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## Covington-based LLOG Exploration installs Delta House hub in Gulf of Mexico, part of \$2 billion project

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on September 30, 2014 at 3:26 PM

**LLOG Exploration**, a Covington-based oil and gas exploration company, said it started installing its Delta House floating production hub in the Gulf of Mexico this week, part of a \$2 billion project. The facility is expected to start producing oil and gas in early 2015.

LLOG has spent the last three years working with contractors to design and build Delta House, one of only two floating production systems owned by a private company in the world.

Rick Fowler, vice president of deepwater projects at LLOG, said Delta House was towed earlier this month from Aransas Pass, Texas to its site in the Mississippi Canyon region of the Gulf of Mexico, about 130 miles southeast of New Orleans.

On Tuesday, crews will hook the 296-foot facility up to the last of its 12 mooring cables to secure it to the sea floor 4,500 feet below the water's surface, Fowler said.

The facility is expected to process as much as 80,000 barrels of oil and 130 million cubic feet of natural gas per day from three surrounding fields, including LLOG's Marmalard field.

"This will be the biggest development we've ever done as a company," Fowler said.

The Delta House project comes as LLOG ramps up its investment in the deepwater Gulf with the help of private equity financing.

**Blackstone Energy Partners agreed in November 2012 to invest \$1.2 billion in the company's offshore operations.**

Installation work on Delta House will continue over coming months as LLOG drills several oil and gas prospects nearby.

LLOG has drilled five wells in the area and has plans to drill as many as 10 more.