RPSEA Ultra-Deepwater Program
FACA Meeting
C. Michael Ming
Christopher Haver
Houston, TX
January 30, 2007

Secure Energy for America
Contents

• RPSEA general comments
• UDW program overview
• UDW 2007 RFP status
• 2007 FACA report comments
Ultra-Deepwater Resources.— Awards from allocations under section 999H(d)(1) shall focus on the development and demonstration of individual exploration and production technologies as well as integrated systems technologies including new architectures for production in ultra-deepwater.
Increasing Lag Between Discovery and Development

Proven Reserves Add Value


Secure Energy for America
Significant Demand for UDW Technology Funding

April, 2007
120+ Project Ideas
$300 MM

June, 2007
70 Project Ideas
$175 MM

July, 2007
26 Project Ideas
$30 MM

RPSEA 2007 & 2008 Projects
UDW 2007 RFPs

- 4 RFPs released October 29, 2007
  - 9 proposals received December 27, 2007
  - Proposals under evaluation
- 5 RFPs released November 28, 2007
  - 13 proposals received January 28, 2008
- 5 RFPs to be released February, 2008
UDW Advisory Committee Comments

• “Enhance the focus on environmental issues”
  – DW 1801 - Effect of Global Warming on Hurricane Activity and Severity
  – DW 2101 - New Safety Barrier Testing Methods
  – DW 2801 - Gulf Operational Current Model Pilot

• “Increase emphasis on drilling and completions”
  – DW 1401 - Carbon Fiber Wrapped High Pressure Drilling and Production Riser Qualification Program
  – DW 1402 - Ultra-deepwater Dry Tree System for Drilling and Production in GOM
  – DW 1501 - Extreme Reach Development
  – DW 2301 - Deepwater Riserless Light Well Intervention
  – DW 1502 - Coil Tubing Drilling and Intervention System
  – DW 2502 - Modeling and Simulation of Managed Pressure Drilling for Improved Design, Risk Assessment, Training and Operations
UDW Advisory Committee Comments, cont’d

• “More emphasis on achieving grand challenge R&D breakthroughs”
  – DW 1201 – Wax Control
  – DW 1302 – Ultrahigh Conductivity Umbilicals
  – DW 1401 - Carbon Fiber Wrapped High Pressure Drilling and Production Riser Qualification Program
  – DW 1501 - Extreme Reach Development
  – DW 1902 - Deep Sea Hybrid Power System

• “Increase emphasis on drilling and completions”
  – DW 1401 - Carbon Fiber Wrapped High Pressure Drilling and Production Riser Qualification Program
  – DW 1402 - Ultra-deepwater Dry Tree System for Drilling and Production in GOM
  – DW 1501 - Extreme Reach Development
  – DW 2301 - Deepwater Riserless Light Well Intervention
  – DW 1502 - Coil Tubing Drilling and Intervention System
  – DW 2502 - Modeling and Simulation of Managed Pressure Drilling for Improved Design, Risk Assessment, Training and Operations
“Stovepipe” Concern

Ultradeepwater Challenges

• Significantly extend subsea tieback distances - surface host elimination
• Dry trees and risers in 10,000’ wd
• Cost effective wellbore/subsea intervention
• Economic 100 MMBOE developments
• Continuous Improvement
  • Per wellbore recovery
  • Cost reduction