidewater and Vroon Offshore have picked up term contracts in the UK sector that will keep a PSV from each company utilised through the winter period.

Jackup Noble Houston Colbert has just gone on hire with RockRose Energy following her recent arrival from the Middle East. The rig has been chartered by RockRose to drill two wells at the West Brae field. Tidewater secured an equivalent two-well contract to supply the Highland Guardian as the support vessel for this campaign. This should keep the vessel occupied until April 2020.

Also in the UK sector, the VOS Patriot is scheduled to go on hire



*Highland Guardian (c/o A. Jurgens)*

with Well-Safe Solutions in November for an estimated period of seven months. Well-Safe has been employed by DNO North Sea to plug and abandon nine wells at Ketch with jackup

rig Valaris 100, with multiple further P&A options available. The firm portion of this project should keep the Valaris 100 and VOS Patriot occupied until mid-2020.

## CHARTERING SPREE FOR OPIELOK



*OOC Emerald*

Opielok has been on a chartering spree recently, picking up a range of term contracts for its PSV fleet. In West Africa, sister vessels OOC Emerald and OOC Sapphire have been chartered by Total for three to five years worth of work offshore Angola,

with both contracts starting this quarter. Elsewhere, Opielok has just reactivated the OOC Leopard following 18 months in layup in Southeast Asia. Opielok has secured term work for the vessel in the Mediterranean Sea.

## BRAZIL BRACE FOR CBO

Grupo CBO has picked up term contracts for two of its PSVs in Brazil recently. Incumbent vessel CBO Anita has been retained by Enauta for a new 18-month firm contract that will keep her busy until at least the second quarter of 2021.

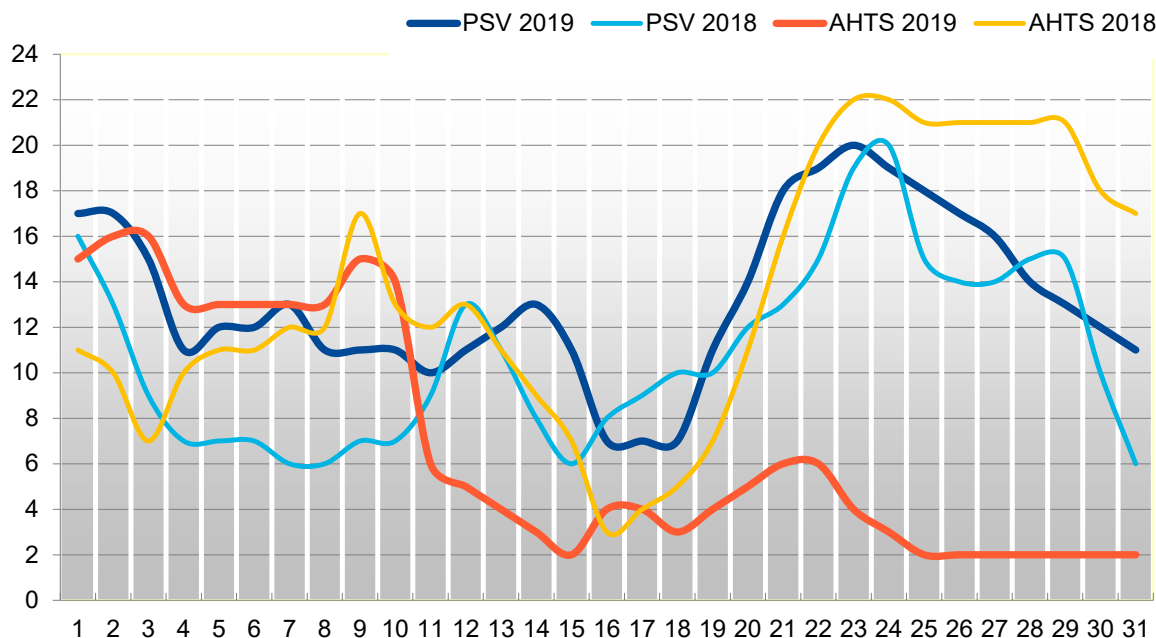
Meanwhile, the CBO Bianca has been contracted to Perenco for a firm period of six months where her primary function will be standard supply duties although the work scope also includes OSRV duties. This charter may be extended by six more months.



*CBO Anita*

# OSV RATES & UTILISATION

## OCTOBER 2019 – DAILY NORTH SEA OSV AVAILABILITY



## RATES & UTILISATION

### NORTH SEA SPOT AVERAGE UTILISATION OCT 2019

TYPE	OCT 2019	SEP 2019	AUG 2019	JUL 2019	JUN 2019	MAY 2019
MED PSV	62%	77%	78%	70%	70%	72%
LARGE PSV	63%	78%	72%	74%	75%	80%
MED AHTS	57%	66%	71%	61%	77%	44%
LARGE AHTS	69%	61%	78%	59%	73%	65%

### NORTH SEA AVERAGE RATES OCT 2019

CATEGORY	AVERAGE RATE OCT 2019	AVERAGE RATE OCT 2018	% CHANGE	MINIMUM	MAXIMUM
SUPPLY DUTIES PSVs < 900M <sup>2</sup>	£5,916	£8,441	-29.91%	£4,250	£7,757
SUPPLY DUTIES PSVs > 900M <sup>2</sup>	£6,940	£10,152	-31.64%	£3,000	£12,995
AHTS DUTIES AHTS < 22,000 BHP	£34,305	£12,552	+173.30%	£11,338	£60,336
AHTS DUTIES AHTS > 22,000 BHP	£29,220	£12,555	+132.74%	£9,481	£75,000

## SPOT MARKET ARRIVALS & DEPARTURES – OCTOBER 2019

### ARRIVALS - NORTH SEA SPOT

AH VARAZZE	EX MEDITERRANEAN
FAR SAPPHIRE	EX SOUTH AMERICA
FAR SOLITAIRE	EX BALTIC SEA
NORMAND DROTT	EX CARIBBEAN

### ARRIVALS - CONTINUED

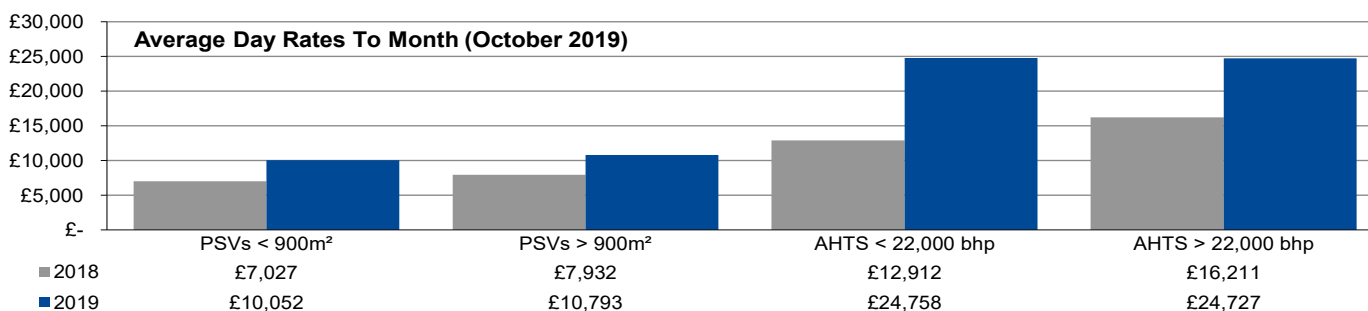
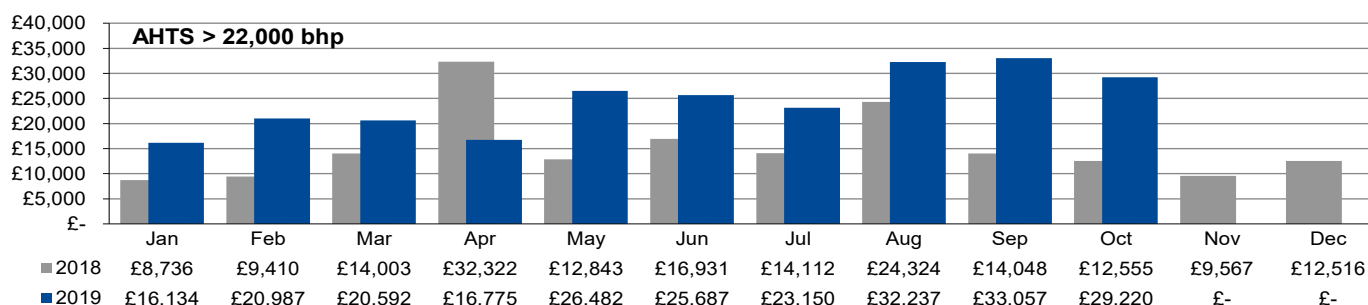
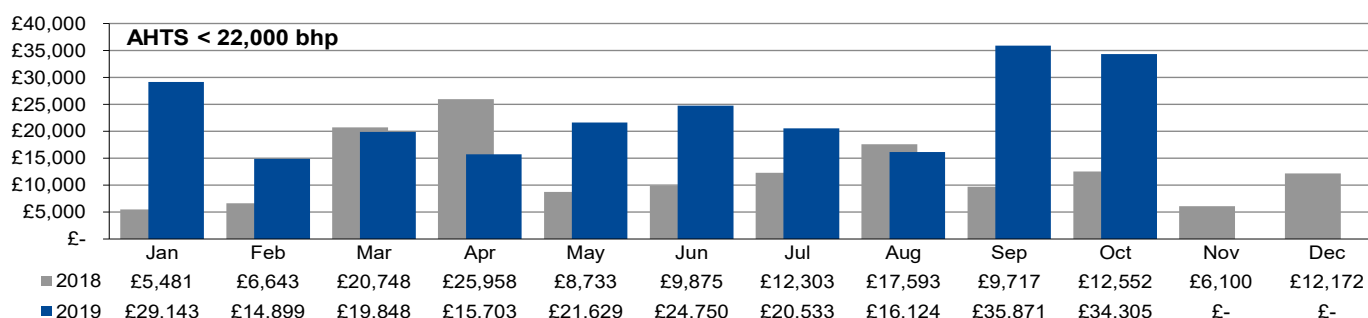
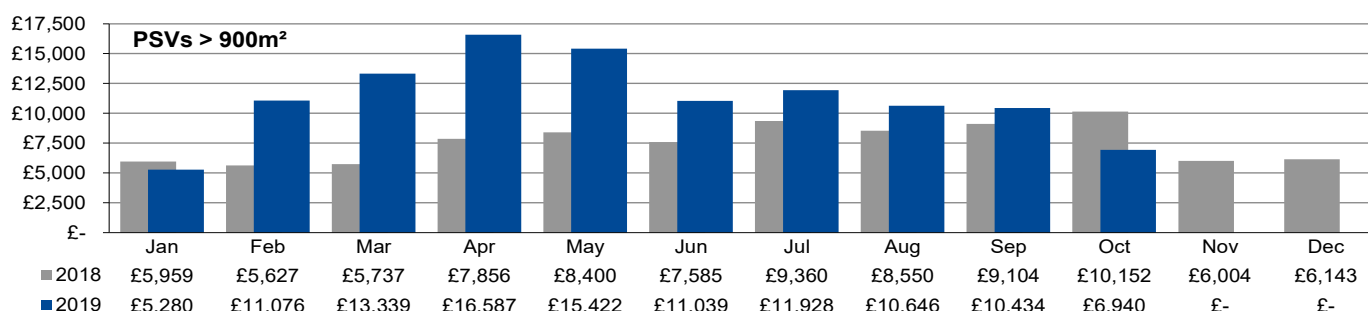
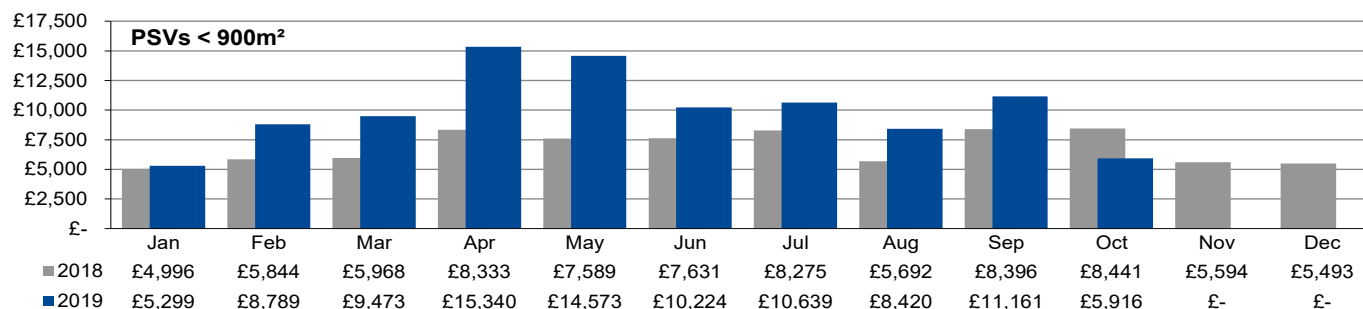
SEA SPEAR	EX RUSSIA
STANDARD PRINCESS	EX BALTIC SEA
STANDARD SUPPLIER	EX BALTIC SEA

### DEPARTURES - NORTH SEA SPOT

MANTA	SOUTH AMERICA
NORMAND PROSPER	BALTIC SEA

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

# NORTH SEA AVERAGE SPOT RATES



# FEATURE VESSEL

## ØSTENSJØ REDERI CSOVs



Østensjø Rederi has signed a letter of intent for the construction of four commissioning service operation vessels (CSOVs) for the offshore wind market.

The vessels have been designed by Salt Ship Design in Norway, in close cooperation with Østensjø Rederi, and they will be built at the Astilleros Gondán shipyard in northern Spain.

The vessels, each with a length of 88.3m, will be delivered from early 2022 onwards. Substantial efforts have been made to ensure they will be as environmentally friendly as possible. The vessels will be equipped with a battery hybrid propulsion system which, together with other energy saving equipment, will reduce

greenhouse gas emissions by at least 30%. Furthermore, they will be prepared for installation of zero emission technology based on hydrogen as a safe and efficient energy source.

The CSOVs will serve as mother ships for technicians as they perform commissioning and maintenance on offshore wind turbines. The vessels will have an accommodation capacity for 120 persons (97 technicians and 23 marine crew), and they will be equipped with a motion compensated gangway system.



### ØSTENSJØ NEWBUILD CSOVs:

**Build Yard:** Astilleros Gondán

**Delivery:** 2022 onwards

**Designer:** Salt Ship

**LOA:** 88.3m

**Accommodation:** 120 total

**Technicians:** 97 persons

**Marine Crew:** 23 persons

**Generators:** IMO Tier 3 certified

**Propulsion:** Battery hybrid & prepared for zero emission hydrogen technology

# NEWBUILDS, CONVERSIONS, S&P

## TWO MORE PSVs FOR VIKING...



Viking VS 4411 DF PSVs (c/o Wärtsilä)

Having only recently re-entered the PSV market by agreeing to manage the Defender on behalf of VARD, Viking Supply Ships will be adding another couple of vessels to its fleet. In partnership with funds managed by Borealis Maritime, Viking has entered into a contract to purchase two

newbuild Wärtsilä VS 4411 DF PSVs that are being constructed by Remontowa Shipbuilding in Poland. The vessels, scheduled for delivery in the fourth quarter of 2020 and first quarter of 2021, can be fuelled by LNG or MGO and will be further equipped with a battery pack solution.

## ... WHILE ONE AHTS DEPARTS

Meanwhile, Viking has offloaded the Odin Viking from its books, with the 16-year-old AHTS vessel acquired by the SeaOwl Group to fulfil a contract with the French Navy. The MOSS 424 vessel is to be renamed as the Sapeur. SeaOwl has also been confirmed as the recent buyer

of the Far Saltire (renamed as Pionnier) from Solstad Offshore. These vessels are more modern replacements for the Ailette and VN Sapeur (former Normand Jarl), and they will be put to work by the French Navy as training support vessels based in the ports of Brest and Toulon.



Odin Viking (pictured c/o J. Bartels)

## SEACOR ALPS DELIVERED



Seacor Alps

The COSCO Zhoushan Shipyard in China has delivered the first of three sister PSVs it is building for SEACOR Marine. The SEACOR Alps, a UT 771 CDL PSV, will be followed by the SEACOR Andes and SEACOR Atlas in the first and second quarters of 2020 respectively. The 83.8m vessels

have a clear deck area of 875m<sup>2</sup> and a deadweight of circa 3,800t. The vessels were originally ordered as part of a four-PSV deal for the East Sunrise Group (Sunrise Offshore), but only one unit was actually delivered to Sunrise and the other three were later resold to SEACOR Marine.

## TEAM BELEUZI EN ROUTE TO AFRICA

Newbuild PSV Team Beleuzi has been delivered to Team Offshore Nigeria, and the vessel is now en route to West Africa. Built to a KCM 75m design by Xiamen Shipbuilding in China, this vessel originally formed part of an order placed by Sentinel Marine, but she was later resold

to Team Offshore Nigeria. The name Beleuzi, translated as the first-born daughter, is derived from the language of the Ijaw tribe in the Niger Delta. The vessel has a length of 75m, deck area of 700m<sup>2</sup>, deadweight of 3,258t and an accommodation capacity for 50 persons.



Team Beleuzi (pictured c/o D. Berkheiser)

# NEWBUILDS, CONVERSIONS, S&P

## STANDARD PROVIDER SOLD OUT OF MARKET



Standard Drilling has entered into an agreement to sell one of the large PSVs that it acquired from E.R. Offshore in 2017. The Standard Provider (former E.R. Georgina), a UT 776 CD vessel, was sold for USD 13.5 million. When Standard acquired the

Provider in October 2017, along with the Standard Supporter (ex E.R. Athina), a combined price of USD 22.2 million was paid. The Standard Provider has reportedly been sold out of the offshore industry for a new role in the dredging market.

## NEW ROLE FOR NEPTUN WITH GREEK NAVY

Simon Møkster Shipping has sold the 1999-built PSV Stril Neptun. A new life in the Mediterranean awaits the VS 470 vessel, with a new name of Glaros, after she was donated to the Greek Navy by shipowner

Panos Laskaridis. Prior to this transaction, the Stril Neptun had been laid up in Norway. She has a length of 70.4m, breadth of 16.0m, deck area of 580m<sup>2</sup> and a deadweight of 3,010t.



## ORANGE ACQUIRES ATLAS FROM BOURBON



The Orange Group, via its subsidiary Elettra tlc, has acquired the Bourbon Atlas PSV from Bourbon Offshore. Renamed as Atlas, the 2007-built vessel will be equipped to carry out marine activities linked to

submarine cable projects, in particular marine route surveys for the installation of subsea internet cables. The Atlas will complement the existing fleet of six cable ships that are owned by Orange Marine/Elettra.

## HOE LEONG SELLING TWO AHTS VESSELS

The Hoe Leong Corporation in Singapore has proposed the sale of two AHTS vessels to Allianz Offshore in Abu Dhabi for a total consideration of USD 1.7 million. The sale of the Arkstar Eagle 1 and Arkstar Eagle 3 is expected

to generate net proceeds for Hoe Leong of around SGD 2.3 million (USD 1.66m), with a net loss on disposal of SGD 3.15 million (USD 2.28 million). The 2009-built vessels have a length of 57.5m and a bollard pull of 65t.



Arkstar Eagle 1

## RECENT DELIVERIES OF NEWBUILD OSVs

NAME	TYPE/DESIGN	OWNER / MANAGER	COMMITMENT
SEACOR ALPS	UT 771 CDL PSV	SEACOR MARINE	TBC
TEAM BELEUZI	75M KCM PSV	TEAM OFFSHORE NIGERIA	TBC

## SUBSEA MARKET ROUND-UP

Technology continues to be at the forefront of discussions for the future of the subsea sector. Equinor is continuing to focus on reducing carbon emissions, and the company has awarded Saipem a subsea service contract which will incorporate the use of a wireless underwater intervention drone and ROV at the Njord field offshore Norway. This contract will make Equinor the first users of this advanced wireless drone technology.

Saipem will carry out the work when the Njord field resumes production in 2020. The EUR 40 million contract is for ten firm years plus five two-year options.

The new technology employs an underwater intervention drone (Hydrone-R) and an all-electric work class ROV (Hydrone-W). The drone may be autonomous below Njord for months between scheduled maintenance, while the Hydrone-W ROV will be connected to the platform like a traditional ROV. Both can be operated without a surface vessel.

Hydrone-R will be able to stay underwater for 12 months while covering an area with a 10 km radius for inspection and interventions. It will be capable of performing light construction work and advanced inspection

on subsea assets. To increase the distance, intermediate subsea docking stations can be used for recharging, mission download or data upload. Hydrone-R operations will start during the first quarter of 2020, immediately following completion of the endurance tests currently underway, while Hydrone-W will be delivered in 2021.

Equinor has stated that this latest technology will not only reduce the company's footprint but will also reduce the response time and allow operations to continue irrespective of weather conditions.

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## EIDESVIK SELECTS WÄRTSILÄ FOR HYBRID PACKAGE



Eidesvik has awarded Wärtsilä a contract to engineer, supply and commission a hybrid propulsion system for its Salt 301-designed

OCV Viking Neptun.

The 2015-built vessel is already equipped with Wärtsilä engines and Wärtsilä's Low Loss Concept electrical systems. The new battery hybrid solution will enable the vessel to operate on a single generator set together with battery power during DP operations.

The project is expected to be completed within a six month period. Wärtsilä will provide two 870 kWh battery packs

and two 2.7 MW drives for the hybrid system which will be pre-installed in containers. Wärtsilä will also upgrade the existing switchboard, as well as the integrated automation and power management systems. The benefits of the hybrid solution will not just cover savings on fuel and better environmental performance, but will also provide savings on maintenance costs due to the reduction on the load of the engines.

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## OCEANEERING SECURES FIRST DECOM PROJECT OFF CANADA

The contract, understood to cover ExxonMobil's Sable Island platform removals, will see Oceaneering perform internal cutting, external cutting and

local soil displacement. Work is expected to commence during the second quarter of 2020. The decommissioning project covers seven offshore gas

platforms which were installed between 1999 and 2006 and which consist of integrated topsides modules on jacket structures.

## TECHNIPFMC AWARDED PERDIDO PHASE 2 CONTRACT

TechnipFMC has been awarded an integrated Engineering, Procurement, Construction and Installation (iEPCI) contract by Shell covering the development of Perdido Phase 2 in the US Gulf of Mexico.

The contract covers the delivery and installation of subsea

equipment, including flexible flowlines, flexible jumpers, steel flying leads and electrical flying leads, in addition to utilising the contractor's compact manifold technology with the Subsea 2.0 In-Line Compact Manifold. TechnipFMC was originally engaged with the operator

earlier for the provision of the iFEED (integrated FEED) studies on the project.



## MAERSK INSTALLER JOINS IMPLEMENTER IN MEXICO



The MT 6027 OCV Maersk Installer has joined her sister vessel Maersk Implementer

in Mexico after Maersk was awarded an 18-month contract with Subtec, a subsidiary of Blue Marine Group.

The vessels will operate in the Bay of Campeche performing general support and well stimulation duties, in addition to inspection, maintenance and repair work at Pemex's offshore platforms.

The Maersk Implementer has been operating for end client Pemex since late 2018. The 137m-long vessels are equipped with a 400t crane and 1,850m<sup>2</sup> of free deck space. The Maersk Installer has accommodation for 120 persons in single cabins, while the Maersk Implementer is equipped with 111 single beds and nine double cabins.

## SUBSEA 7 TO WORK ON PIERCE DEPRESSURISATION PROJECT

Shell has awarded Subsea 7 the contract covering the Pierce depressurisation project. Subsea 7's scope covers the engineering, procurement, construction, transportation and installation of a 30km gas export pipeline, a gas export riser and associated subsea infrastructure

for tie-ins at the Haewene Brim FPSO. Offshore activities are scheduled for 2020 and 2021. The award follows Shell and partner Ithaca Energy progressing the final investment decision on the project.

The investment will go towards

modifying the existing FPSO vessel, which is owned and operated by Bluewater. The work will also include the installation of a subsea gas export line from the Haewene Brim FPSO to the SEGAL pipeline, and the drilling of new wells.

## NEPTUNE SHAREHOLDERS APPROVE SALE

Shareholders of Neptune Marine Services have approved the sale of key operating subsidiaries to offshore vessel owner MMA Offshore.

Neptune shareholders also voted to change the name of the com-

pany to Blossomvale Holdings. In July, MMA Offshore and Neptune Marine Services signed a binding agreement whereby MMA Offshore would acquire the offshore inspection, maintenance and repair specialist

Neptune for a total price of USD 18.5 million.

Completion of the acquisition is expected to take place by mid-November 2019.

## WOODSIDE AWARDS CONTRACTS FOLLOWING PYXIS FID

Woodside has made a final investment decision for the Pyxis Hub project offshore Western Australia and has awarded the EPCI contract to TechnipFMC. The Pyxis Hub Project comprises the subsea tieback of the Pyxis, Pluto North and Xena 2 infill wells.

The proposed activities comprise the drilling of two new and two

in-fill wells, which will be tied-in to existing subsea infrastructure via subsea trees, flexible flowlines, production manifolds and service umbilicals.

TechnipFMC will design, manufacture, deliver and install subsea equipment including the subsea production system, flexible flowlines and umbilicals. This is the first call-off contract

under the recently executed five-year EPCI Frame Agreement between TechnipFMC and Woodside.

The proposed activities will start in the first quarter of 2020, beginning with the Pyxis wells and related subsea installation.



## MAERSK SUPPLY SECURES BRAZIL CONTRACT



Shell has awarded Maersk Supply Service an integrated solutions project in Brazil. Maersk Supply will provide an

integrated mooring lines life extension solution for the FPSO Fluminense, including project management, engineering, interface management and offshore execution off the coast of Rio de Janeiro.

Offshore activities will start in December, which will include heading control of the FPSO and replacement of mooring lines,

as well as the installation and hook up of the new mooring components.

The 2003-built OCV Maersk Achiever will be used for the campaign along with one or two Maersk L-class AHTS vessels. They will be mobilised to Brazil to perform the work following the completion of prior commitments in West Africa.

## NEXANS RETAINS POLAR KING

Nexans has extended its charter of GC Rieber Shipping's IMR support vessel Polar King for a further four months.

The extension period will be in direct continuation of the ongoing charter, which commenced

in January 2017. In addition to the four-month extension, Nexans holds rights to extend the charter by an additional five-month period, potentially retaining the vessel well into the summer of 2020.

The charter had originally been scheduled to end in October. The ST-254 LCD-designed vessel has a length of 110.6m and she is equipped with a 150t AHC crane, accommodation for 112 persons and two work-class ROVs.

## IOG COMPLETES FARM-OUT AND TAKES FID

Independent Oil and Gas (IOG) has now completed its farm-out transaction with CalEnergy Resources (CER) and has taken a Final Investment Decision on Phase 1 of its Core Project in the Southern North Sea. The project is

expected to deliver first gas in July 2021.

IOG has confirmed that the farm-out deal with CER covers its Southern North Sea assets, except for the Harvey licenses. CER has the option to acquire 50 per cent

of the Harvey licenses within three months of completion of the Harvey appraisal well.

The Core Project comprises 410 BCF of 2P+2C reserves and resources across six UK Southern North Sea gas fields.

# RENEWABLES

## EQUINOR STARTS AWARDING HYWIND CONTRACTS

Equinor and its partners in the Gullfaks and Snorre project have awarded contracts totalling around NOK 3.3 billion for the Hywind Tampen wind farm development. Contracts have been awarded to Kvaerner, Siemens Gamesa Renewable Energy, JDR Cable System and Subsea 7. Kvaerner will design and construct the concrete substructure, including the tow-out, assembly and installation

of Siemens Gamesa's 11 wind turbines. JDR Cable Systems will fabricate the electrical cables and Subsea 7 will install the cables and connect them to the platforms. Siemens Gamesa will also service the wind turbines under a five-year maintenance agreement. Kvaerner has since joined forces with DOF Subsea to cover the marine operations. DOF Subsea will deploy several construction

vessels during the project phases, including the 2011-built OCV Skandi Skansen. The oil & gas platforms will be the first ever powered by a floating offshore wind farm.

All contracts are subject to final approval of the plan for development and operation (PDO) by Norwegian authorities. The wind farm is scheduled to start production at the end of 2022.

## FUGRO TARGETS SOUTH KOREA

Fugro has signed a Memorandum of Understanding with Underwater Survey Technology 21 (UST21) which opens up the South Korean offshore wind farm market. The agreement will facilitate collaboration on marine projects in South Korean waters, whereby

Fugro will expand UST21's local hydrography capacity to provide site characterisation services, including geotechnical, geophysical and offshore metocean solutions. In return, UST21's local hydrographic expertise will provide logistical and operational support

to Fugro's offshore metocean projects. The partnership will see its first project underwater where Fugro will shortly deploy several Seawatch Wind LiDAR buoys offshore South Korea to perform vital wind resource assessments.

## FURTHER AGREEMENTS TARGET US OFFSHORE WIND



With the US offshore wind market continuing its momentum we have seen further collaboration agreements being signed recently.

MMT and CSA Ocean Sciences have joined forces to provide combined services for the American offshore industry, including the offshore wind sector. They will offer combined geophysical/geotechnical and environmental services on a high specification survey vessel. The vessel will be available to

support offshore wind farms in the northeastern U.S. through the Caribbean and Gulf of Mexico and into Central America. Meanwhile, Østensjø Rederi and Foss Maritime have entered into an agreement to provide domestic SOVs for offshore wind projects in the U.S.

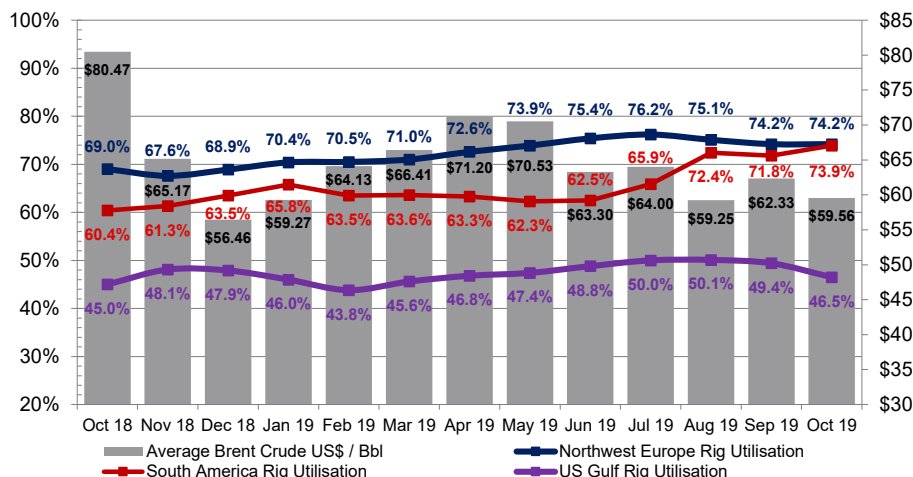
## VARD DESIGNS LARGER SOV

Vard has announced that due to the fast pace of growth in the offshore wind sector, particularly in North America and developing nations all around the world, it has developed cost-effective,

shipyard-friendly solutions, tailored to the evolving segment. The Vard 4 19-designed SOV is targeted for large offshore wind farms and is capable of carrying up to 90 technicians.



## OIL PRICE VS RIG UTILISATION



## NEPTUNE SELECTS SEAGULL JACKUP

Neptune Energy has awarded a contract to Valaris to provide a jackup rig for its Seagull oil development project in the UK North Sea. The Valaris JU-248 (ex Rowan Gorilla VI) is being relocated from Trinidad to the

UK, where she will drill three wells for Premier Oil before starting work with Neptune in the third quarter of 2020. The rig will drill four firm wells for Neptune at Seagull, with an estimated duration of 18 months.

## WEST COBALT RESALE CANCELLED

Northern Drilling has notified Daewoo Shipbuilding & Marine Engineering (DSME) in South Korea that it has cancelled its USD 350 million resale contract for newbuild drillship West Cobalt. Northern's reasoning

for the cancellation included a "repudiatory breach of contract" by DSME. Northern had made advance payments of around USD 49.2 million, and will claim a refund of those instalments plus interest and damages.

## RIG UTILISATION AND DAY RATES

UTILISATION	OCT 2019	OCT 2018	OCT 2017	OCT 2016	OCT 2015
NORTHWEST EUROPE	74.2%	69.0%	56.7%	57.7%	76.9%
SOUTH AMERICA	73.9%	60.4%	70.5%	78.4%	85.1%
US GULF	46.5%	45.0%	35.8%	34.2%	46.5%

RECENT DAY RATE BENCHMARKS	LOW (USD)	HIGH (USD)
UK HARSH HIGH SPEC JACKUPS	100,000	120,000
UK HARSH HIGH SPEC SEMISUBS	150,000	150,000
NORWAY HARSH HIGH SPEC SEMISUBS	200,000	215,000
GLOBAL ULTRA-DEEPWATER SEMISUBS	120,000	280,000
GLOBAL ULTRA-DEEPWATER DRILLSHIPS	179,000	202,000

INACTIVE RIGS NORTHWEST EUROPE		
NAME	TYPE	STATUS
B391	JU	WARM STACK
BIDEFORD DOLPHIN	SS	WARM STACK
BLACKFORD DOLPHIN	SS	WARM STACK
BYFORD DOLPHIN	SS	COLD STACK
COSLINNOVATOR	SS	WARM STACK
MAERSK GALLANT	JU	WARM STACK
OCEAN GREATWHITE	SS	WARM STACK
POLAR PIONEER	SS	COLD STACK
PROSPECTOR 1	JU	HOT STACK
SCARABEO 8	SS	HOT STACK
SEDCO 711	SS	COLD STACK
SEDCO 714	SS	COLD STACK
SERTA0	DS	COLD STACK
SONGA DEE	SS	COLD STACK
STENA DON	SS	WARM STACK
STENA SPEY	SS	WARM STACK
SWIFT 10	JU	WARM STACK
VALARIS JU-70	JU	COLD STACK
VALARIS JU-71	JU	COLD STACK
VALARIS JU-72	JU	HOT STACK
VALARIS JU-122	JU	HOT STACK
WEST ALPHA	SS	COLD STACK
WEST EPSILON	JU	COLD STACK
WEST LEO	SS	COLD STACK
WEST MIRA	SS	HOT 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

## BIDS IN FOR "RIG OF THE FUTURE"

Equinor has reportedly received more than 30 responses from drilling rig contractors for its 'rig of the future' tender.

The exercise had invited contractors to propose a new design of semisubmersible rig based on advanced robotics and digitalisation. Equinor is hoping that the selected rig design could reduce the required manpower onboard the rig, significantly lower operating costs and cut fuel consumption.

The unit would be based on a more streamlined design than conventional rigs with a smaller drilling tower, reduced accommodation capacity and less equipment onboard. Among other factors, the design proposals were expected to incorporate robotic pipe-handling, an unmanned drill floor, robotic cranes, fully electrified equipment (pipe handling, cranes, BOP), fully automated mud and cement plants and automated drilling control.

## CONUNDRUM CORNER

**Last month's answer :-**

In a Rugby World Cup sweepstake, Sam got Australia, Andrew got France and Peter got Japan. Did Lee get Italy or Wales?

The correct answer was :- Wales (the first letter of the person's forename matches the third letter of the country).

**This month, our poser is as follows:**

Add together three numbers each time to score 45. Each number can be used as many times as you wish. How many different combinations are there?

5 10 15 20 25

**Answers back to [chartering@seabrokers.co.uk](mailto:chartering@seabrokers.co.uk).**

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