

DNV Inks Contract for LLOG's Delta House FPS

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Det Norske Veritas (DNV) will classify LLOG Exploration Company LLC's Delta House floating production platform, which is scheduled to begin production in the deepwater Gulf of Mexico in 2015.

The U.S. Coast Guard will accept plan review and inspection functions conducted by DNV for the project as part of the unit's certification under Title 33 Code of Federal Regulations. The acceptance follows from a general acceptance given by the U.S. Coast Guard in 2007, and will provide owners and operators of offshore floating units a new option for classification and certification work.

Until 2007, legislation stated that the American Bureau of Shipping (ABS) was the only company that could classify floaters in the Gulf of Mexico, a DNV spokesperson told Rigzone. U.S. Coast Guard and legislative requirements were changed that year, but uncertainty has existed in the market as to whether it would really be straightforward to use anyone else but ABS, a DNV spokesperson told Rigzone in an email statement.

"Owners have expressed a strong desire for choice of classification society's for floating offshore installations in American waters and we know there are many owners, designers, operators and yards who would prefer to work with DNV, and this contract is proof that they can do so, confident of legal and regulatory approval," said Kenneth Vareide, DNV's director of operations for maritime in North America, in a statement.

Besides the associated benefits of free choice and competition, DNV's extensive research and development efforts means the company can bring deep, often new knowledge and competence to challenges facing the industry, the spokesperson said. For example, the company was the first to comprehensively address the risks associated with all the systems and software that are critical for offshore units, and often a case of unexpected delay and downtime, when not properly addressed.

With local capabilities and expertise, DNV is a well-established alternative and experienced partner for classifying floaters and complex projects in the Gulf of Mexico.

"We now look forward to address the industry's needs and desires for increased safety, reliability, cutting edge technology and, of course, reduced downtime," Vareide commented. "We are confident that both owners and regulatory agencies will benefit from this."

The company will carry out approvals for classification and verification work, and surveys related to activities in the United States. DNV also is the certified verification agent (CVA) for the Bureau of Safety and Environmental Enforcement for the structure, mooring and riser, which will be handled from DNV's Houston office.

DNV has carried out extensive verification and independent analysis for many Gulf of Mexico floaters over the past 20 years, including many high profile failure and accident investigations. The company has a wide portfolio of CVA and development projects for the Gulf of Mexico oil and gas industry, including the first U.S. Gulf floating production, storage and offloading system at the [Cascade and Chinook](#) field.

The design basis agreement for Delta House, as approved by the Coast Guard, is based largely on DNV's offshore rules for a floating offshore installation.

LLOG Exploration and partners last December approved the Delta House project, which will include a floating production system (FPS), an oil export line, a natural gas export line and a number of subsea systems. Development costs for the project are estimated at over \$2 billion.

The FPS, which will be located in Mississippi Canyon Block 254 in approximately 4,500 feet of water, will have production capacity of 80,000 barrels of oil per day (bopd) and 200 million cubic feet per day (MMcf/d) of gas, as well as peaking capability of up to 100,000 bopd and 240 MMcf/d. The facilities are expected to process and transport production from six initial wells when commercial operations begin.

The facility will be capable of accommodating production from nearby fields, including LLOG's previously announced discoveries in Mississippi Canyon Blocks 300 and 431. It will have space for 20 risers, which will allow production from up to nine simultaneously producing fields with dual flowlines.

The Delta House FPS will be constructed using Exmar Offshore Company's OPTI-11000 semisubmersible hull design at Hyundai Heavy Industries Ulsan, South Korea shipyard. Audubon Engineering will design and procure the topsides equipment.

Once construction is complete, the FPS hull will be transported by Dockwise to Kiewit Offshore Services yard in Ingleside, Texas. Kiewit will manufacture and integrate the topsides with the hull. Intermoor will moor and install the FPS.

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