

# Chinese giant in global build-up

## Bomesc targets foreign deals to give it greater fabrication clout

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CHINESE contractor Bohai Oil Marine Engineering & Supply Company (Bomesc) is seeking foreign expertise to build up its manufacturing capability to maintain its position as a top player in China's offshore fabrication sector.

The Tianjin-based company will soon sign strategic alliance agreements with international heavyweights such as WorleyParsons and Siemens to bring its project design capacity on a par with international standards.

In the deal soon to be signed with WorleyParsons, Bomesc will engage the former to design its future offshore projects.

In China, Bomesc specialises in building topsides modules for floating, production, storage and offloading vessels, and living quarters for offshore platforms, as well as onshore terminals for offshore production facilities, but it is also active in the international offshore market, bidding on projects against its foreign rivals.

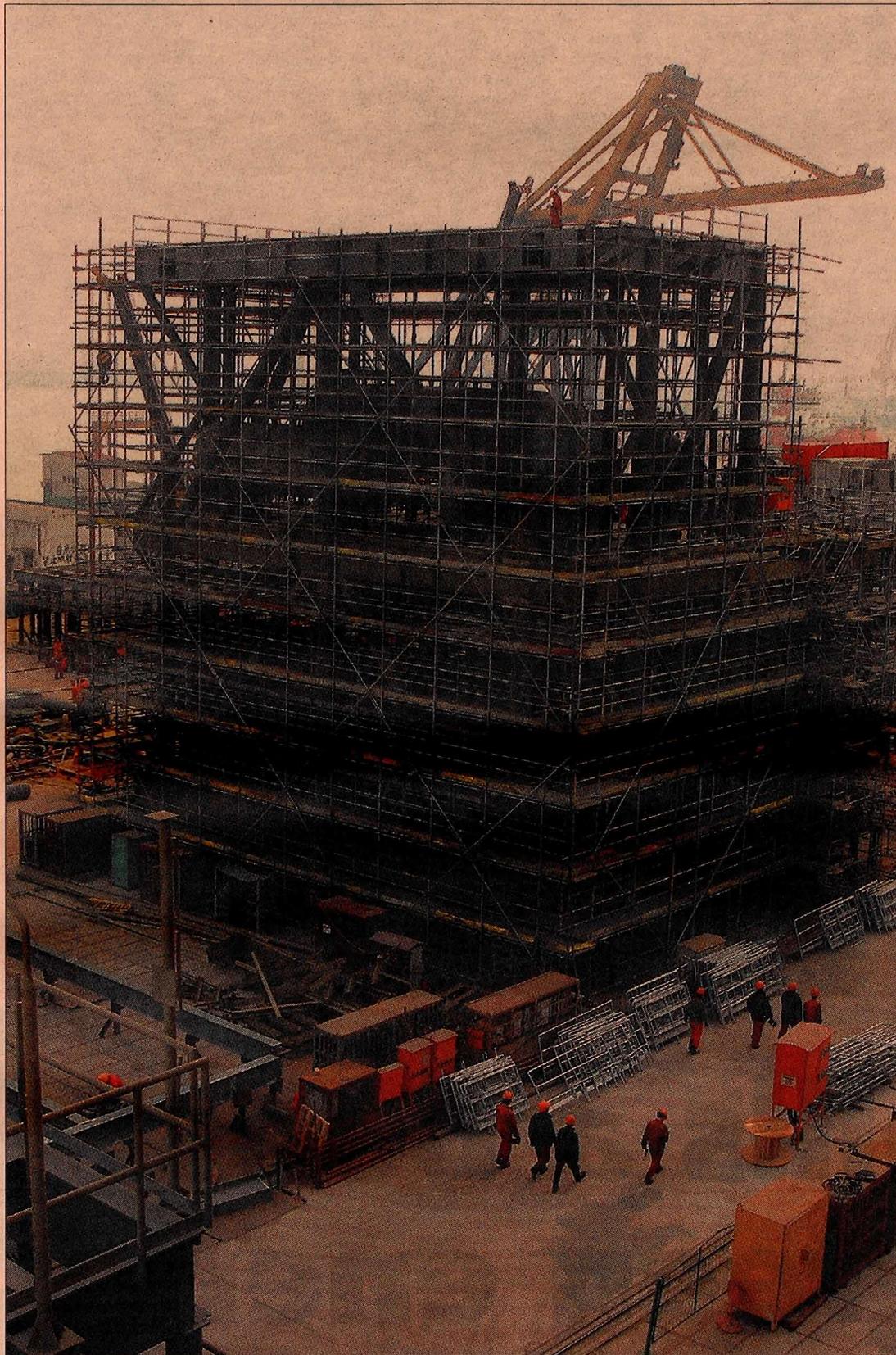
The company has just submitted a bid to build for Bluewater Offshore a catenary anchor-leg mooring to be used for mooring and offloading tankers and a pipeline-end manifold.

Booming demand for China's offshore skills has brought financial success to the company, doubling its 2008 revenue from a year earlier to \$75 million.

It is on track to deliver the topsides modules being built for Modec's Cidade de Santos MV20 FPSO for use off Brazil in April or May, after delivering the electricity house module for its sister floater Cidade de Niteroi MV18 last year.

The company is also in the process of building and delivering six living quarters at its yard in Tianjin's Tanggu district, including two for ConocoPhillips' Peng-lai 19-3 field in Bohai Bay.

Company president Peng Wencheng said his company will



soon boost its building capacity when its new yard in Tangshan in Hebei province comes into operation later this year.

Peng said that, due to cash constraints, Bomesc will likely delay

the second and third phase of the 2.45 billion yuan (\$356 million) yard.

However, the first phase remains on course for completion later this year.

**Prestige project: Bohai Oil is currently building the topsides modules for Modec's Cidade de Santos MV20 FPSO to be used off Brazil**

Photo: XU YIHE

## ONGC in Gujarat oil discoveries

INDIA'S state-owned Oil & Natural Gas Corporation (ONGC) has made two oil finds in Patan district, onshore Gujarat, with estimated in-place reserves of more than 7.3 million barrels, writes Amanda Battersby.

The discoveries about 80 kilometres north of Ahmedabad come as output from the operator's Mehsana unit, also in Gujarat, is waning. However, there are issues surrounding recovery factors from the oil discovered in two wells in Patan as the crude in the area is usually waxy.

"The oil found in north Gujarat is typically waxy in nature and therefore the recoverability is very low," said an ONGC official.

Production at ONGC's mature Mehsana unit has been declining from between 58,000 and 66,000 barrels per day of oil to 44,000 bpd. The national oil company has been using a variety of enhanced oil recovery technologies at Mehsana to help boost production rates.

The EOR programmes implemented at the Balol, Santhal, Bachrajee, lanwa and North Kadi fields are intended to boost recovery rates to 40% or more — up from the 13% that was being achieved before.

•• ONGC and Gujarat State Petroleum Corporation plan to jointly launch a coal gasification project in Gujarat.

The project will target reserves in the area between Patan and Tharad in the north of the state, according to state energy and petrochemicals principal secretary Manjula Subramaniam.

## Bonding at Woodside

WOODSIDE Petroleum is developing an action plan to build better relationships with Australia's indigenous communities, at a time when the company needs their support to achieve its liquefied natural gas ambitions.

As Australia's leading LNG operator, Woodside has several new projects on the go.

From late 2010, when the Pluto LNG project comes on stream, natural gas will dominate Woodside's production portfolio. Pluto had its fair share of controversy involving Woodside and indigenous communities.

Woodside also wants to build LNG trains in the remote Kimberley region for the Browse LNG project.

The operator said it is developing a Reconciliation Action Plan, to be completed this year, that will help in building positive relationships with indigenous people and identify clear actions and realistic targets, as well as lessons learned.

Chief executive Don Voelte said the action plan would document the company's actions and allow these to be open to public scrutiny.

## BGP Pioneer deployed for seismic shoot on Burma blocks

CHINESE seismic survey provider BGP has dispatched its seismic vessel BGP Pioneer to shoot 3D seismic on blocks A-1 and A-3 off Burma after completing its commitments in West Africa, according to industry sources, writes Xu Yihe.

BGP Pioneer, which was converted from a factory stern trawler last April, has been undergoing a major upgrade in Singapore to expand its workspace and towing

capabilities and to install a state-of-the-art seismic equipment package.

The size of the 3D survey has not been decided, sources said.

The survey follows a recent deal between BGP's parent China National Petroleum Corporation (CNPC) and Daewoo International, which commits the former to buy gas from the Shwe field. CNPC, along with

Myanmar Oil & Gas Enterprise (Moge), plan to build oil and gas pipelines through Burma and into China's south-western Yunnan province, bypassing the long journey around the Malacca Strait for oil cargoes and solving the problem of getting the gas to market.

Operator Daewoo International has said the Shwe field has independently certified recoverable reserves of up to 8.6 trillion cu-

bic feet of gas in blocks A-1 and A-3. Daewoo has a 51% share in the consortium, while the other shareholders are India's Oil & Natural Gas Corporation and Gail, with 17% and 8.5% respectively, Korea Gas Corporation with 8.5% and Moge on 15%.

Daewoo is currently seeking bids for a 20,000-tonne central processing platform for Shwe.