

Players on starting line for Noble gig off Israel

A NUMBER of eager contractors will submit bids within weeks to US independent Noble Energy as they battle for a crucial subsea installation package on the \$3 billion first phase development of its deep-water Tamar gas discovery off Israel.

Tamar, which holds a hefty 7.3 trillion cubic feet of gas, will be developed as a long-distance subsea tieback to shore and, together with Noble's shallow-water 600 billion-cubic-foot Dalit gas find.

Industry sources said as many as nine players could be chasing one contract comprising seven distinct packages.

These include Saipem, Technip, Subsea 7, Allseas, Acergy, Helix, Heerema, Global Industries and Aker Solutions.

Sources said the contract covers the shore approach, near-shore pipelines, offshore pipelines and flowlines, and more than 100 kilometres of umbilicals.

In addition, it takes in subsea

Large subsea package on offer as part of Tamar deep development

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structures including one "big" 200-tonne manifold with six slots, 12 pipeline end terminations (Plets) and some inline sleds.

This work scope also includes as many as 16 jumpers, both rigid and flexible and nearly 70 flying leads.

The subsea completions, located in about 1700 metres of water, will be tied back to shore via dual 16-inch diameter pipelines, each 90 kilometres in length.

Also, two four-inch diameter lines will be needed for chemical injection.

Contract award is slated for early next year although project watchers suggested they could

even be dished out by the end of this year.

The schedule calls for offshore pipe installation to kick off in early 2011 in time for first gas to flow in 2012.

Leading candidates to supply the subsea production system are FMC, Cameron, and Aker with Cameron expected to be in a strong position given its recent success in supplying Noble with subsea hardware for its Aseng project off Equatorial Guinea.

Fabrication of the subsea manifold, Plets and sleds could go to a US fabrication yard as a sub-contract.

Delcor, Spitzer and Kiewit are a few of the yards who may be interested in this work.

IntecSea is understood to be carrying out subsea engineering

work, building on its experience with long-distance tie-backs in Egypt's Nile Delta.

EDG Engineering, which has offices in Houston and Louisiana is believed to be handling engineering of the gas processing onshore plant.

The initial capacity of this plant will be depend on how Noble's discussion progress with gas buyers, the most important of which is utility Israel Electric.

Assuming the six subsea well slots on the manifold are all producers then output could reach more than 900 million cubic feet per day.

Chief executive Chuck Davidson said that "by the time you put in five wells or something like that at 150 MMcfid plus — you've got a lot of capacity."

Future development phases could call for additional subsea production wells on Tamar as well as potential future discoveries.

It is not known if this initial

development plan also involves exploiting Dalit.

European and American fabricators will likely bid for fabrication work on the gas plant and may include the likes of Aker, Dragados, Rosetti Marino as well as the US Gulf coast yards.

A landfall near Haifa is currently the favoured option.

However, a dispute between two government departments in Tel Aviv has threatened to delay start-up.

The Ministry of the Interior, responsible for key planning issues, has yet to rubber stamp construction of the onshore plant at Dor Beach, near Furadis, south of Haifa.

Instead, it has suggested that the terminal be located offshore or at a location further south along the coast.

Noble's chief operating officer Dave Stover, said this week "we're working to finalise the initial landing location".

The operator has secured a rig to carry out development drilling next year which will also spud a "significant" exploration well based on 1400 square kilometres of new 3D seismic currently being acquired.

Tamar, located in the Matan licence, is a Miocene discovery with production wells that are each expected to flow at more than 150 MMcfid. Dalit lies in the Michel licence closer to the coast.

Noble has a 36% stake in Tamar and Dalit and is partnered by a group of Israeli companies.

AMG and Brownstone net licences off Haifa

ISRAEL recently awarded two licences to a company keen to secure access to offshore acreage following Noble's major gas discoveries, writes Iain Esau.

Last month, Toronto-based AMG Oil secured the contiguous, shallow-water Izhak and Gabriela licences off Haifa.

Toronto-listed Brownstone Ventures has the right to take a 15% stake in the Izhak asset.

However, most of Israel's north-

ern offshore waters, close to the Lebanese maritime boundary, are now under the control of Noble and the Delek Group which, following their huge Tamar discovery, snapped up 12 licences in March this year.

This acreage — comprising the Ruth A, B, C, D, E and F blocks and the Alon A, B, C, D, E and F blocks — surrounds their Michal and Matan licences.

In December last year, Noble

and Delek won five blocks — Rachel, Amit, Hanna, David and Eran.

The other key players in Israeli waters include New York-listed Israenco, which controls the Hof block immediately offshore Ashdod and the deep-water Shimon block.

The company also has an application pending for the huge Daniel licence, south of Michal. Belize-registered PetroMed has

an application awaiting approval for the large Benjamin permit which surrounds its Myra and Sara blocks.

Delek Group operates the Aviah and Qeren shallow water licences and the Ohad deepwater asset while, in March this year, Houston-based Pelagic Exploration was awarded the ultra-deepwater Isha, Elel, Yahav, Yoad and Alla licences close to the maritime boundary with Cyprus.