



# **ENERGY – UPSTREAM OFFSHORE**

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**Market Introduction**

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**Market Drivers**

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**Activity By Region**

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**Conclusion**

**AGENDA**

# What is a Subsea System?

**A Subsea System Consists of a Subsea Completed Well + Associated Wellhead Equipment Used to Connect the Wellhead to an Existing Platform, New Platform or FPSO:**

- Christmas Tree
- Manifold
- Jumper
- Umbilical
- Riser
- Flowline
- PLET / PLEM

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**Subsea Production System or Subsea Processing System (SPS)**

**Subsea Umbilical, Riser, Flowline (SURF – Roughly 65% of Market)**

# MARKET INTRODUCTION

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**Projected Market Size in 2024 is ~\$20B growing at a CAGR of ~6% during the next 6yrs (2030)...**

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**Currently the market has rebounded to Pre-Pandemic levels...**

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**Deepwater activities in countries like Brazil, US, Egypt, Iran and Qatar will provide significant opportunities...**

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**South America is expected to be the fastest growing Subsea Market...**

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**South America / North America / Europe deepwater fields are expected to produce ~7.5MMbpd by 2025 and ~9MMbpd by 2040...**

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Subsea Systems Market - Growth Rate by Region, 2023-2028



# MARKET INTRODUCTION

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**Renewed attraction of deepwater & ultra deepwater Offshore Projects linked to huge declines in break-even prices...**

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**Capacity for Existing Infrastructure Led Tiebacks & Enhanced Recovery very attractive and cost effective...**

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**Standardization of Design + Digital Transformation enhance efficiency and benefits of Subsea Deployment while reducing risk and operational cost...**

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**Rising number of maturing onshore oilfields leading to a shift toward offshore exploration & production + field development...**

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**Offshore Oil & Gas accounted for most of the FIDs in the last three years fostering an upswing in Subsea Contract Activity...**

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## Brent Crude Oil



# MARKET DRIVERS

## Majors continue to invest in the GoM...

- Shell (i.e. Whale, Sparta, Dover ~\$12B)
- BP (i.e. Kaskida ~\$15B)
- Equinor (i.e. Core BdN ~\$12B)

## Independents Continue to Follow Suit...

- Murphy Oil (i.e. King's Quay ~\$1B)
- Beacon Energy (i.e. Shenandoah ~\$3B)
- LLOG (i.e. Salamanca ~\$5B)

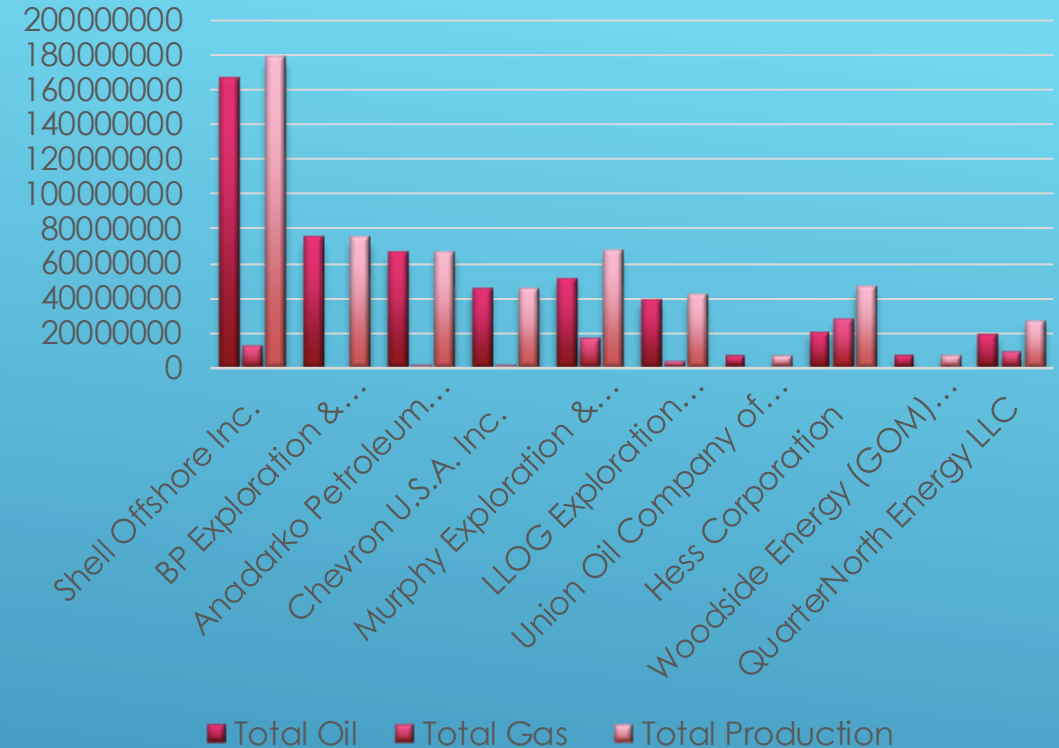
## Consolidation Continues...

- Chevron acquiring Hess
- Talos acquired EnVen & QuarterNorth Energy

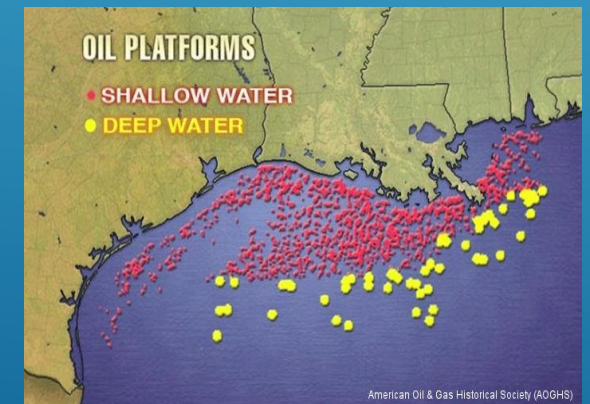
## Chevron's Urban Planning Model is setting the pace for Subsea Tieback Activity & Approach...

- Ballymore
- JSM4

## GoM Leading Producers:



## ACTIVITY BY REGION: NORTH AMERICA



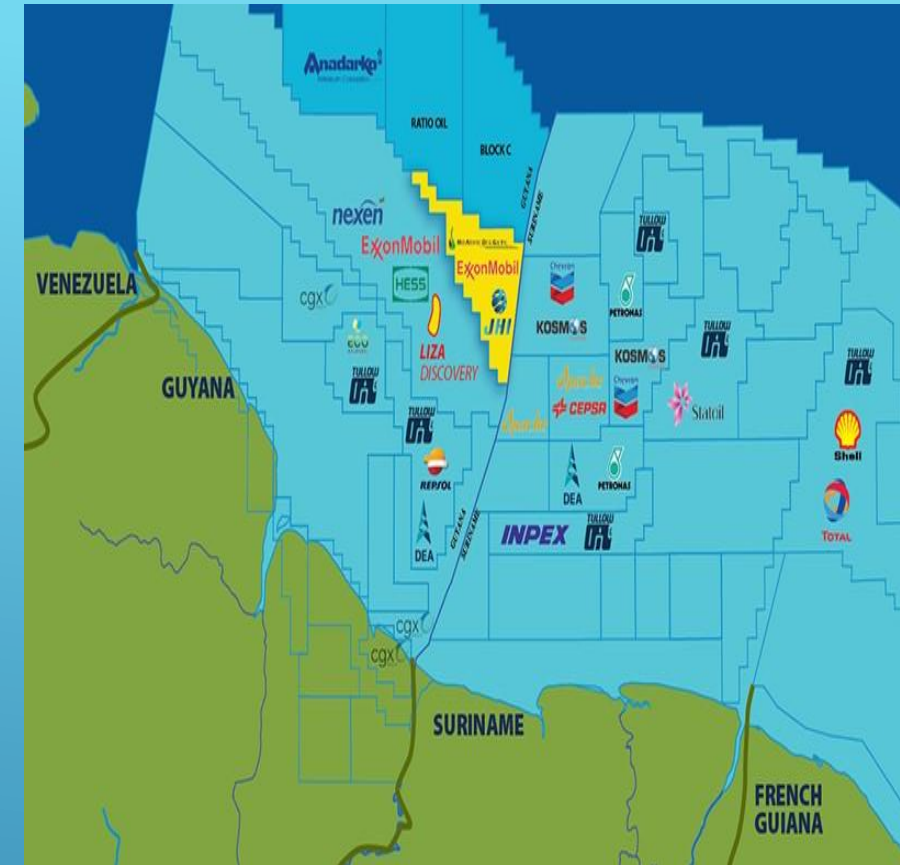
Exxon and partners are committed to invest at minimum \$70B in Stabroek field development by 2030...

Exxon drilled 44 more wells in the Stabroek block Guyana, with 50% focused on new reserves at unexplored locations...

Exxon targeting 10 development projects by 2030 recently applying for consent on Fangtooth development, their 7<sup>th</sup> project...

Exxon expects a total production of 1MMbpd by 2030 from the field...

Suriname up next... (Total, Apache, Chevron / Block 58 ~\$13B)



## ACTIVITY BY REGION: GUYANA EXPLOSION

## North Sea:

- North Sea Transition Authority (NSTA) held a massive new O&G licensing round and offered almost *900* locations...
- Four priority cluster areas next to existing infrastructure with the ability to be developed quickly (Tiebacks; *12-18mths*)...

## Brazil:

- Brazil is set to deliver a *10% increase* in oil production YoY through 2025 (*and beyond?*)...

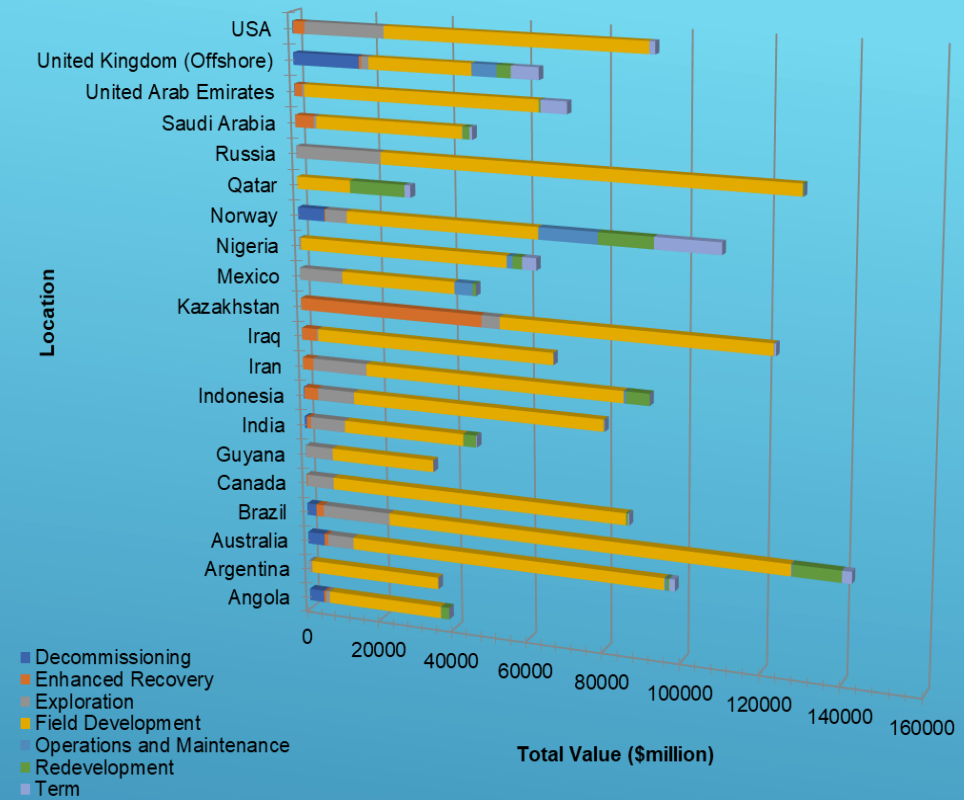
## Abu Dhabi:

- ENI announced positive results from initial exploration offshore Abu Dhabi Block 2...

## FAST4WARD Program:

- Driven by standardization...
- Accelerate delivery of FPSO by 12mths...
- Improves construction efficiency & cuts project costs by ~\$500M...
- ABS & Bureau Veritas Approved Design...

## Top 20 CAPEX by Country and Project Type



# ACTIVITY BY REGION: ROW



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**Renewed Interest Offshore, Deepwater and Ultra Deepwater...**

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**Standardization + Digital Transformation = Lower Project Cost & Fast Track to First Oil...**

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**Rapid Growth Rates with Brazil & Guyana Leading the Way...**

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**Subsea Tieback Approach is Cost Effective & Highly Profitable, Especially in the GoM...**

**CONCLUSION**



# THANK YOU

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