Introduction of Deepstar activities and expectations for Japanese companies

Deep Starのこれまでの取り組みや日本企業への期待



Shakir Shamshy

DeepStar Director







DeepStar Overview

DeepStar

- is the industry's longest running and most successful offshore technology development consortium
- has generated significant value by providing technology transfer to its members and the industry
- will be needed more by major operators and the industry for collaborative technology development in the future

DeepStar's primary goals are to:

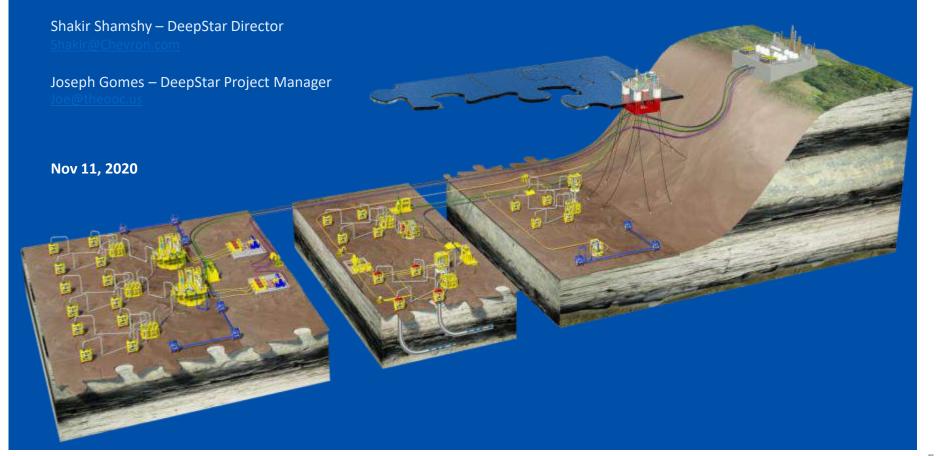
- improve the profitability, execution, operability, flexibility and reliability of existing offshore production systems technology
 - i.e., enhance existing technology
- enable and assure cost effective continued service of producing assets
- ensure correct technology availability at the correct business intercept time
- develop and implement technology to enable production in areas that are currently technically unproven with the specific goal of developing the technology required for economic production in offshore

- work to ensure the Acceptance of offshore technology by:
 - facilitating the development of industry standards & practices as appropriate
 - fostering communications with appropriate stakeholders
- act in a facilitator role,
 - providing a forum and a process for discussion, guidance, and feedback with contractors, vendors, operators, and academia regarding offshore production system technology capability gaps
 - o promoting standardization of component interfaces

DEEPSTAR®

A Global Offshore Technology Development Consortium

DeepStar introduction and expectations for Japanese companies





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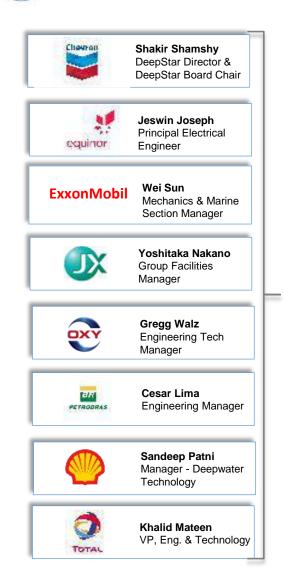
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DeepStar® Board & Management Structure

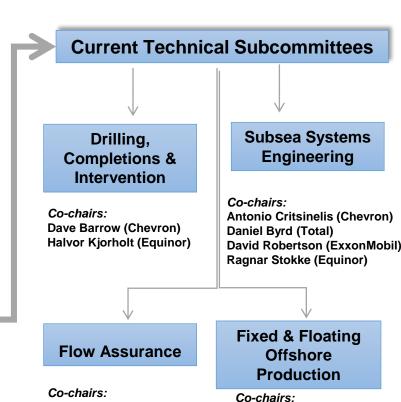




Potential Participants

AkerBP
Apache
Aramco
BP
CNOOC
EcoPetrol
ENI
HESS
LLOG
INPEX

ILOG
INPEX
MOECO
Murphy Oil
PEMEX
PETRONAS
Tullow Oil
Woodside



Technical Subcommittees to be added in the future

Jim Stear (Chevron)

Raja Nadathur (Shell)

Jerry Huang (ExxonMobil)

Operations

Dan Crosby (Shell)

Joe Lederhos (ExxonMobil)

Douglas Estanga (Chevron)

- Geoscience
- Reservoir



DeepStar Program Framework



Core ProgramFunding Membership Fees



Satellite Program
Participants Fees



Partnership Program – The Nippon Foundation DeepStar Partnership

(connected to Core Program)

External Funds, i.e. government funding



Core Program

- Core projects are funded with the membership fees from Core Members and Associate Members
- Members of the Core Program access to The Nippon Foundation DeepStar partnership projects

Satellite Program

- Certain Core projects spin out as Satellite projects by interested Members
- Non-DeepStar members can participate in Satellite projects (with higher fee)

Partnership Program

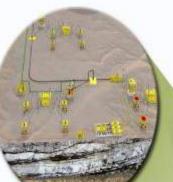
- Currently have The Nippon Foundation partnership projects along with Core program
- Working on partnership terms with US Department of Energy (DOE)

DeepStar Programs in 2020 and beyond



DeepStar 2020 Program Projects

(The Nippon Foundation partnership projects)



Fixed & Floating Offshore Production

- Acid Gas Removal (AGR) and Re-injection Project
- Flow-Induced Vibration Predicting Method Study for Subsea Flowlines/Risers
- Reducing operational and capital risks through unified FPSO process & turbomachinery automation solution development.
- Standardization of Inspection to Enable Digital Twin (Data Standardization Tool Development for Floating Facilities)



• Subsea Omni Directional Optical Wi-Fi System



Drilling, Completions & Intervention

- ESP with Magnetic Drive System (MDS) for Deep Water
- Establishment of cost-effective P-T sensor equipped flowable ball
- Smart Dissolvable Plugged Nozzle Assemblies (DPNAs)



Flow Assurance

- Enhanced Flowback Technology
- Prevention and Remediation of Asphaltene Deposition and Hydrate Formation at Field Conditions



DeepStar 2020 Program Projects (cont.)

(Core projects added in Aug 2020)



 Topside Monitoring of Subsea Pump Systems



- Database of Mooring Integrity Issue and Lesson Learned
- Management of Safety Devices in a NUF Environment
- Floating Production Normally Unattended Installation (NUI)

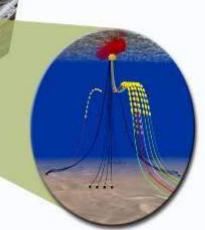


Flow Assurance

- Hydrate Formation and Transportability in Co2 Rich Systems
- Hairy-Nanoparticles to Prevent Asphaltene Deposition in the Near-Well Region
- Optimal facility operability envelope in erosion / corrosion environment



- Remote zero carbon power for electric subsea operations
- AUV Interface Standards Phase 3
- Application for Thermoplastic Composite Pipe in Deepwater
- Subsea Large Particle Detector
- AUV Collision De-Risking via Simulation





DeepStar activities

- Nov 4 Dec 4, 2020: Submission of phase 1 interim reports of NF DeepStar partnership projects and phase 2 funding request forms/one-pager
- Dec 5, 2020 Jan 29, 2021: Reviews, evaluations, and approvals for phase 2 projects of the NF DeepStar partnership
- February 2021: Quarterly DeepStar Subcommittee Meeting
- May 7, 2021: DeepStar Technology Symposium (Houston)
 - NF and Japanese companies will be invited to present
- May 2021: Final & Interim Reports for NF DeepStar projects
- May 2021: Quarterly DeepStar Subcommittee Meeting
- August 2021: Quarterly DeepStar Subcommittee Meeting
- November 2021: Quarterly DeepStar Subcommittee Meeting
- December 2021: Interim Reports for NF DeepStar projects



DeepStar required reports & presentations

Project Documents: (Phase 1), (Phase 2)

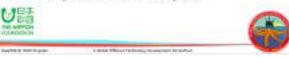
- Monthly Reports: (12), (24)
- Quarterly Presentations: (4), (8)
- Interim Report(s): (1), (3)
- Final Report: (1), (1) DeepStar Presentations





Agenda

- · Welcome / Introductions
- Status and General Progress
 - Project Action Items
 - Scape of Work
 - Project Results
- Technical Discussion
- · Areas of Concern
- Summary and Action Items Update



[Project Title] DeepStar* 2020 CTR # 20XXX; DRAFT / FINAL REPORT







DeepStar NF project management structure

- Project Contractors: Japanese companies
- The Nippon Foundation local (Houston) contact: Kenji Okimoto
- Project Champion(s): DeepStar Operators
- Working Group Member(s): DeepStar Members
- Subcommittee Chairs: from DeepStar focus areas
 - Fixed & Floating Offshore Production
 - Subsea Systems Engineering
 - Flow Assurance
 - Drilling, Completions & Intervention
- Subcommittee Members: DeepStar Members



The Nippon Foundation & DeepStar Partnership

Advisory Committee

DeepStar CORE Members
(Anadarko, Chevron, CNOOC, Equinor, ExxonMobil, JX Nippon,
Petrobras, Shell, Total, and Woodside)



Projects Ideas **Projects Focus Areas - DeepStar Focus Areas:**

Drilling, Completions & Intervention
Flow Assurance

Subsea Systems Engineering Floating Systems & MetOcean

Management



Funds

Contractor

Network

Partnership Funding and Time:

The Nippon Foundation: \$10 million, 2019 – 2022

Technology Service Providers:

Japanese technology companies and international technology companies



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2019 Projects

(June 2019 – June 2020)

Phase 1 (\$1.6 million):

- nanoActive Enhanced Flowback Technology (EFT) for Offshore Application (19121) Nissan Chemical & Sumitomo
- 2. Improved Chemical Injection System (19122) Yokogawa
- 3. Demonstration of Capability of Inspection Tool Unit(ITU)mounted on AUV (19131) KHI
- 4. Qualification of High-Pressure Super Duplex Stainless Steel (SDSS) Umbilical Tubing (19132) Nippon Steel
- 5. Subsea Omni Directional Optical Wi-Fi System (19133) Shimadzu
- 6. Underwater Wireless Power Transfer (19134) NEC
- 7. Acid Gas Removal (AGR) and Re-injection Project (19141) JGC
- 8. Development for long term protection paint and performance evaluation (19142) *Nippon Paint*
- 9. Fixed Equipment Integrity Operating Windows based on Facility Operating Conditions (19143) MHI
- 10. ESP with Magnetic Drive System (MDS) for Deep Water (19151) MHI



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2020 Projects

(June 2020 – June 2021)

Phase 1 (\$1 million):

- 1. Prevention and Remediation of Asphaltene Deposition and Hydrate Formation at Field Conditions Assessment and Modeling (20122) Yokogawa Electric Corp
- 2. Data Standardization Tool Development for Floating Facilities (20144) Mitsubishi Heavy Industries
- Flow-Induced Vibration Study for Intelligent Production Integrity Operating Window (Ip-IOW) module (20143) Mitsubishi Heavy Industries
- 4. Reducing operational and capital risks through unified FPSO process & turbomachinery automation solution development (20142) Yokogawa Electric Corporation
- 5. Establishment of cost-effective monitoring method for HPHT reservoir and downhole by using P-T sensor equipped flowable ball (20152) Nagano Keiki Co
- 6. Smart Dissolvable Plugged Nozzle Assemblies (DPNAs) to be installed on Limited Entry Liners with Tracer Release Capability for Extended Reach Deviated Wells (20153) Daido Steel Co

Phase 2 (\$3.3 million) of selected projects started in 2019:

- 1. ESP with Magnetic Drive System (MDS) for Deep Water (20151) Mitsubishi Heavy Industries
- 2. Acid Gas Removal (AGR) and Re-injection Project (20141) JGC Corp
- 3. Subsea Omni Directional Optical Wi-Fi System Demonstration of Layout Free & flexible Directional UOWC system (20133) Shimadzu Corp
- 4. nanoActive EFT (Enhanced Flowback Technology) for Offshore Application (20121) Nissan Chemical Corp



Terms & Conditions of NF- DeepStar Join R&D Program



CONTRACTOR				_	
201,9.6 202		20.6	21.6	2022.5	2023
I st Call (2018)	1st Phase No. of project:10 Funding (US\$1.6 million in Total): ·≦US\$200K/project (max support rate: 80% of total cost (including management fee)) Condition for funding: ·R&D should be supervised by DeepStar core member(s)	Punding (US\$3.4 million in Total): ·≦≒US\$1 million/project (max Support rate: 80% of total cost by Japanese company(JC)) Condition for funding: ·JC should participate in the NF Ocean Innovation consortium ·R&D should be jointly conducted by DeepStar core members with their financial burdens			
2 nd Call (2019)		No. of project:6 Funding (US\$1.5 million in Total): ·≦US\$200K/project (max support rate: 80% of total cost (including management fee)) Condition for funding: ·JC should participate in the NF Ocean Innovation	No. of projects: ≦ Funding (US\$3.5 • ≦ US\$1milion/pr cost by Japanese Condition for fund • JC should particle consortium • R&D should be j	<u>million in Total)</u> : roject (max <u>Support rate</u> : 8 e company(JC))	ovation

consortium

•R&D should be supervised by DeepStar core member(s)





DeepStar- The Nippon Foundation Partnership

Next Program

(2022 & beyond)

- work to ensure the **Acceptance** of offshore technology by:
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NF- DeepStar Next Program (2022 & beyond) Plans

- Targeting to sign MOU in May 2021 and start the projects in May 2022 for next Program
- Themes for next Program:
 - 1. Geothermal generation by using high temperature in preserver (renewable energy)
 - 2. Wind power/Ocean current power generation to supply offshore oil & gas production facilities (renewable)
 - 3. Cost reduction technology for flammable gas removal and re injection at production facilities (global warming)
 - 4. Establishment of oil spill drift forecast simulation method by using local ocean current monitoring by aerial drone (marine environment)
 - 5. Hydrogen related technologies
 - 6. Safety related techs including NUF (normally unattended facilities) and robotics
 - 7. Water treatment related technologies



DeepStar Contact Information

General contacts

Shakir Shamshy – DeepStar Director

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Joseph Gomes – DeepStar Project Manager

Joe@theooc.us

Femke Leeraar – DeepStar Project Specialist

femke@theooc.us

Technical sub committee contacts

Drilling, Completions & Intervention co-chairs

Dave Barrow: DBarrow@chevron.com & Halvor Kjørholt: halkj@equinor.com

Flow Assurance co-chairs

Daniel Crosby: <u>Daniel.Crosby@shell.com</u> & Douglas Estanga: <u>Estanga@chevron.com</u>

Joe Lederhos: joe.p.lederhos@exxonmobil.com;

Subsea Systems Engineering co-chairs

Daniel Byrd: <u>daniel.byrd@total.com</u> & Antonio Critsinelis: <u>ACritsinelis@chevron.com</u> & David Robertson: <u>david.robertson@exxonmobil.com</u> & Ragnar Stokke: <u>ragst@equinor.com</u>

Fixed & Floating Offshore Production Subcommittee co-chairs

Jerry Huang: <u>Jerry.Huang@exxonmobil.com</u> & Raja Nadathur: <u>Varadarajan.Nadathur@shell.com</u> & Jim Stear: James.Stear@chevron.com

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