

SEABREEZE

THE SEABROKERS MONTHLY MARKET REPORT

SEPTEMBER 2018

**PSV RATES... PLACE
YOUR BETS NOW!**



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OSV MARKET ROUND-UP

WILD SPREAD OF PSV RATES IN SEPTEMBER

Charterers in the North Sea were faced with wildly differing fortunes with regards to the rates they were forced to pay for spot PSV fixtures in September.

Early in the month, there was no shortage of vessels to choose from, with more than 20 PSVs prompt available for several days. However, as the weather conditions deteriorated rapidly over the course of the month, so too did the chances of charterers getting vessels out to offshore locations. With a backlog of work piling up, it did not take long for vessel availability to disappear as everyone started to identify the same weather windows. This left the market completely sold out towards the end of the month, and saw rates rise from a low of sub-GBP 5,000 early in September to more than GBP 20,000 towards the end of the month.

A similar scenario was played out in the AHTS market, with a tightening of availability at the end of the month allowing some owners to make amends for sub-par fixtures earlier in September. Owners will now be casting a nervous glance at the list of rigs which may be coming off contract as activity winds down for the winter. This has prompted the likes of Olympic and Siem Offshore to lay up tonnage in recent weeks.

STRONG INTEREST IN NORWEGIAN ACREAGE

The Norwegian Ministry of Petroleum and Energy received licence applications from 38 different companies in its latest licensing round.

The Awards in Predefined Areas (APA) 2018 process had offered acreage in the best known areas of the Norwegian Continental Shelf, with oil & gas companies keen to proceed with exploration in close proximity to existing fields and infrastructure.

The Ministry is aiming to award new production licences at the beginning of 2019. The list of companies that submitted licence applications included:

Aker BP, Capricorn, Chrysaor, Concedo, ConocoPhillips, DEA, DNO, Dyas, Edison, Eni, Equinor, Faroe Petroleum, Idemitsu, Ineos, INPEX, Lime Petroleum, Lundin, M Vest Energy, MOL, Neptune Energy, OKEA, OMV, Pandion Energy, Petrolia NOCO, PGNiG, Point Resources, Repsol, RN Nordic Oil, Shell, Skagen44, Source Energy, Spirit Energy, Suncor, Total, Tyr Exploration, VNG, Wellesley and Wintershall.

The APA 2017 Round had drawn a record number of applications, with 39 companies participating, so it is positive to see a similar level of interest this year.

OIL MAJORS KEEN ON BRAZILIAN PRE-SALT

All four blocks that had been made available for Brazil's 5th Production Sharing Round were snapped up, with several oil majors keen to secure the rights to the pre-salt acreage that was on offer.

Three blocks were available in the Santos Basin. Shell was awarded operatorship of the Saturno Block with a 50% stake; this will be in partnership with Chevron, also with a 50% stake. For the Titã Block, ExxonMobil will be the operator with a 64% stake, partnered by Qatar Petroleum with a 36% stake. BP was named as the operator of the final Santos Basin block,

Pau-Brasil, with a 50% stake; this will be in partnership with CNOOC (30%) and Ecopetrol (20%). In the Campos Basin, Petrobras will be the operator of the Sudoeste de Tartaruga Verde Block with a 100% stake in the licence.

The Round raised BRL 6.82 billion (USD 1.68 billion) in signature bonuses, with the winning bidders also offering the State varying percentage levels of profitable oil production to secure the rights to the blocks. For the Saturno Block this will be 70.2%, for Titã 23.49%, Pau-Brasil 63.79%, and Sudoeste de Tartaruga Verde 10.01%.

OSV MARKET ROUND-UP

EQUINOR KEEPING HOLD OF EIDESVIK PSVs

Equinor has awarded contract extensions to Eidesvik that will see two of their large PSVs committed for at least one additional year beyond the end of their current commitments.

The Viking Avant and Viking Energy (pictured c/o O Halland) are now firmly contracted until the end of 2019 and April 2020 respectively. Both of these vessels have been working exclusively for Equinor (and earlier Statoil) since their initial deliveries in 2004 and 2003.

The Viking Avant is a VS 493 PSV with a length of 92.2m, deck area of 1,010m² and deadweight of 5,784t; the Viking Energy is a VS 4403 LNG PSV with a length



of 94.9m, deck area of 1,030m² and deadweight of 6,013t.

Equinor has also extended its contract with GulfMark PSV North Barents until mid-2019,

and issued a new term tender offering two-year firm contracts from the first quarter of 2019. This may also involve walk-to-work duties at Equinor's unmanned installations.

CHALLENGER STAYING WITH REPSOL



Also in Norway, Island Offshore has been awarded a one-year contract extension with Repsol Norge that will see PSV Island Challenger firmly committed until November 2019 with further options available. Elsewhere, Aker BP and Simon

Møkster Shipping have extended their strong relationship with two new contracts. PSV Stril Mermaid was chartered for three months firm plus options, while the Stril Mariner has been extended for an additional year of standby work at Valhall.

GLOBAL VESSELS HEADING FOR BLACK SEA

Total has chartered a trio of PSVs from Global Offshore to provide support for an upcoming drilling campaign that will take place in the Black Sea offshore Bulgaria. The Makalu (pictured) has already left the North Sea market to head for Bulgaria, with the

Ben Nevis and Olympus to follow behind in the near future. Total has contracted drillship Noble Globetrotter II to drill one firm well with a further option well, with the firm well to be spudded in the fourth quarter of the year.



OSV MARKET ROUND-UP

NORTH SEA VESSELS FOR AFRICA WORK

The North Sea market has been a popular hunting ground for charterers sourcing support vessels for forthcoming drilling campaigns off the coast of Africa.

Total has contracted two units from Solstad Offshore to support a one-well plus one-well option programme with Odfjell semi Deepsea Stavanger offshore South Africa. PSV Far Starling and AHTS vessel Normand Ranger (pictured) will mobilise south in the fourth quarter of the year, with the duo likely to be kept busy for an estimated period of 90 days for the firm well, excluding mobilisation and demobilisation time. Both vessels are currently plying their trade on the North Sea spot market.



Similarly, a trio of PSVs will be relocating from the North Sea to The Gambia in the near future to provide support for FAR Limited while the Samo-1 exploration

well is being drilled by the Stena DrillMAX. The three vessels in question are the VOS Partner and VOS Patriot, alongside the NAO Horizon.

APACHE RETAINING REM VESSELS



Apache North Sea Ltd has awarded contract extensions to Rem Offshore that will see three of Rem's PSVs continue working for Apache in the UK sector through the winter. The vessels have been extended for at least six more months.

The Rem Cetus and Rem Mira (pictured c/o O Halland) are now firmly committed until March 2019, while the Rem Insula is contracted until at least May 2019. All of the contracts have six-month options beyond the end of the firm periods.

K LINE PSV FOR ENQUEST

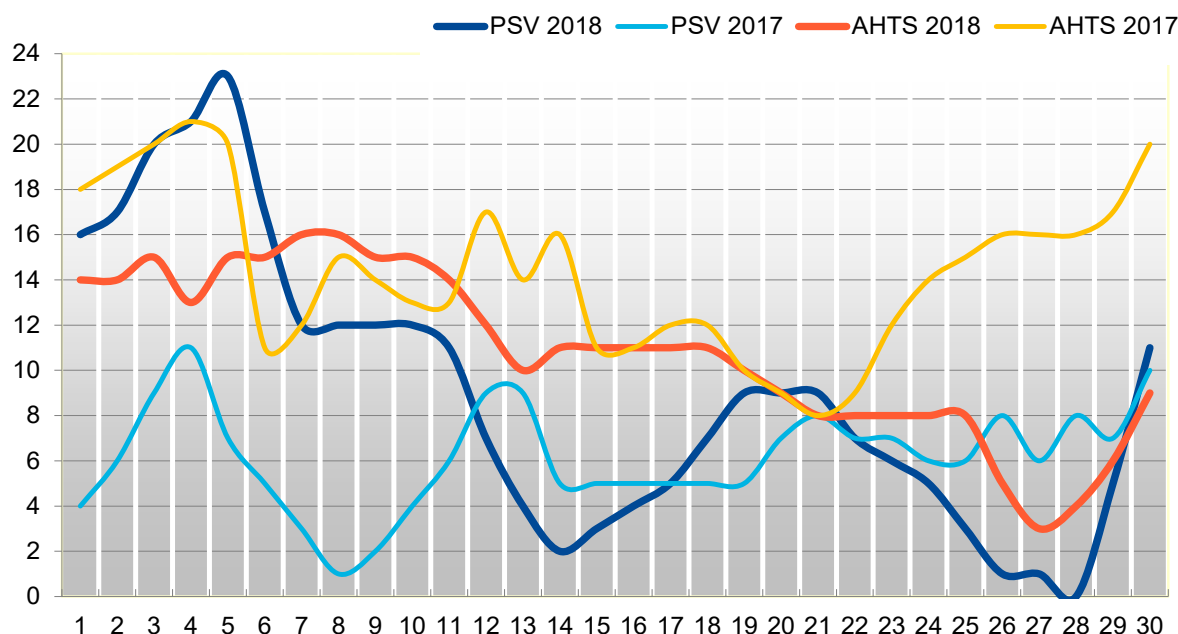
K Line Offshore has received a contract from EnQuest Heather Ltd for a term charter with PSV KL Brisfjord in the UK sector. The vessel (pictured c/o D Dodds) will be providing support for semisubmersible Transocean Leader once the rig returns to

EnQuest upon the completion of a sublet with Azinor Catalyst. The 2011-built KL Brisfjord has been contracted for a firm period of four to five months, with two one-well options available. The charter is scheduled to start in October.



OSV RATES & UTILISATION

SEPTEMBER 2018 - DAILY NORTH SEA OSV AVAILABILITY



RATES & UTILISATION

NORTH SEA SPOT AVERAGE UTILISATION SEPTEMBER 2018

TYPE	SEP 2018	AUG 2018	JUL 2018	JUN 2018	MAY 2018	APR 2018
MED PSV	77%	60%	58%	72%	64%	57%
LARGE PSV	81%	75%	80%	82%	75%	83%
MED AHTS	59%	59%	58%	44%	46%	63%
LARGE AHTS	66%	77%	59%	58%	56%	61%

NORTH SEA AVERAGE RATES SEPTEMBER 2018

CATEGORY	AVERAGE RATE SEP 2018	AVERAGE RATE SEP 2017	% CHANGE	MINIMUM	MAXIMUM
SUPPLY DUTIES PSVs < 900M ²	£8,396	£11,516	-27.09%	£4,250	£19,500
SUPPLY DUTIES PSVs > 900M ²	£9,104	£11,203	-18.74%	£3,898	£21,500
AHTS DUTIES AHTS < 22,000 BHP	£9,717	£9,001	+7.95%	£8,500	£15,000
AHTS DUTIES AHTS > 22,000 BHP	£14,048	£15,109	-7.02%	£7,425	£27,845

SPOT MARKET ARRIVALS & DEPARTURES SEPTEMBER 2018

ARRIVALS - NORTH SEA SPOT

-

DEPARTURES - NORTH SEA SPOT

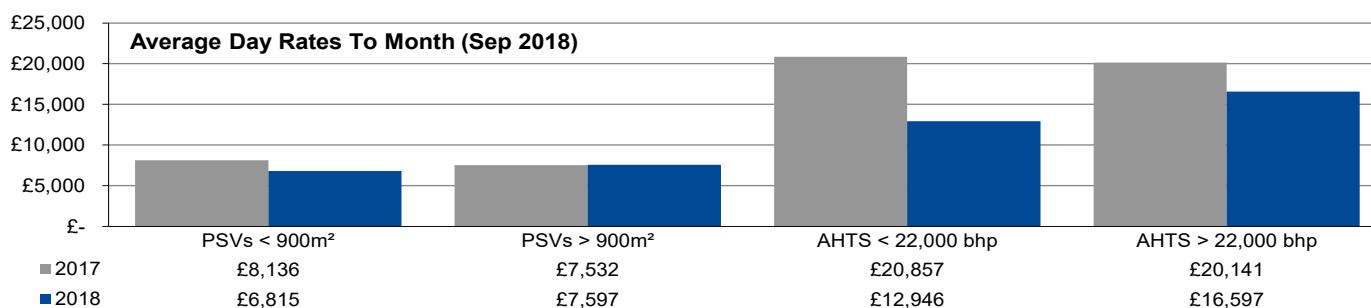
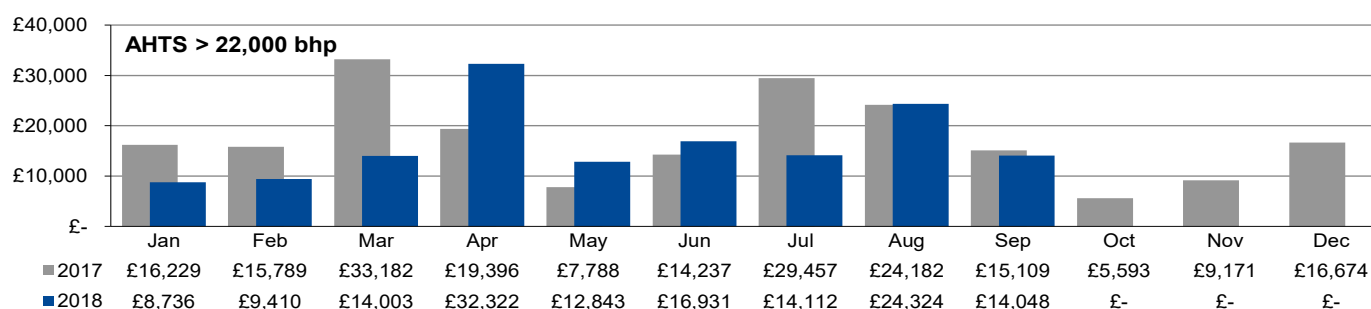
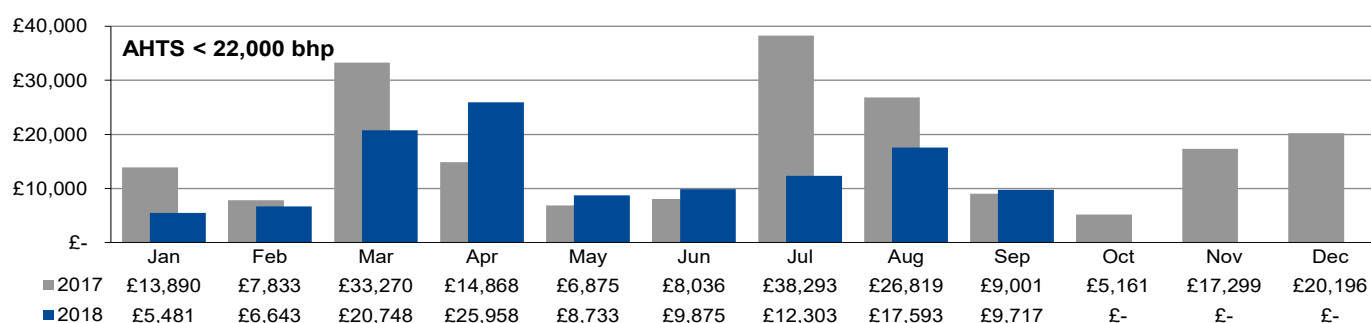
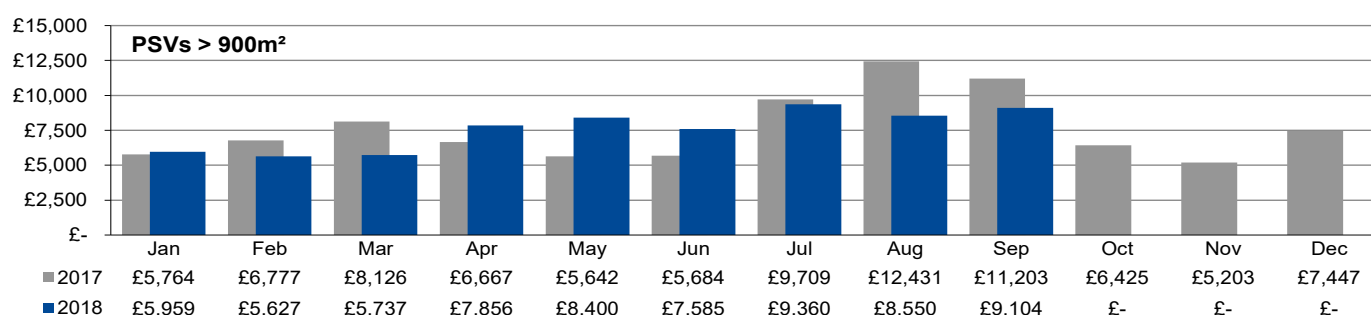
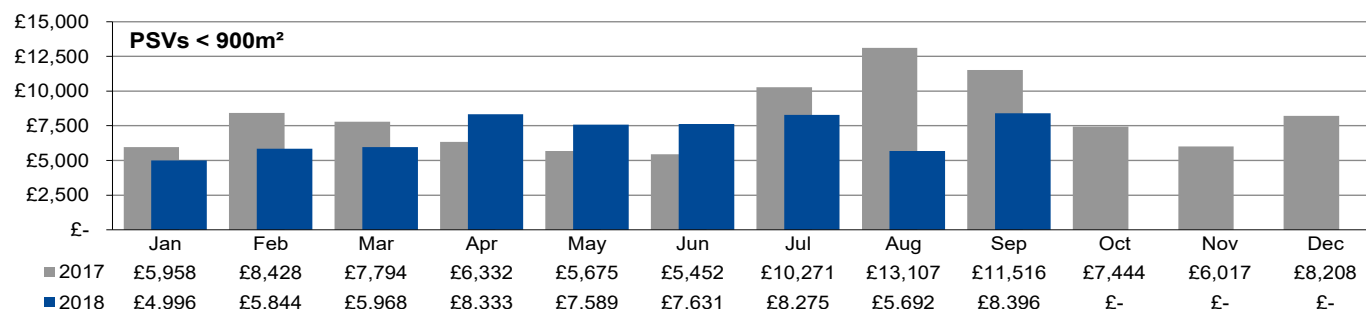
MAKALU	BLACK SEA
NAO HORIZON	WEST AFRICA
STANDARD PRINCESS	BALTIC SEA
STANDARD SUPPLIER	BALTIC SEA

DEPARTURES - CONTINUED

UNION BEAR	BALTIC SEA
UNION LYNX	BALTIC SEA
UNION MANTA	BALTIC SEA
VOS PARTNER	WEST AFRICA

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

NORTH SEA AVERAGE SPOT RATES



FEATURE VESSEL

VARD 3 03 DSV (EX HARKAND HALDANE)



Vard has signed a sale and purchase agreement for the Vard 3 03 designed newbuild diving support vessel, formerly known as Harkand Haldane, with an undisclosed international buyer.

The buyer is understood to be TechnipFMC although they have yet to confirm the purchase.

Harkand had originally ordered the DP3 DSV on December 30, 2013. Construction of the unit was at an advanced stage at the Vard Søviknes Shipyard in Norway when Harkand went into administration in May 2016 as a result of the deterioration in the subsea market.

At the time of the order in 2013, the contract value to Vard was in excess of NOK 1 billion (USD 162.8 million).

The hull of the vessel was built at the Vard Tulcea facility in Romania, with final outfitting taking place at Vard Søviknes.

The newbuild is outfitted with a 250 tonne offshore crane, an ROV hanger and a twin bell 18-man saturation diving system, supporting split level diving operations to a maximum depth of 300m.

The 121m long vessel has an operating draft of 7.3m, and she is also equipped with accommodation for 120 persons, a helideck suitable for Sikorsky S-92 and S-61 helicopters, with 1,000m² of free deck area.

Following this transaction, the vessel will be finalised, tested and prepared for operations prior to her new scheduled delivery date from the Vard Søviknes yard in the first quarter of 2019.



Vard 3 03 SPECS:

Build Yard: Vard Søviknes

Delivery: Q1 2019

Original Design: Vard 3 03

LOA: 121m

Breadth: 23.0m

Operating Draft: 7.3m

Deadweight: 4,990t

Crane: 250t

Helideck: Sikorsky S-92, S-61

Free Deck: 1,000m²

Dynamic Positioning: Class 3

Diving Bells: 2

Dive Capacity: 18 persons

Accommodation: 120 persons

OSV NEWBUILDINGS, S&P

ATLANTIC AND SENTINEL UPGRADING FLEETS

Atlantic Offshore, with its main shareholder Ogreid, has purchased two former seismic support vessels from Opstad Shipping AS. The Bravo Sapphire and Bravo Topaz (pictured c/o O Halland) are to be renamed as the Ocean Dee and Ocean Don respectively. The Ocean Dee, a 2008-built vessel, will be

equipped to work as a UK Class A ERRV, while the Ocean Don, a 2010-built vessel, will be a Class B ERRV. Meanwhile, one of Atlantic's main competitors, Sentinel Marine, has also added to its fleet with the acquisition of the 1997-built PSV Scotian Sea from Secunda Canada; she has been renamed Scotian Sentinel.



ALLSEAS CONFIRMED AS BUYER OF FORTRESS



Allseas has been confirmed as the buyer of the 1996-built PSV Havila Fortress, which was sold by Havila Shipping in August. The vessel (pictured c/o S Boulter) is currently berthed in Denmark where she is being prepared for work by her new owners.

This transaction follows the earlier sales of the Fortress' sister vessels, the Havila Faith and Havila Favour, to Allseas in March. Those vessels have since been renamed as Alegria and Felicity, and they are currently working for Allseas in the Black Sea.

MALAVIYA 20 SOLD AT AUCTION

The 2004-built PSV Malaviya 20 has been sold at auction for a price just above USD 1 million, after her previous owners GOL Offshore were declared bankrupt. The buying entity is reportedly linked to the Greek-based Laskaridis Shipping Company.

The Malaviya 20 was built to the UT 755 design by Aker Brattvaag in Norway. She has a length of 72m, breadth of 16m, deck area of 690m² and deadweight of more than 3,000t. The vessel has been laid up in Great Yarmouth since she finished her most recent contract in 2016.



BAHIA GRANDE BUYS ANCHOR HANDLER



Bahia Grande has acquired the former Pacific Warrior, and renamed the AHTS vessel as BG Warrior. The 2002-built vessel has been mobilised to Argentina by her new owners. The vessel was originally owned by Swire Pacific Offshore and was built by

Brevik Construction in Norway. The BG Warrior, built to the UT 710 design, has a length of 68.9m and a breadth of 15.5m. She has an engine power of 10,657 bhp, providing a bollard pull of circa 140 tonnes, with a clear deck area of 471m².

WINTERSHALL AGREEMENTS IN PLACE

Wintershall has been busy securing frame agreements with various charterers for subsea support services.

Swire Seabed was awarded a three-year firm plus four yearly options framework agreement for the provision of marine subsea services in the North Sea, commencing this year. The agreement is based on a call-off basis and Wintershall can utilise Swire Seabed on an as-needed basis for the supply of vessels and services which encompasses

survey, light construction and IMR work.

Wintershall has also awarded DOF Subsea a similar frame agreement for three years firm plus four yearly options, again for survey, light construction and IMR work, using DOF Subsea's integrated PM&E teams and its fleet of subsea vessels on a call-off basis.

As previously reported last month in Seabreeze, Wintershall has also awarded Reach Subsea a three-year firm plus four yearly

options frame agreement for marine subsea services. Like Swire Seabed and DOF Subsea, this call-off agreement will start this year. The contracts have no guaranteed employment days during the contract.



EQUINOR'S STRATEGIC ALLIANCES



Equinor has signed strategic collaboration agreements with TechnipFMC and Aker Solutions for subsea equipment and

services offshore Norway and internationally.

TechnipFMC has stated that their agreement covers the full scope of TechnipFMC products and services from early phase through project execution, including installation and subsea operation services.

Meanwhile, Aker Solutions have stated that their ongoing collaboration has consistently generated mutually beneficial technology developments, working process

simplifications and standardisations. This agreement formalises the companies' joint ambitions of achieving efficiency and improvement goals.

Equinor is operating close to 600 subsea wells which account for a considerable share of the company's total production, with the company's subsea segments proving to be central in developing the company and the Norwegian continental shelf for the past several decades.

TERM CONTRACT FOR SAFE CALEDONIA

Prosafe has been awarded a contract with an undisclosed oil and gas operator to charter their accommodation semi Safe Caledonia for a project in the UK North Sea. The four-month firm contract, with two months of options, will commence in mid-April 2019 with an estimated

value of USD 12 million. The 1982-built semi, which was refurbished in 2012/2013, has accommodation for 453 persons. The rig is currently on charter to BP at the Clair Ridge project in the UK Sector, and she is anticipated to remain there until the end of November 2018.



BUSY MONTH FOR SAPURA ENERGY



Malaysia's Sapura Energy has secured three new contracts and a contract extension, with a total value of around USD 197.4 million.

The contracts cover a variety of countries including Australia, Brunei, Malaysia and Nigeria. This will be a new entry into Nigeria for Sapura Energy after it was awarded a subcontract by Saidel Limited to undertake the engineering, construction and installation of the 24km, 16-inch Southern SWAMP Sales Gas Evacuation pipeline in the Delta

Region of Nigeria for Shell. The work scope is due for completion during the fourth quarter of 2019.

Meanwhile in Malaysia, Sapura Fabrication has secured a five-year contract to undertake the provision of Pan Malaysia Maintenance, Construction and Modification (PMMCM) for ExxonMobil. The call-off contract covers the procurement and onshore pre-fabrication works, offshore maintenance, construction and modification to enhance ExxonMobil's facilities offshore Peninsular Malaysia.

In Australia, Quadrant Energy has awarded Normand Sapura Pty Ltd a contract to provide the inspection and recovery of subsea structures for the East Spar Project offshore western

Australia. The MT-6022L OCV Sapura Constructor (pictured) will be utilised for the campaign to inspect and detect corrosion or any other irregularities in the inner walls of the pipeline from the East Spar pipeline end manifold to the onshore processing facilities in Varanus Island, Australia. The contract also includes the recovery of subsea infrastructure from three subsea wells.

Lastly, Brunei Shell Petroleum has awarded Sapura Drilling a one-year firm plus one-year option contract extension for Sapura Pelaut, effective from the first quarter of 2020. Sapura Drilling also has the Sapura Alliance on long-term contract to Brunei Shell until the first quarter of 2023.

NORWAY'S LONGEST PIPELINE INSTALLED

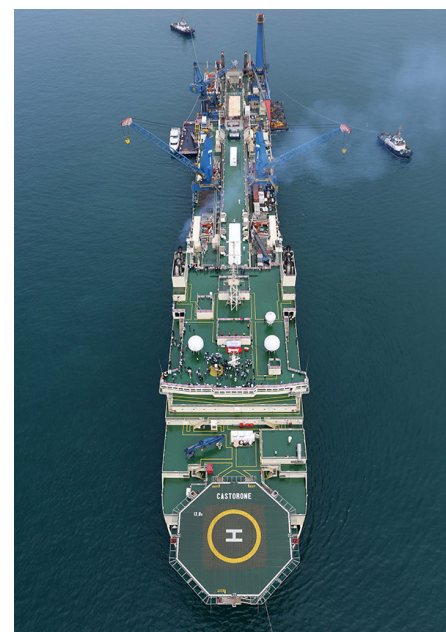
Saipem's 2012-built derrick pipelay vessel Castorone has completed pipelaying operations on the 36-inch, 283km oil export line at Equinor's Johan Sverdrup field in the Norwegian North Sea. In early September, the vessel installed the last pipe of what is now Norway's longest and largest oil pipeline next to the riser platform at the field.

The Castorone, which is equipped with a 600 tonne crane and a 120m long S-lay stern ramp that is hinged to a stinger, is in the process of lay-

ing the 156km-long gas pipeline from the Johan Sverdrup field to the Statpipe pipeline, from where gas from the field will eventually be shipped to Kårstø.

Pipelay operations are expected to be completed this autumn. The start-up of the first phase of the Johan Sverdrup development is expected in November 2019.

The development has estimated recoverable resources of 2.7 billion barrels of oil equivalent.



N-SEA SECURES MULTI-YEAR IRM CONTRACT



N-Sea has been awarded a GBP 30 million contract to provide subsea inspection, repair and maintenance services for an undisclosed oil and gas company. N-Sea has completed pre-engineering survey operations for the three-year firm contract, which comes with further

options, and offshore operations have commenced. N-Sea will provide vessels and project crews for vessel-based and daughter craft diving, combined with ROV operations for work in the Central and Northern North Sea. The initial offshore phase began in mid-June.

ALLSEAS BEGINS WORK ON NORD STREAM 2

Allseas' 1998-built pipelay vessel Solitaire began operations at the Nord Stream 2 natural gas pipeline in the Gulf of Finland on September 5.

The 300m long vessel, which is equipped with 22,000 tonnes of pipe carrying capacity, has an accommodation capacity for 420 persons and she is capable

of laying pipe up to an outside diameter of 60 inches. For this project, she will weld the 12m, 24-tonne pipes on-board. Meanwhile, Olympic Subsea's P101-designed IMR vessel Olympic Triton is expected to continue working on the project until early October. The Triton is carrying out the survey work

ahead of the pipeline being installed.



TASIK SUBSEA PURCHASES SOUTHERN STAR



Tasik Subsea has taken over ownership of the 2017-built DP3 diving support vessel Southern Star from Mawei Shipbuilding. Tasik Subsea originally ordered the USD 110 million DSV in 2014, but the deal was later renegotiated to a chartering arrangement due to the industry

downturn. The purchase price for the Focal 523 DSV is USD 100m. The vessel has a length of 105m, with a 15-man saturation diving system and a 150t active-heave compensated crane. She is currently on a six-year charter with Fugro which commenced in 2017 following her delivery.

EQUINOR ONCE AGAIN RETAINS SAFE BOREAS

Equinor has again extended its contractual commitment with Prosafe accommodation semi Safe Boreas.

In August, the operator extended the contract for at least one more month until November 2018, but the semi will now remain

at the Mariner field in the UK sector until June 2019 after Equinor extended the contract for an additional eight months. Equinor has up to six further months of extension options available. The total value of the extension starting November

2018 is around USD 45 million. The GVA 3000E-designed accommodation semi has been supporting the hook-up and commissioning work at the Mariner field since April 2017. Production is expected to start in late 2018.

RENEWABLES

ØRSTED SELLS 50% OF HORNSEA ONE

Ørsted has entered into an agreement to sell 50% of its 1.2GW Hornsea Project One offshore wind farm to Global Infrastructure Partners (GIP). Under the agreement, Ørsted will construct the wind farm as a full-scope EPC contract and will provide long-term operations and maintenance services, as well as providing a route to market for the power generated.

The GBP 4.46 billion sale price includes the cost of the 50% ownership and a commitment to fund 50% of the payments under the EPC contract for the entire project, including the transmission assets. The transaction is expected to close by the end of the year.

Hornsea Project One is currently under construction and the wind farm's 174 7MW Siemens wind

turbines are slated to be fully operational in 2020.

GIP also has a 50% ownership in Ørsted's Gode Wind 1 and Borkum Riffgrund 2 wind farms offshore Germany.



ESVAGT ORDERS TWO MORE SOVs



MHI Vestas has awarded two long-term contracts to Esvagt to deliver two new service operation vessels (SOVs) for the Borssele III & IV offshore wind project in the Netherlands, and Triton Knoll in the UK.

Both newbuilds, to be built at the Norwegian shipyard

Hayward, will be on charter for up to 15 years. There is also an option for an additional SOV to be constructed for servicing the Moray East wind farm offshore the UK.

The new Hayward 831L SOVs will have a length of 70.5m, and they will be equipped with a compensated walk-to-work gangway and daughter craft, with accommodation for up to 60 persons. The vessel deliveries are scheduled for the third quarter of 2020 and first quarter of 2021 respectively.

The 731.5MW Borssele III & IV wind farm will consist of 77 MHI Vestas V164 9.5MW turbines. The project recently achieved financial closure, enabling the developers to focus on the construction phase with the main offshore works due to commence in the fourth quarter of 2019.

Meanwhile, Triton Knoll will comprise 90 MHI Vestas 9.5MW turbines, with offshore construction work scheduled to begin in late 2019 or early 2020.

PETROBRAS & EQUINOR SIGN BRAZIL MOU

Petrobras has signed a Memorandum of Understanding (MOU) with Equinor to jointly develop the offshore wind energy segment in Brazil. The two companies had already entered into a strategic partnership and have been investigating other potential areas of cooperation, including the development

of renewable energy initiatives. The MOU does not establish obligations for either party, but indicates the intention to work together to develop projects in the offshore wind energy segment.

Petrobras is currently looking into developing an offshore wind pilot project in Rio Grande do

Norte state, expected to be up and running by 2022.



RIGS

TRANSOCEAN BUYING OCEAN RIG

Transocean has entered into a definitive agreement to acquire Ocean Rig in a cash and stock transaction valued at USD 2.7 billion, inclusive of Ocean Rig's net debt. Upon completion of the merger, expected in the first quarter of 2019, Transocean and Ocean Rig shareholders will own 79% and 21% respectively of the combined entity.

This acquisition will add 13 more drilling rigs to Transocean's fleet: two harsh environment semis, nine active ultra-deepwater

drillships, and two newbuild ultra-deepwater drillships that are being built at Samsung Heavy Industries Shipyard in South Korea. This will increase Transocean's fleet to a total of 57 floating rigs.

Commenting on the transaction, Transocean CEO Jeremy Thigpen stated that "the combination of constructive and stable oil prices over the last several quarters, streamlined offshore project costs, and undeniable reserve replacement challenges has



driven a material increase in offshore contracting activity. As such, adding Ocean Rig's premium assets... better positions us to capitalize on what, we believe, is an imminent recovery in the ultra-deepwater market."

HARSH ENVIRONMENT FIXTURES FOR TRANSOCEAN



It has been business as usual for Transocean while the Ocean Rig negotiations have been ongoing, with new contracts confirmed for two of the contractor's harsh

environment semisubmersibles recently.

Equinor has awarded a contract to newbuild semi Transocean Norge (ex West Rigel) for the drilling of six firm wells on the Norwegian Continental Shelf. The rig (pictured) is scheduled for delivery from the Jurong Shipyard in Singapore early in 2019; she will then be mobilised to Norway to commence her maiden charter with Equinor in July 2019. The six firm wells

will have an estimated duration of 300 days, with four further option wells available. The total contract value for Transocean for the six firm wells has been estimated at USD 89 million. Elsewhere, in the UK sector, Hurricane Energy has awarded a contract to Transocean to drill three wells west of Shetland with semi Transocean Leader. This contract is scheduled to commence in the first quarter of 2019.

NORWAY AND CANADA GIGS FOR SEADRILL

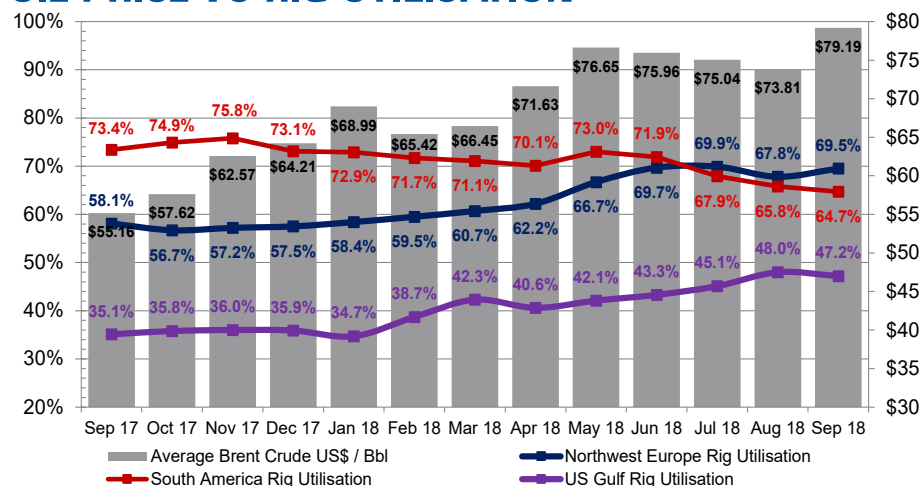
In addition to the Transocean Norge, Equinor has also awarded a new contract to Seadrill for an extended drilling campaign with semi West Hercules offshore Norway. The rig (pictured) is already scheduled to commence a contract with Equinor in October; this should keep her busy until the first quarter of

2019, however a second contract has now been awarded. This will see the Hercules drill two exploration wells in the Barents Sea from spring 2019, with nine optional wells available upon the conclusion of the firm period. Meanwhile, in Canada, Exxon-Mobil has awarded a one well contract to semi West Aquarius

(with multiple further options) for commencement between May and July 2019.



OIL PRICE VS RIG UTILISATION



NEW CONTRACTS FOR MAERSK

Maersk Drilling has received a contract from Aker BP for a one-year charter with jackup rig Maersk Integrator offshore Norway. The Integrator will commence the contract in June 2019, in direct continuation of her current charter with

Equinor, also offshore Norway. Maersk Drilling has also recently secured a one-well firm contract for drillship Maersk Viking with Aker Energy offshore Ghana. The rig will drill the Pecan-4A appraisal well in the fourth quarter of 2019.

TURKEY CONTRACT FOR ROWAN

Rowan Companies is preparing to relocate jackup Rowan Norway from the North Sea to Turkey. The rig, which has been stacked in the UK for nearly a year, has been awarded a

two-well contract with Turkish Petroleum in the Mediterranean Sea. The charter is scheduled to commence in late 2018, and will have an estimated duration of 100-140 days.

RIG UTILISATION AND DAY RATES

UTILISATION	SEP 2018	SEP 2017	SEP 2016	SEP 2015	SEP 2014
NORTHWEST EUROPE	69.5%	58.1%	57.4%	79.6%	95.9%
SOUTH AMERICA	64.7%	73.4%	77.6%	85.0%	93.8%
US GULF	47.2%	35.1%	34.2%	45.1%	65.2%

RECENT DAY RATE BENCHMARKS	LOW (USD)	HIGH (USD)
UK HARSH HIGH SPEC JACKUPS	72,500	85,000
NORWAY HARSH HIGH SPEC JACKUPS	160,000	160,000
UK HARSH STANDARD SEMISUBS	116,200	130,000
NORWAY HARSH HIGH-SPEC SEMISUBS	160,000	160,000
GLOBAL ULTRA-DEEPWATER SEMISUBS	130,000	130,000
GLOBAL ULTRA-DEEPWATER DRILLSHIPS	135,000	160,000

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
COSLINNOVATOR	SS	WARM STACK
COSLPROSPECTOR	SS	WARM STACK
EIR	JU	COLD STACK
ENSCO 70	JU	COLD STACK
ENSCO 71	JU	COLD STACK
ENSCO 80	JU	COLD STACK
ENSCO 121	JU	HOT STACK
MAERSK GALLANT	JU	WARM STACK
MAERSK GIANT	JU	COLD STACK
MAERSK REACHER	JU	HOT STACK
MAERSK RESOLVE	JU	HOT STACK
POLAR PIONEER	SS	COLD STACK
PROSPECTOR 1	JU	HOT STACK
RAN	JU	WARM STACK
ROWAN NORWAY	JU	HOT STACK
ROWAN STAVANGER	JU	HOT STACK
SCARABEO 5	SS	COLD STACK
SEDCO 711	SS	COLD STACK
SEDCO 714	SS	COLD STACK
SERTA0	DS	COLD STACK
SONGA DEE	SS	COLD STACK
SWIFT 10	JU	WARM STACK
WEST ALPHA	SS	COLD STACK
WEST EPSILON	JU	COLD STACK
WEST HERCULES	SS	HOT STACK
WEST NAVIGATOR	DS	COLD STACK
WEST VENTURE	SS	COLD STACK
WILHUNTER	SS	COLD STACK

Source: IHS-Petrodata

CONUNDRUM CORNER, DUTY PHONES

NOBLE BUYS NEWBUILD JACKUP

Noble Corporation has purchased a newbuild Gusto MSC CJ46 jackup rig from the PaxOcean Group in connection with a concurrently awarded drilling contract. The jackup, which was built at the PaxOcean Graha Shipyard in Indonesia, was acquired for USD 93.75 million, with an option for Noble to purchase a second rig of the same design. The rig will be named Noble Johnny Whitstine, and Noble has already secured a three-year plus one-year option contract for her in the Middle East with commencement early in 2019.

CONUNDRUM CORNER

Last month's answer :- A mathematician was challenged to write nineteen in a manner where if one was taken away, it became twenty. He failed to succeed. Can you manage?

The correct answer was :- Roman Numerals - XIX = 19; take away the I and XX = 20

This month, our poser is as follows:

Albert and Bernard just became friends with Cheryl, and they want to know when her birthday is. Cheryl gives them a list of 10 possible dates:

May		15	16			19
June				17	18	
July	14		16			
August	14	15		17		

Cheryl then tells Albert and Bernard separately the month and the day of her birthday respectively.

- Albert: "I don't know when Cheryl's birthday is, but I know that Bernard doesn't know either."
- Bernard: "At first I didn't know when Cheryl's birthday was, but now I know."
- Albert - "Then I also know when her birthday is."

So when is Cheryl's birthday?

Answers back to chartering@seabrokers.co.uk.

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