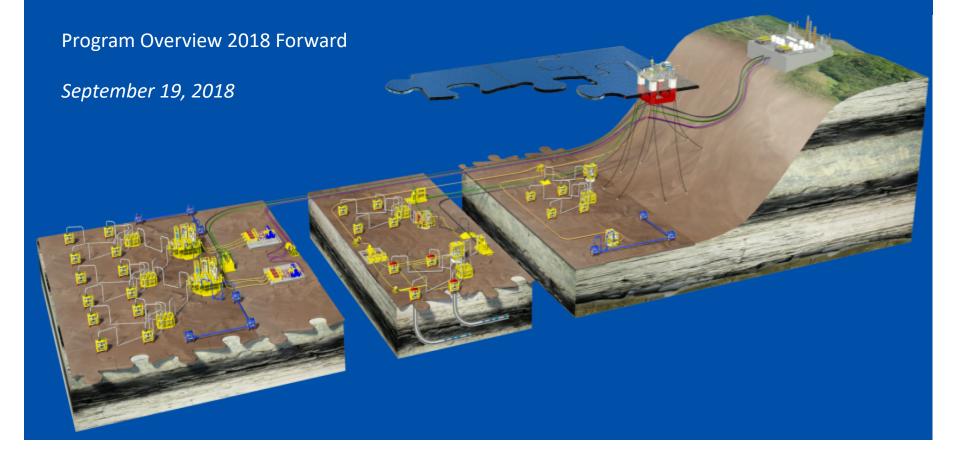
Oilfield History Moment



DEEPSTAR®

A Global Offshore Technology Development Consortium





Agenda

- Deepstar Functional Footprint
- Body of Work Since Inception
- Recent History DC&I Committee 2017
- 2018 and the 'Forward Hopper'
- Details

Functional Footprint - Holistic approach, focus on Technology



Floating Systems

Flow Assurance

Subsea Systems

Drilling & Completions

Out of Scope: Regulatory Advocacy

DeepStar® 2018 Organizational Structure

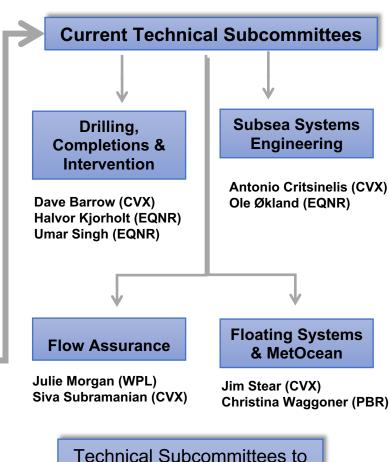




to Core Program /
Satellite Projects
Apache
Aramco
BP
HESS
Kosmos Energy
LLOG
INPEX
PEMEX

PETRONAS

Repsol



be added in the future

Geoscience

Reservoir

Operations

DeepStar Drilling Advancement 27 Years of Development

12501 - 20Ksi Well Drilling System MODU Upgrade;

12502 - 20 ksi HPHT Completion Design Considerations and Well Intervention Systems;

12503 - Standardized Materials Selection Basis of Design and Equipment Testing Criteria;

12504 -Real Time Monitoring for Critical Barriers

12505 - Analysis of current technology and capabilities for shearing

11501 – ESP Systems for Deepwater Applications - Validation Testing Protocols for Wellhead Connectors and Packer Penetrators;

10501 - Develop highly reliable & high power ESPs

10502 - Dual Gradient Drilling Flow Stop Valve, Phase I

9501 - GoM Ultra-deep Riserless Mud Recovery JIP—Feasibility Study and Planning

9502 Drilling Riser Structural Damping Test

8502 - Deepwater Subsea Artificial Lift Study

8503 - Annular Pressure Buildup Analysis, Model & Mitigation for XHPHT Wells

7501 - D&C Gaps for HPHT in Deepwater

6501 - Rig Dynamic Positioning System Reliability

6502 - DGD Riserless mud return Top-Hole Applications for Deep Water

5502 - Update Shallow Water Flow Database

5503 - Development of Revision to API RP 16Q

4501 - Bottom Driven Casing Test

4502 - Deepwater Riser and Wellhead Systems Design and Operational

4503 - Well Control Evaluation Software Package

4506 - Reliability Forecast Methodology for Prototype Completions

4507 - Link IWC Reliability Forecast to North Sea

3501 - Unconventional Methods for SWF Conductor Installation

3503 - Permeability Impairment of Shallow Waterflows

3504 - Shallow Water Gas Shut Off Material for Deepwater Applications

3505 - Well Control Evaluation Software Package

3506 - Bottom Driven Casing Study

2A-1001 Various Drilling Water Flow Reports

2A-1002 Well Testing Procedures for Deep Water

2A-1003 Dropped BOP Statistics

2A-1004 Circulation Temperature and Composite Risers

2-1002 Completion Design for Deepwater Gulf of Mexico

2-1010 Surface Controlled Subsurface Safety Valve Risk

2-1020 Downhole Intervention Analysis

2-1025 Drilling Risers Study

2-1031 Vendor Independent Information



DeepStar 2017 Projects



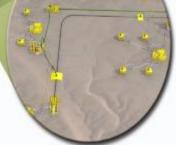
- Shear Ram Systems
- ESP Monitoring & Control Systems
- Surface Controlled Subsurface Safety Valves

Subsea Sys Engineering

- Power buoy distance sub
- Subsea cher injection







Floating Systems & MetOcean

- Integrity management of marine systems
- Low-Cost FPSO alternative
- Improving mooring reliability & better standards
- Riser continued service

Flow Assurance

- Development of Testing Benchmarks for LDHIs using Rock-Flow Cell
- Hydrate Blockage Remediation Electrie Squid
- Measurements of Gas Hydrates Phase Equilibria

Shear Ram Workshop at Stress Engineering 'Core'

- Champion R. Cummings (CVX)
- Principal Investigator Stress Engineering (Felipe Freitas)
- Purpose: Reveal 'State of the Art', relative to Shear Rams on Subsea Wells.
- Industry-wide Workshop focused on reviewing the technologies being development from all the industry manufactories and technology suppliers.

Companies that presented:

 Axon, Baker Hughes (GE company), Bastion Technologies, BOP Technologies, Balanced Solutions, Cameron, Electrical Subsea Drilling, Enovate Systems Limited, Interventek Subsea Engineering, Kinetic Pressure Control Ltd, NOV

ESP Monitoring and Control

- Champion D. Harris (CVX)
- Principal Investigator tbd
- Purpose: Develop Software to optimize variable speed ESP's.
 - Improve reliability
 - Extend Service Lifetime
- Related New developments to extend lifetime of ESP Power Cables.

Insert WRSCSSV for failed Deepwater, 15K TRSCSSV

- Champion R. Chauvin (CVX)
- Principal Investigator tbd Proposals Received.
- Purpose: Develop WRSCSSV for use in commonly used 15K TRSCSSV
- RFP from Suppliers and Engineers for fixed cost to develop
- Collaboration across vendors to confirm feasibility of installation
 - 'Cut Test' October 1, 2018
- Go No-Go Decision based on outcome from 'Cut Test'

DeepStar Future Development



CORE Program



Satellite Program



Partnerships with

Nippon Foundation

Department of Energy

and others

2018 Subcommittee Technical Topics-'The Hopper' - Drilling, Completions & Intervention

- 20-year downhole cable.
- Automation and demanning of platforms
- BOP Reliability
- Multi-year review of Containment Approaches and Effectiveness
- Dual Gradient Drilling / Subsea Mud lift
 Device / New 'High Availability' Rotating
 Control Device
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- Hard Rock Drilling; Improve ROPs in drilling/under-reaming hard formations
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- Fluid balanced ESP (removing reliance on the thrust bearings)
- Insert SCSSV for 15K Deepwater SCSSV

- Inflow Control Devices IP Review and Gap Assessment (Commanded Downhole Valves to improve conformance across the length of the Completion).
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- Thermite for well P&A
- Use of Pressurized Mud Cap Drilling (Pressurized/Floating) for drilling severely depleted zones
- Well Containment Comparative Review of Regulations and Cost
- Wellhead and Conductor Fatigue
 [Understanding both Capacity and Load]

Early Kick Detection ('Core')

- Champion D. Fett (TOT)
- Principal Investigator tbd
- Purpose: Examine prospect of measuring annulus fluid density across the length of a BHA.
- Can a sudden reduction in density signal a kick?

DeepStar 2018 Members









ExxonMobil











Amog Consulting	Aker Solutions	Baker Hughes A GE Company	
Colorado School of Mines	DNVGL Energo / KBR		
INTECSEA / WorleyParsons	JETRO	National Oilwell Varco	
SBM Offshore	Stress Engineering	WOOD	

Discussion? Thank you . . .

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Chevron; Senior Advisor Subsea Completions
dbarrow@chevron.com

(Please join DeepStar and collaborate)

www.theDeepStar.com

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Sub Committee Contacts

Dave Barrow, Halvor Kjorholt – Drilling, Completions & Intervention Chairs
Siva Subramanian, Julie Morgan – Flow Assurance Chairs
Antonio Critsinelis, Ole Okland – Subsea Systems Engineering Chairs
Jim Stear, Cristina Waggoner – Floating Systems & MetOcean Chairs



Additional Information

DeepStar®

Global Offshore Technology Development Consortium 27 Years of Industry Excellence

DeepStar Recruiting Members for DeepStar 2018

DeepStar is the industry's longest running and successful offshore most technology development consortium and it has generated significant value by providing technology transfer to its members and the industry. There is an increased need in the industry for an operatordriven, collaborative technology development program.

DeepStar® CORE + Satellite Model

CORE Program

DeepStar CORE Program focuses on all members' collaborative technology needs; common industry technology issues and discusses ideas for larger, elective satellite develops projects.

Satellite Projects

Focuses on elective Satellite Projects in which the technology advancement is aided by collaborative among interested parties.

CORE Members



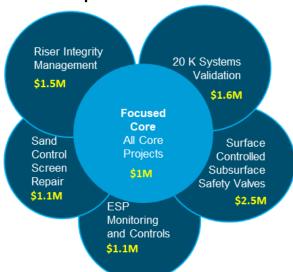
Potential Participants to Core Program / Satellite Projects



Repsol

Technology Acceptance & Development Cost Effective Management

DeepStar 2018 Model



Value Creation

Business Needs.

Standardization, Technology

Commercialization

DeepStar® Technical Subcommittees:

- Drilling, Completion and Intervention
 - Drilling Operations
 - Downhole Early Kick Detection
- Flow Assurance
 - Concurrent Wax and Hydrates Deposition
 - Plugged Flowline Diagnostic Technologies
 - · Quantifying the Effect of Insulation on Hydrate Deposition in Gas-Filled Deadlegs
- **Subsea Systems Engineering**
 - Thermoplastic Composite Pipe in Deepwater
 - Subsea Asset Integrity Docking Station Standardization
 - Subsea Composite Flowlines
 - Subsea Electrical Fail-Safe Valves
 - Subsea Leak Detection with AUV
 - Integrated Flowline cost reduction program
 - HPHT Systems Review & Validation

Floating Systems & Met-Ocean

- **Integrity Management**
- Riser Continued Service
- Accurate and Reliable Surface Measurement
- Data Standardization for Digital Lifecycle

Potential Technical Subcommittees

- Geoscience
- Reservoir
- Operations

DeepStar Membership Fee

- CORE Member (\$100,000 annual)
- Associate Member (\$15,000 annual)

DeepStar 2017 Program Project Status

Flow Assurance

1. Hydrate Blockage Remediation (Electric Squid): Oceaneering, \$50,000. (25% Complete)

Development of hydrate blockage remediation tool for "difficult" shaped subsea hardware e.g. trees / manifolds / jumpers.

- Deliverables: Feasibility document outlining the development of subsea deployable thermal heating apparatus for complex subsea architecture components.
- **2.** Measurements of Gas Hydrates Phase Equilibria: Colorado School of Mines, \$55,000 (90% Complete)
 Completion fluids used in deepwater wells must be properly formulated to prevent formation of hydrates. Reliable predictions for hydrate equilibrium conditions ae important to developing/ selecting the proper completion brine.
- **Deliverables**: Technical report and Excel database of multi brine blends hydrate formation onset points.
- **3.** Development of Testing Benchmarks for LDHIs using Rock-Flow Cell; Colorado School of Mines, \$80,000 (50% Complete)

 To benchmark the rock-flow cell as an effective lab-scale testing device for LDHIs by performing tests that are representative to field conditions in terms of pressure, subcooling, oil (condensate), liquid loading, water cut, LDHI type and concentration, and GOR.
- Deliverables: Guidance document and recommendation to operators on requirements and parameters for benchmarking rockflow cell as an effective lab-scale testing device for LDHIs.

Subsea Systems Engineering

- **4. Subsea Chemical Storage & Injection**: National Oilwell Varco, \$25,000 (Phase I Complete, Phase II 100% Complete)
 Subsea production systems require both continuous and intermittent injection of chemicals to support their day to day operations. Subsea chemical storage and injection is an opportunity to reduce initial field development costs, allow additional wells to be tied in beyond what was originally planned, or to supplement the umbilical in the event it is damaged. Several companies are developing such units, so this Study is to understand better their products, deployment opportunities, technology readiness and interface requirements.
- Deliverables: Development plan of action documented with current TRL levels and current state of the industry related to Subsea Chemical Storage Systems and Subsea electrical pumps.
- **5. Power Buoy Design to support Long Distance Subsea Tieback**: Aker Solutions, \$25,000 (100% Complete)
 To understand better the opportunities for power buoys to support subsea production systems. These would allow subsea production support equipment to be installed close to the wells, with minimum new technology and interfaces with the host facility.
- **Deliverables**: Topside design document, with summary PowerPoint presentation outline minimum needs for topside requirements for a normal unmanned facilities.

DeepStar 2017 Program Project Status

Drilling, Completions & Intervention

6. Shear Ram Systems: Stress Engineering Services, \$15,000. (100% Complete)

This project will survey and document new BOP technology and capability for shearing within the industry.

 Deliverables: Technical output document which surveyed new BOP technology and capability for shearing within the industry from all identified major and minor manufacturers and technology providers.

Floating Systems & MetOcean

DESCRIPTION ACCORDS

7. Integrity Management of Marine Systems: Energo, \$50,000 (75% Complete)

While work has been completed on integrity management (IM) focused on structural issues, no guidance has been developed in IM of marine systems such as controls, ballast, safety, etc. this work will provide this missing guidance.

• **Deliverables:** Guidance document and recommendation to API 2 FSIM related to Integrity Management of marine systems such as controls, ballast, safety, etc.

\	DECEMBER OF THE PROGRAMMENT OF T					
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Floating Systems & MetOcean

8. Low-Cost FPSO Alternative: IntecSea, \$100,000 (100% Complete) A quest for step-change cost reduction solution via an innovative floating concept. This project will evaluate technical merits and cost comparisons of a simpler FPSO hull concept that offers multiple development options at lower costs.

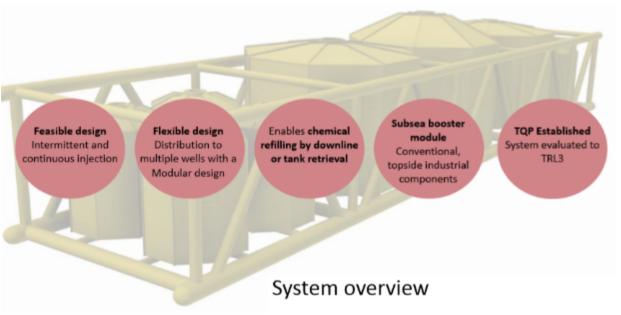
- Deliverables: Case Studies detailing the design, cost requirements and comparison to traditional FPSO design for both Dry/Wet Tree facility development.
- **9.** Improving Mooring Reliability & Better Standards: Kwan Engineering Services, \$50,000 (90% Complete) Improve reliability of mooring systems and prevent multi-line failures through improved Standards. Develop codes and standards to close critical gaps.
- Deliverables: Recommendation / Output document detailing the current Mooring standards, and identifying either gaps between standards, and providing a recommendation on technical topics/research project needed to acquire more effective use or industry agreement.
- **10. Riser Continued Service**: Stress Engineering Services, \$60,000 (Phase I, 100% Completed)

Evaluate fitness of existing risers and capability of current in-situ inspection methods; develop a process to safely maximize the use of existing riser systems.

 Deliverables: Guidance document for the retrieval and long-term storage procedures to save retired risers for future testing and analysis. Detailed project plan and testing protocol for testing retired riser to assist in determining material life, to generate a riser database to gain approval for continuous service for risers.

DeepStar 2017 Project Deliverables

Enhanced subsea architecture



- Subsea chemical storage units incl. protection structure and membrane
- Fluid transfer and isolation system (piping, valves, connectors etc.)
- Subsea injection booster module
- Control and instrumentation
- Power supply
- · Structure and foundation



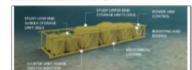
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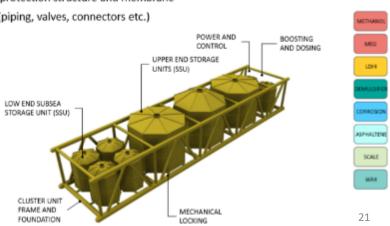
NOV Sebses Products has performed an engineering study for Despition is been, a sensing the possible was sTNOV in bean Chamics Horago and Injection System (Solid by a support of a general production a conarts for deep water oil failor. The study is limited to transfer of an unprocess martist teas oil with cream is a since tree flowline. Subsex production systems may be both continuous and incomitted intention of chamicals to support their day to day operations. Traditionally, the so-them is a have been a policy from the local production had through a maint function architical, which can deliver these chemicals as required. During steady state operants the temporarism is above the hydrate formation temporarism for the given pressure in the line. Recent improvement in Flouline into lation technology provides for potential extension of the practical offset possible for expressional hot flow field transfer or der passion and active thermall management. Thus, with me de entire University in the production of the production of the production of production and production of the state of the contract of the co on continuous injection during steady state production

offers a cost-efficient afternative for supply of chemicals to a remote ciril centre location requiring long distance fioliants. Marseres , it allows the in of additional walls and improved injective control. This teacher stage can also be used to supplement existing until that is the execut in a carraged or off entire one longer calculate for service. The primary algorithm of this could have been to further develop and options a time facts existing which is withying teachers by gost closure. geortunities by assessing the following technical satistate

- Storage facility, storage unit and membrane
- Installanten of storage facility Raffili operations and logistics Pressure boosting
- Control and monitoring
- teristion and selecy. Transmission and distribution of electrical power

NOV considers the Subset Stange and Injection System technically lessible, Next ble and





DeepStar 2017 Project Deliverables

Lower cost floating system alternatives

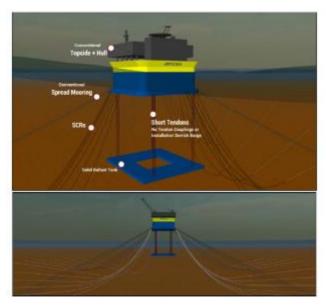


Figure 3-1 - LM-FPSO Orcaffex Fully Coupled Model

Low Cost FPSO Alternative Project
DeepStar® 2018
CTR # 17403;
DRAFT REPORT
Wet Tree LM-FPSO Design Report



This report is issued for DeepStar OPERATORS

Design Case Study

Wet-Tree Low Motion FPSO Case

- Basis of Design
- Hull and Mooring Design
- Tendon Design
- Hull and SBT Structure
- SCR Design

Dry-Tree Low Motion FPSO Case

- · Basis of Design
- Hull and Mooring Design
- Tendon Design
- TTR Design

Low Cost FPSO Alternative Project
DeepStar* 2018
CTR # 17403
DRAFT REPORT
Dry Tree LM-FPSO Design Report



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DeepStar Membership 2018 Core Program

(May 2018 – May 2019) \$100,000 fee annually

Benefits

- Access to more than \$1 million R&D spend/financial leverage
 - Project reports for all Core projects
- Access to multi million dollar funds/partnership leverage (\$10 million in 4 years – up to \$3 million in 2019) through DeepStar partnership with Nippon Foundation and influence the partnership with DOE
 - Partnership Program project reports
- Reduce satellite project administration cost by 25% a Core Member company pays less than 10% and a none Core Member company needs to pay 35% administration fee for joining a DeepStar Satellite project
- Management role within DeepStar Management Committee to influence the program and partnerships
 - Management Committee
- Collaborative Discussion amongst all technical Subcommittees
 - Technical Forums
- Technical Workshops to align industry and develop solutions
 - Industry Workshops





Leading the technology development to meet the industry's deepwater business needs.

FINAL REPORT RELEASE

Continuing Service Guidance for Aging Floating Infrastructure

> nber: DeepStar* Phase XII CTR-12401 Continuing Service ving Floating Infrastructure

CORE Program

- Extend the CORE program to include more focus areas geoscience, reservoir, and operations
- Link the CORE program with partnership funding from Nippon Foundation Subsea Non Contact Remote Inspection, Floating Acid Gas Removal

Satellite Program

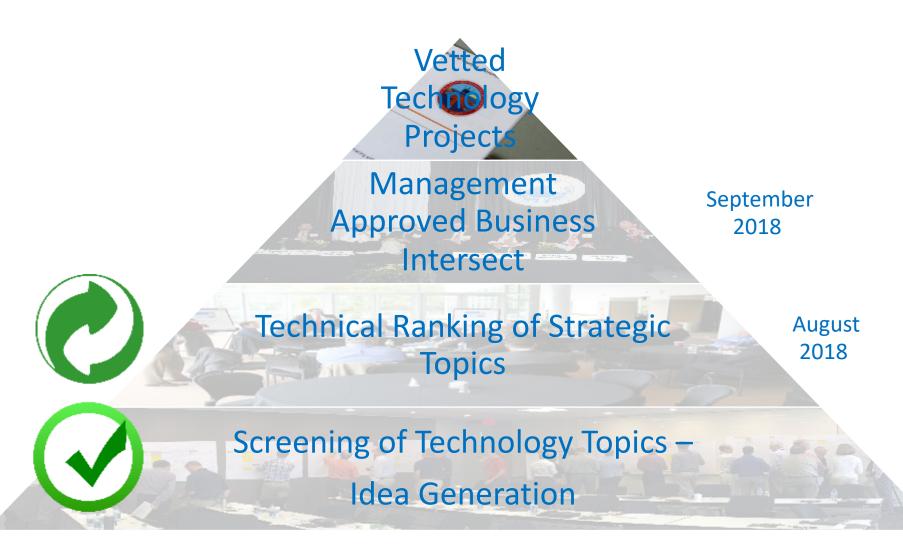
- -Develop certain Core projects to Satellite
- -Add new Satellite projects

DeepStar Partnerships

- Launch the DeepStar Nippon Foundation partnership projects along with CORE program
- Finalize the partnership terms with US Department of Energy (DOE)

Future Direction – 2018 and beyond

DeepStar 2018 Technology Selection Process



2018 Subcommittee Technical Topics-'The Hopper'

☐ Drilling, Completions & Intervention

- o 20-year downhole cable.
- Automation and demanning of platforms
- **BOP** Reliability
- Multi-year review of Containment Approaches and Effectiveness
- Dual Gradient Drilling / Subsea Mud lift Device / New 'High Availability' Rotating Control Device
- Early Kick Detection
- Hard Rock Drilling; Improve ROPs in drilling/underreaming hard formations
- Electric Tree
- **ESP Monitoring and Control**
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- Well Containment Comparative Review of Regulations and Cost
- Wellhead and Conductor Fatigue [Understanding both Capacity and Loadl

☐ Floating Systems & MetOcean

- Continued service / Life extension for floaters FPSO / turrets
- Lower cost floating system alternatives
- MetOcean monitoring / Design conditions
- Mooring reliability / New mooring design
- Riser optimization

☐ Flow Assurance

- Deposit formation in turbulent flow
- Multiphase Flow
 - Flow of dispersions in near vertical pipes
 - Impact of glycol carry-over into export trunklines in terms of pressure drop, liquid holdup
 - o Impact of multiphase flow on system design & operability
 - o Impact of solids related phenomena on flow patterns, pressure drops
 - o Prediction of slugging & pseudo-slugging (size, frequency, loads) in subsea equipment such as jumpers, manifolds, connectors, flowline
 - Qualifying bypass pigs for liquid surge management in deepwater
 - Sand transport and erosion
 - Scale-up of lab emulsions to field emulsions
- Sensing, operations, intervention
 - Accurate sand concentration measurement
 - Detecting and quantifying hydrate deposition early warning
 - Low cost (fast, safe) hydrate blockage remediation for subsea equipment and pipelines
 - o Transient blockage risk in subsea equipment during shutdowns & restarts
- Well productivity loss when Asphaltene onset pressure > Reservoir pressure

■ Subsea Systems Engineering

- Composite pipe
- Enhanced subsea architecture
- High Pressure / High Temperature
- Integrity management
- Long distance tieback (stretch goals and major challenges?)
- Low cost pipelines and installation
- Next generation subsea systems