

SUBSEA UK NEWS

THE NEWSLETTER FROM SUBSEA UK

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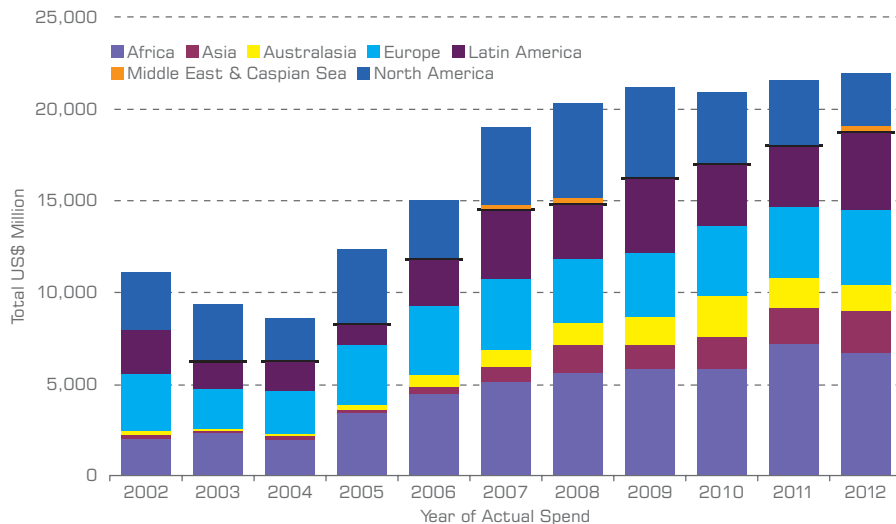
AUTUMN 2007

Forecast Growth in Subsea Tempered by Supply Constraints in Service Sector

It is no secret that the subsea sector has experienced a tremendous growth over the last decade. Global subsea Capex is anticipated to double from US\$11 billion in 2002 to nearly US\$22 billion in 2012. This forecast is based upon the fourth edition of the Global Perspectives Subsea Market Update published by Infield Systems Limited.

Global Subsea Capex (US\$m) by Region 2002-2012

Source: Global Perspectives Subsea Market Update 2008-2012, ©Infield Systems Limited, London



The Global Market, 2008-2012

The world subsea sector is expected to see a total investment of US\$106 billion over the period 2008-2012. West Africa is anticipated to be the region with the highest share in subsea expenditure with close to a quarter of operators' total investment being directed there.

The recent strong growth has put the supply-side of the market under pressure and bottlenecks in the supply-chain are causing delays in projects. Long lead times and rapidly escalating costs are being experienced on many essential pieces of equipment and assets and this is impacting on the level of growth in activity over later years. In part this has been very beneficial for contractors. Many are now using

their increased revenues to expand their capacity and build speculative vessels anticipating that the boom in the subsea market is going to persist. As these assets come on stream it will be important to monitor what impact they will have on becalming the cost increase and the level of activity.

After 2012

The shift of operators' attention to deepwater, frontier and hostile areas has proved a major incentive for investing in technologies like subsea compression and separation. By 2013, subsea compression should become a viable option for prolonging the field life of long distance offshore tie-backs to shore.

Subsea activity is expected to remain robust after 2012, with Brazil, West Africa and Europe attracting most of the subsea investment.

- For further information please visit www.infield.com

In this issue...

SUBSEA UK NEWS

MEMBERS NEWS

- MERGERS & ACQUISITIONS
- COMPANY GROWTH
- TECHNOLOGY
- CONTRACTS
- AWARDS & RECOGNITION

Surface to seabed



BUOYANCY and ELASTOMER PRODUCTS

As an independent design and manufacturing company, with 20+ years' global experience, Balmoral Offshore Engineering operates a highly flexible processing plant that allows the company to manufacture the smallest elastomer product through to highly complex deepwater buoyancy systems.

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- VIV strakes
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- In-house hydrostatic testing



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Member List

Abalt Solutions Limited, Acergy UK Limited, Acteon Group Limited, AFL Telecommunications, AGR Subsea Ltd, AKD Engineering, Aker Kvaerner Subsea Ltd, Andrew Palmer & Associates, Ansys Europe Limited, Ashtead Technology Limited, Aubin Limited, B & A Hydraulics Limited, Balmoral Offshore Engineering, Bel Valves, BG Group, Bibby Offshore Limited, BJ Process and Pipeline Services, BMT Marine Projects Ltd, Boreas Consultants, Bowtech Products Limited, BP, BPP Technical Services, Bredero Shaw, Brinker Technology, BSW Ballgrab Limited, Buchan Technical Services Limited, C3 Amulet Ltd (Associate Member), Caley Ocean Systems Limited, CAPCIS, Castrol Offshore Ltd, Champion Environmental Technologies, Chevron Upstream Europe, Circle Technical Services, Coda Octopus Limited, Cormon Limited, Cranfield University, CSL, CTC Marine Projects, Cutting Underwater Technologies Limited, DES Operations Limited, Dominion Technology Gases, Duco Umbilicals, Dunlaw Engineering Limited, Durham Business School, Dynamic Positioning Services (DPS), E.ON Ruhrgas North Sea UK Ltd, East of England Energy Group, Edinfort Limited, eProduction Solutions, Expro Group, ExxonMobil, Fisher Offshore, Flexlife Limited, FMC Technologies, Fugro impROV, Fugro Rovtech Limited, Furmanite International Limited, Furness Enterprise Limited, GE Measurement & Sensing Technologies, General Robotics Limited, Geo Century, Halliburton, Hallin Marine UK Ltd, Hayward Tyler, HCL Fasteners Ltd, Hydrasun, Hydratight Operations Ltd, Imes Systems, Infield Systems Limited, Infinity Resources UK Limited, Insensys Oil and Gas, Inspectahire Inst. Co. Limited, INTEC Engineering (UK) Limited, Isleburn Limited, J & S Marine Limited, J P Kenny Engineering, K.D. Marine Limited, Kinetics Controls & Innovation Limited, Kongsberg Maritime Limited, L&N (Scotland) Limited, Litre Meter Limited, Master Flo Valve Co (UK) Limited, MCS, Met Office Marine Programme, NaREC New and Renewable Energy Centre, National Hyperbaric Centre, National Oceanography Centre, Nautronix PLC, NCS Survey Limited, NETmc Marine, Niche Products Limited, Norse Cutting & Abandonment Ltd, NSIG (Northern Scotland Industries Group), Ocean Design (Europe) Limited, Oceaneering, Oceanlab, University of Aberdeen, OceanTeam 2000 (OT2K), Oceanteam Power & Umbilical Ltd, ODS-Petrodata Limited, Offshore Marine Management Ltd, OIL Engineering Limited, Optical Metrology Services Ltd, OTM Consulting Limited, Pan-Ocean Engineering Limited, PDL Solutions (Europe) Limited, Pegasus International, Perry Slingsby Systems Limited (Aberdeen), Petrofac Facilities Management, Prospect, RB Valveteck Ltd, RBG Limited, Reson Offshore Limited, Robert Gordon University, Rockwool Ltd, Ross Deepteck Initiatives Limited, Rotech Subsea Limited, Roxar Limited, RUCO Limited, Saab Seeye Limited, Saipem UK Limited, Sonsub Division, Schlumberger (Associate Member), Scottish Enterprise, Seal-Tite UK LLC, Seatronics Limited, Self Energising Coupling Company (SECC), Shell UK Ltd, SMD Hydrovision, Society for Underwater Technology, Solstad Offshore (UK) Limited, Sonardyne International Limited (Aberdeen), Sonavision Limited, Sub-Atlantic Limited, Subocean Group Limited, Subroutine Ltd, Subsea 7, Subsea Domain Limited, Subsea Integrity Group (SIG), Talisman Energy UK Limited, Technip UK, The Engineering Business Limited, The Underwater Centre, Total E&P UK plc, Tracerco, Trelleborg Offshore, Trittech International Limited, Tronic Limited, University of Aberdeen, UTEC Survey, Venture Production, VerdErg Connectors Limited, Vetco Gray UK Limited, Visualsoft Limited, Wellstream International Limited, Wilton Marine Services Limited, Xodus Group Limited

Business Awards

The search is on – Who will you nominate?



In February 2007 Subsea UK hosted its annual flagship event – Subsea 07 – during which the first of the Subsea Business Awards were launched to highlight the hard work and outstanding contribution made by organisations and individuals involved in all aspects of the sector.

The countdown to Subsea 08 has now begun and, following on from last year's success, Subsea UK is looking for its members to begin submitting their nominations.

Do you know an individual or company that has contributed greatly to the subsea UK industry? If you know a person or a business that is making a difference to the sector and should be acknowledged for their efforts then the time is upon you to let us know.

Sponsored by Acergy, the Subsea 08 Awards dinner will announce the winners for Subsea Company of the Year, Greatest Individual Contribution to the Subsea Industry, Best Newcomer to the Subsea Industry and Best Young Subsea Personality.

A panel of judges will meet to

review all the nominations and will select three finalists in each category. The final announcement as to the category winners will be made on the night with the winner being invited on stage to receive a trophy.

Submissions must be made using the Subsea UK forms. For a copy of these forms log onto our website www.subseauk.com or call 01224 355 355.

Deadline for entries is 1st November 2007.



Let someone know that you recognise what they have done...

Subsea Pages Re-launch



After much work, Subsea Pages is to be re-launched by Subsea UK. An on-line directory of subsea companies, Subsea Pages will have a dedicated website which will contain initially details of the products and services of all Subsea UK member companies. In time, this listing will be expanded to become the most comprehensive directory of subsea companies available on-line.

If you wish to include details of your subsea company, then e-mail duncan@subseauk.com

Standing Room Only at Europe's Fastest Growing Subsea Event

Subsea UK's annual European Forum saw a successful two day event hosted in Paris recently in a bid to promote the thriving subsea sector to young professionals.

In collaboration with GEP – the French organization representing the oil and gas supply chain – Subsea UK provided a major international platform from which companies in the sector were able to showcase world leading technology and services to young people thinking about a career in the industry.

Sponsored by Total, a number of representatives from leading operators, contractors and niche technical companies participated demonstrating their latest technologies in deepwater projects including Acergy, FMC, Oceaneering, Exxon Mobil and BP to over 300 delegates.

"This exhibition has been a prime opportunity for us to highlight the innovations and services from the subsea industry and allow a further step forward for tackling the debate over the industry's challenges on attracting skilled workers," said Subsea UK Chairman Bill Edgar. "There are literally hundreds of career opportunities across the subsea spectrum from the operators and the large contractors right through to the innovators."

Day one targeted delegates of school and college age engineers, as well as those who are just embarking on their career. They participated in a



series of lectures and hands on exhibitions with a variety of presentations from subsea operators, exploring the diverse range of career opportunities available in the sector. The success of the event was evident in the turnout that surpassed capacity numbers with the conferences and exhibitions overcrowded on day two. 'There were a number of people who had to stand or sit in the aisles,' said Nautronix System Engineer and exhibition delegate Andrew Connelly.

According to Bob Allwood, Chairman of SUT's Education and Training Committee, "For the longer term survival of our industry, it is important to get the message across to young people by establishing relationships with schools, colleges and universities to promote science, technology and engineering as interesting courses that will lead to challenging and lucrative careers."

Following from the event, sponsors BP, hosted a cocktail reception and networking dinner held at the Sofitel La Defense where organizations and individuals were able to exchange ideas.

Forthcoming Events

DEEP OFFSHORE TECHNOLOGY

Stavanger

October 10 to 12

BUSINESS BREAKFAST

Aberdeen

November

SUBSEA SHOWCASE

Houston Subsea UK & SUT

1st November

SUBTECH 07

Institute of Directors, London

December 13 with Networking

Dinner on December 12

SUBSEA UK BUSINESS AWARDS

DINNER

Aberdeen

13th February 08

SUBSEA 08 CONFERENCE AND

DINNER

Aberdeen

13th February 08

SUBSEA 08 EXHIBITION

Aberdeen

14th February 08

SUBSEA TIEBACK FORUM

Galveston

3-5 March 2008

Book for all these events at

www.subseauk.org/index.php?option=com_events



Subsea UK Hosts 2nd Seminar in SE Asia

Subsea UK with support from UKTI recently held a second subsea seminar in Kuala Lumpur, providing an impressive line up of international speakers from multi-national subsea companies to SME's.

The overall theme was the development of deepwater fields using subsea systems and the event was held to coincide with the popular Oil and Gas Asia Conference and Exhibition. Many of the presentations described new subsea technologies and their likely impact on traditional approaches to subsea developments.

His Excellency, Boyd McCleary, British High Commissioner opened the event and he was followed by Ramlan Malek, Vice President (E & P) Petronas who gave an overview of development activity in the region.



More Than 35 Organisations Attend The First ITF And Subsea UK Joint Event

At the first ever event hosted by the Industry's Technology Facilitator (ITF) in partnership with Subsea UK, 50 representatives from more than 35 organisations came together to discuss the challenges of cost effective subsea developments for the UK oil and gas industry.

Delegates from a number of major operators; contractors, SME's, government organisations and academia attended the one day event at the Aberdeen Exhibition and Conference Centre on May 22nd.

In addition to presentations from Neil Poxon, Managing Director of ITF and David Pridden, Chief Executive of Subsea UK, representatives from Woodside Energy; who flew in from Australia especially for the event; Statoil, Helix Well Ops and BG Group also spoke at the event.

This was the first time ITF had collaborated with another organisation to host this kind of workshop. Neil Poxon outlined the benefits of working with Subsea UK to host the event.

"At ITF we have a role to identify the technology needs of our members and create joint industry projects to

meet these needs. To deliver this it is important we can accurately assess and explore the challenges faced by those in specific industry sectors, in this case the subsea sector."

"By collaborating with Subsea UK we were partnering with the champions of the subsea industry from the start. I saw this as a means to gather and accurately explore the current challenges faced by the subsea industry, the future vision, and what it will take to deliver the objectives."

Continuing, Neil said, "It was remarkable how many delegates attended and actively participated in this event.

Information gleaned from the day is valuable as it allows us to help formulate the subsea R&D agenda and in turn, ITF's call for proposals. The workshop itself, the first of its kind, really was a great success and I would like to thank David Pridden and Subsea UK for their enthusiasm, insight and participation."

Mr Pridden added: "The subsea sector in the UK employs some 40,000 people and, with revenues of almost £3.5 billion, currently leads the world. With the global market forecast to rapidly expand, the growth opportunities for British business are considerable."

"But our position as a world leader is under threat from other countries and this strategy needs the backing of Government and industry to deliver our vision now. In a few years, it will be too late and UK plc will have literally missed the boat, not only in oil and gas but possibly in marine renewables."

"With a maturing province, the oil and gas sector in the UK is in decline, our energy future and the future of the employees in this sector relies on working together to grasp the global opportunities that the extraction of hydrocarbons by subsea technologies presents."

Themes, challenges and issues made evident at the workshop have provided the foundation for a subsea technology call for proposals, recently issued by ITF. The call for proposals acts as an open invitation to all technology developers and suppliers that are seeking sponsorship for innovative subsea technologies.

In partnership with Subsea UK, ITF has identified the following subsea challenges as themes for developing innovative technologies:

- **Enhanced Subsea Recovery**
- **Integration of Established and New Energy Systems**
- **Smart Subsea**
- **Ultra-Deepwater**
- **Subsea Processing**
- **HP, HT Environments**
- **Long Tie-backs**



Proposals need to be received no later than September 17, 2007. For further information, please visit www.oil-itf.com

Neil Poxon
Managing Director, ITF



Subsea Research & Development Trials at The Underwater Centre

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Evolving The CREST Initiative Need for Industry Support



Subsea UK, as part of its overall subsea skills initiative, is looking for support from its member companies to further progress with the development of CREST.

CREST – Critical Requirement for Engineering Subsea Talent – was set up to address the skills shortages caused by an ageing workforce, and a lack of young people coming into science and engineering careers.

“People are central to the success of the industry today and in the future and the challenge to attract, develop and retain engineers continues to be the responsibility of the industry as a whole,” says David Pridden.

CREST so far has seen various activities raise the profile of the industry. Subsea UK feels it is fundamentally important to continue making progress such as with the development of the dedicated website www.subseaskills.com.

At a skills summit meeting held in June, members were briefed on the initiative requiring for industry support if it is to be able to progress with its ambitious vision. Pridden comments, “CREST has achieved some of its original aims but now needs to be driven forward by an advisory board made up of mostly HR personnel from member companies. Creating such a skills committee would enable the initiative to continue and develop on its success. It’s down to the member companies to pull their creative skills together and tackle this shortage as a group. We’re looking for member companies to come forward showing their support to build on the CREST initiative.”

The original CREST initiative was supported by BP, Technip, Aker Kvaerner, J P Kenny, The Offshore Training Foundation and Circle.

Expanding the Team at Subsea UK



Katherine Dawson
Communications Manager –
Subsea UK

Honours graduate, Katherine Dawson, has recently joined the Subsea UK team as Communications Manager.

For the last four years Katherine has worked in Marketing and PR for both the private and public sector and is using her project management and writing skills on a number of Subsea UK projects.

Her Communications degree and professional background will bring further flexibility to the Subsea UK team and is the point of contact for any pr and communication aspects.

Please contact pr@subseauk.com or call +44 (0)1224 355 355



Kidding Around at Oceans 07

School children joined the worldwide marine community of scientists, engineers, and technologists together with policy makers, managers and educators at the Aberdeen Oceans 07 event in June.

Conference organisers joined forces with TechFest-SetPoint, which promotes engineering, science, maths and technology in primary schools, for the competition.

The competition saw primary school pupils design A3 posters depicting what they would expect to find while exploring the bottom of the North Sea. Thanks to the materials and information provided by Subsea UK member companies, more than 156 pupils from 11 schools across Aberdeen city and shire entered the Challenges Under The Sea contest.

The winning pupils from Logie Durno Primary near Inverurie and Aberdeen School for the Deaf were rewarded for the design posters featuring deep-sea scenes.

20 pupils toured the Aberdeen exhibition and conference centre event and ended the tour by taking part in a workshop to build and test ROVs.



Subsea Deal Flow – Opportunity or Threat?



In recent months, there has been an unprecedented level of deal activity in the subsea sector as many smaller companies have been acquired by larger players.

High sector growth is driving service providers and manufacturers alike to deliver innovative solutions. Many UK-based organisations have developed market leading technologies and much of this expertise is going or has gone global.

The diversity and dynamic players involved in subsea offer opportunities for market consolidation. In March, Simmons & Co estimated deal activity exceeding £5bn last year.

Vetco Gray became part of General Electric, Expro acquired Powerwell Services, Acteon bought Seatronics and Aquatic, Cameron snapped up DES Operations, Halma acquired Tritech and Schlumberger acquired Insensys. These only represent a snapshot of a much larger picture.

We may now be at the peak of the M & A cycle and whilst the acquisitions will have put a smile on many a shareholders face, I have a couple of concerns about the effect of this deal activity on the sector in general and the UK in particular.

Firstly, technology development and product innovation is often led by small companies. These entrepreneurial entities overcome technical and commercial challenges and fill gaps in the market. Through the recent period of growth in subsea, smaller businesses have seen rapid acceptance and commercialisation of innovative products.

Innovation and technology make these companies attractive to buyers. However, there is a real possibility that technology development will be stifled under the ownership of a bigger entity.

Their innovation and creativity may not be able to flourish in a more corporate structure. With the critical need to develop the new wave of technologies to sustain our sector, we cannot afford to lose the research and development that leads to new products.

Of course, the acquirers can further invest in the business allowing it to maybe develop new technology or open up offices overseas. Let us hope that in some cases at least, this situation prevails.

Secondly, many of the buyers have overseas based head offices. This has to be a concern to those of us who care greatly about the long term future of our industry in the UK. If the UK is to maintain its position in subsea, it must have technology and jobs firmly anchored here.

Buoyant market conditions are of course driving this activity – bigger companies have money to spend on expansion. Equally, there are a number of companies with owners who have, let's say, reached a certain age or are looking for the next stage in their development; the lure of making a return on their investment or receiving an injection of funding to take them to the next level is attractive.

On the brighter side, some of the deal activity has centred around investment. An excellent example is Triton Group, a UK entity set up to acquire Perry Slingsby Systems. The buy and build strategy has so far resulted in the acquisition of Sub-Atlantic and, no doubt, more are planned. The recent floatation of Wellstream is also to be welcomed.

Investment in innovation, research and development is essential for the continued growth of the UK subsea

sector and maybe, if acquisitions continue apace, to its survival. I would urge everyone with a stake in our sector to consider the future of the subsea sector within UK PLC when looking at the next deal.



David Pridden
CEO, Subsea UK

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Strategic Acquisitions for **ACTEON**

Acteon has completed the acquisition of three companies from the Aberdeen-based Craig Group. They are Seatronics, International Mooring Systems (IMS) and Chain Corporation International (ChainCo).

Richard Higham, Group Chief Executive, Acteon, said: "Craig Group has done a fantastic job in building these businesses and we intend to invest in them further. They will also gain from close association with existing Acteon companies, particularly those established in the international moorings and foundations sector."



Ot2k Acquired by Subsea Service Contractor GDV

GDV has acquired Oceanteam 200 Ltd (ot2k) and GDV Offshore AS gaining the company well-proven subsea diving experience and maritime operational experience.

Combined with extensive and new state-of-the-art vessels, the company will be able to deliver complete solutions for its existing and future customer base. GDV's investment plan aims to place the company as one of the top five players in the diving and subsea support market.



CorrOcean ASA Acquires Roxar AS

CorrOcean ASA has acquired 100% of Stavanger based Roxar AS for a price representing an enterprise value of NOK 2,220 million.

"The opportunity of combining the market leader in subsea multiphase and wetgas metering with the market leader in subsea sand monitoring is seen as an attractive strategic fit," says Hans Olav Torsen, Chairman of CorrOcean.

Both CorrOcean and Roxar agree that this is truly a unique opportunity to create a world class instrumentation company in a high growth market.



Schlumberger Acquires Insensys Oil & Gas Ltd

Schlumberger recently announced the acquisition of Insensys Oil & Gas Ltd, a UK-based pioneer in the provision of non-intrusive fiber-optic measurements for application in the integrity surveillance of subsea production systems. Insensys Oil & Gas is based in Southampton, U.K., and has 16 employees.

Through this acquisition, existing Schlumberger fiber-optic measurements and subsurface surveillance domain knowledge will be integrated with Insensys Oil & Gas non-intrusive fiber-optic subsea integrity surveillance solutions to create unique product offerings that will provide customers with the integrity assurance capability that reduces technical risk in deep-water subsea developments.



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Company Growth

Continuing growth sees Xodus create more jobs

Xodus Group has quashed rumours of a potential sale by announcing increased growth plans for both the environmental and subsea divisions.

The fast-growing oil and gas engineering consultancy has taken on 10 more people bringing the total of new appointments in 2007 up to over 30. The Aberdeen office now employs 91 with the Australasian office set to increase from 25 to 40 by the end of the year.

Set up in 2005, Xodus has seen its turnover rocket up to £10 million, surpassing all forecasts.

Hallin UK expands into new Aberdeen facility

The UK arm of Hallin Marine has taken over a large new facility in Aberdeen to cope with growing workload and expanding staff numbers

The company's fleet of ROVs are based in Aberdeen. Hallin's other major operating base is in Singapore, which is the centre for the company's saturation diving business.

Since 1998 Hallin has grown from a US\$1 million turnover company in its first year to a US\$38 million turnover company in 2006.

Key role for Aberdeen in Aker Kvaerner growth plans

According to Aker Kvaerner's President and CEO, Martinus Brandal, Aberdeen is set to grow in prominence as a global hub for the organisation.

He said, "Aberdeen is now firmly established as one of the key strategic and operational centres in our global network. It has leveraged its reputation for quality service delivery in the North Sea to make an offering to the international market and, to that end, technology, products and services from Aberdeen are being deployed in Aker Kvaerner projects around the world."

Aberdeen is the base for the Aker Kvaerner business areas covering maintenance, modifications and operations; products and technologies; and subsea. The company employs more than 2,000 people in the city, making it one of the north-east's biggest employers.



Martinus Brandal (right) with (left) Aberdeen-based Remi Birkeland, Senior Vice President Controls, Aker Kvaerner Subsea, and (centre) Les Stephen,

TECHNOLOGY

Double Launch for Sonavision

Sonavision Limited completed the development of a new model for the Hawkeye range of video cameras with deliveries to major diving contractor and ROV operators as well as the launch of their Minerva MkII sonar controller.

The Hawkeye 25BT, is a lightweight titanium housed monochrome camera, capable of working in low-light conditions. With a diameter and length of only 36mm and 150mm respectively, the Hawkeye 25BT camera weighs a mere 300g in water. Suitable for use on ROVs or by divers, the camera is also available in a long-line drive format for overcoming losses in long diving umbilicals.

The Minerva MKII sonar controller replaces the previous model, which has been in use since the early 2000s, yet remains compatible with the older sonar models too.

Using the latest PC technology, the the Minerva MkII has a 1GB memory card, writes data direct to CD and can be connected to a network for storage of data.



Ultradeep ROV Buoyancy: An Industry First

Balmoral Offshore Engineering (BOE), the subsea buoyancy and polyurethane product specialist, has won a number of orders for ROV buoyancy projects with a total value approaching £1m.

David Clayton, who heads up the company's Manchester operation, said: "We are currently working on 16 high profile ROV buoyancy projects rated for operation at depths to 3000msw."

"The 'UT1', as it is known, comprises over 60m³ of buoyancy rated for 1500msw operation, generating 31 tonnes of uplift. Not only is this a major development for SMDHydrovision, the four main buoyancy modules represent the largest single piece mouldings ever constructed by BOE."

Roxar Receives Patent

Roxar has secured a Unites States Patent for its multiphase meter's subsea retrievable canister, which houses the meter's electronics and flow computing modules.

The patented canister underwent qualification testing with Exxon Mobil Corp., with the first two meters installed on the Kizomba B field offshore Angola, in 2004.

Roxar CEO, Sandy Esslemont, commented:

"Today's patent is a tribute to the design philosophy behind the Roxar subsea Multiphase meter – keep it simple and limit the equipment that needs to be installed subsea; make sure that that any components that fail do not impact production; and commit to a flexible and lightweight design that can be incorporated with existing subsea modules."

Today, over 80 Roxar subsea Multiphase meters of this design have been ordered worldwide with, as well as ExxonMobil, customers including Total, which is installing the meters in the Rosa oil field, and Cameron, which is installing the meters in the deepwater Akpo field, offshore Nigeria.



The canister can be retrieved through a standard remotely operated underwater vehicle.

Tritech International Launch Their Seabed Imaging Sonar

Tritech International has launched the first StarFish of its kind, an all new high definition seabed imaging sonar. According to Tritech it produces near photo-quality images of the seabed and is the smallest towfish of its type on the market.

According to the company,



Tritech's new tow body creates several new advantages; the compact design and unique shape dramatically improve the stability of the sonar and with it the quality of the seabed images.

Small, lightweight and tough StarFish can be easily deployed and operated by one person from the smallest of vessels, connecting to a PC or laptop via a USB port.

Managing Director of Tritech, Richard Marsh says, "StarFish is the world's first low cost, digital CHIRP sonar for every marine market; leisure and pleasure, diving clubs, schools, universities, police and customs forces, to name a few. Its unique design and advanced hardware and software offer unprecedented value for money."



Tordis SSBI delivered to Statoil by FMC Technologies

Tracerco Launches The TRACERCO Profiler™ for Subsea Separation Systems

TRACERCO, an innovative specialist measurement solution provider, part of Johnson Matthey Plc., has completed the successful installation and commissioning of its first order for The TRACERCO Profiler™ for subsea applications.

The order, placed by FMC Technologies, was to design and supply six of its advanced separator level control instruments for the subsea boosting and injection system that will be installed this autumn in the Statoil operated Tordis Field located in the Norwegian section of the North Sea.

Record Breaking Pressure Testing Capability From NHC

The National Hyperbaric Centre has installed an 800 bar/8,000 metre pressure test vessel creating what is understood to be the deepest commercial subsea testing facility in the country.

"Our pressure testing facilities are already extensive" said Managing Director, David Smith. "Although this is designed primarily for electronic housings and camera testing we are also looking at larger vessels to test some of the deeper subsea control modules. We have also recently been asked for deeper and larger testing equipment in the region of 4,500m."

Ultimately, the National Hyperbaric Centre is planning to expand its facilities to include a deep testing chamber, similar to their current 100 bar chamber which accommodates equipment to a maximum 8m length.



The Underwater Centre Plays Host to Ground Breaking Underwater Research in 2007

In the past few months The Underwater Centre has played host to a series of underwater trials. In early 2007, a ground breaking Multibeam Sonar Survey was conducted by the MOD's Salvage and Marine Operations branch and the Archaeological Diving Unit Survey (ADUS).

The experienced team used The Underwater Centre's large onshore pool facility to refine the basic operation of an ROV mounted sonar, designed to allow surveys at greater depths. The system was later used

at the Centre's seawater dive site to test the operation of the sonar amongst various underwater structures and shipwrecks positioned there. Based on the shores of Loch Linnie, Fort William, a multi-level, deep water loch providing conditions and depths very similar to the North Sea, the site provides a realistic yet low risk testing environment, helping civil engineering, scientific and research organisations to test equipment safely and cost effectively.

CONTRACTS

Subsea 7 Announces \$390 Million Extension To Hybrid Contract

Subsea 7 Inc announced recently that it has been awarded an extension to the "Hybrid Vessel" contract by Petrobras (Petróleo Brasileiro S/A) for engineering, fabrication and installation of rigid pipelines as well as the installation of flexible pipelines on the Brazilian continental shelf, until 2010.

The value of the contract extension is in the region of US\$390m. It has a combination of day rate and unitary lump sum.

Tracero Signs Framework Agreement with Acergy S.A.

Tracero has announced its signed agreement with Acergy S.A. to provide its TRACERCO Diagnostics™ FMI (Flooded Member Inspection) technique as part of a North Sea Multi Asset Structure and Riser Inspection Programme.

The agreement, valued at £400,000 will involve the inspection of a total of 31 structures over 117 days, on BP's southern, central and northern assets in the North Sea including BP Norge.



High-tech Contract Awarded for Aberdeen Companies

Two Aberdeen-based companies have received recognition for their high-tech capability with the award of a substantial contract for the Royal Navy.

Tritech International Limited (Tritech) has won a contract with the Royal Navy to provide sonars for use in SEAFOX – a remotely controlled underwater vehicle used to destroy sea mines.

To deliver the demanding performance Tritech has teamed up with Bridge of Don based high-tech company Piezo Composite Transducers (PCT). PCT will provide the high performance acoustic transducers required for the sonars.

\$265m win for VetcoGray

BP Norge AS, one of the world's largest operators of subsea installations, has awarded VetcoGray, a GE Oil & Gas business, the supply of a subsea production system for the Skarv Idun field located in the Norwegian Sea.

Under a contract of approximately US\$265 million, VetcoGray will provide engineering, construction and testing of 17 wellheads and tree systems and five subsea templates with integrated manifolds, along with work-over, tie-in and control systems. VetcoGray also will supply five years of services for the installation, with an option to renew the agreement every five years.

Second Contract Agreement Between Nautronix and Bibby Offshore

Nautronix, a marine technology solutions company, have secured their second order this year from Bibby Offshore for a diver communications system. The contract worth over £90,000 continues the high level of success Nautronix has experienced with their Dive communications systems this year.

Ashtead Chooses Valeport Products for Major Investment

Valeport has announced that Ashtead Technology Rentals has invested in excess of £250,000 across a broad range of Valeport products.

A large proportion of the investment included Sound Velocity Probes and sensors to support their extensive fleet of Sonardyne Compatts and Multibeam Sonar related equipment.

MCS Awarded Shell Perdido Contract

Subsea engineering company, MCS, has notched up almost US\$1.2 million in contracts to provide certified verification services. Among them is a first-of-its kind contract in the Gulf of Mexico for Shell Offshore Inc.

MCS will provide certified verification for the top tension risers on Shell's Perdido spar moored in approximately 8,000 feet of water. When installed, Perdido will be the deepest spar production facility in the world.

CTC Marine Projects Awarded Contract by Shell

DeepOcean ASA's subsidiary CTC Marine Projects Ltd., has been awarded a contract by Shell for a project relating to the Curlew oil field in the North Sea.

The scope of work includes recovery of two flexible risers and installation of two replacement risers. The risers are approximately 300 metres in length and are located in a water depth of 90 metres.



DPS wins Shell contract

Dynamic Positioning Services of Aberdeen has been awarded a major contract by Shell U.K. Limited to supply and support a Guidance Navigation DP Reference sensor called RadaScan.

The contract involves installation of up to eleven RadaScan systems and ninety passive positioning transponders. The contract award coincides with Dynamic Positioning Services moving to a new purpose built facility in Bridge of Don.

NCA Leading The Way In Global Offshore Decommissioning

Norse Cutting & Abandonment (NCA) has secured a major decommissioning contract with a leading Global subsea company. NCA managing director Eddie Grant states; "This award is another acknowledgement of our company's unique system for internal cutting of multistring conductor (IMCT) and falls in line with several contract awards for major decommissioning projects in the Gulf of Mexico."

The recent contract awards have enabled NCA to increase its staffing levels to meet with the demands and as a result have relocated to their new facility in Dyce which will carry its range of 'one stop shop' equipment to the subsea and topside decommissioning market.

Acergy S.A. Order \$180 million Diving Support Vessel



Acergy announced an agreement with Havila Shipping for a new build diving support vessel for Northern Europe operations which will join the Acergy fleet in 2010.

The vessel will be 120 metres overall with a 23 metre beam and will be fitted with a 250 tonne crane. The vessel will have high

transit speed, an ice class hull, Class 3 dynamic positioning and be in compliance with the most demanding maritime and environmental regulations worldwide.

The vessel will be owned 50/50 by Acergy and Havila and will be operated by Acergy for a firm period of ten years.

Subsea Bolting Innovation

RBG's Mechanical Services division has won its first significant contracts for its new C-10 tools. Stuart McKibben (Subsea Business Manager) reports: "Deployment is already underway in the second phase of a project in the Danish sector of the North Sea, for which we are providing people and equipment. Other work is also underway on a project offshore West Africa."

Fugro Buys Two More GRL Simulators

General Robotics Limited (GRL), has won an order for two additional ROVolution simulators from Fugro, which will be used to train ROV pilots on both the new Fugro-built advanced work class ROV, the FCV 3000, and a typical Fugro-owned intermediate class ROV, the Seaeeye Tiger. The simulators are sited in Aberdeen, Singapore and Macae (Brazil).

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Regal Recognition for OMS



Optical Metrology Services Limited (OMS) announced that they have been awarded the Queen's Award for Enterprise in the Innovation category. These awards are the most prestigious UK awards for business performance. There were 683 entrants for the award of which only 40 were awarded (out of 260 in this category). OMS were privileged to be one of those 40 which have been dubbed by the Independent Newspaper as 'Corporate Knights.'

Receiving the award involved a presentation day in London attended by the Duke of York. In addition three members of the company were

invited to attend a reception at Buckingham Palace in the presence of the The Queen later in the year. OMS will be entitled to use the Queens award logo and to fly a Queens award flag from their premises.

The award recognises the quality of their work to develop a unique, highly accurate, Laser dimensional measurement system and to operate a service with this tool for the benefit of the oil and gas industry. As pipelines get laid deeper the match between pipes in the critically sensitive sections has to be as small as 0.5mm or less. The OMS Pipe Checker tool takes over 2000

measurements in under 10 seconds providing engineers with immediate visualisation and knowledge about their pipes in this critical area. It enables them to make decisions whether to counterbore or end match their pipelines.



Innovative Subsea Solutions Recognised by Rolls Royce

The oil and gas industry is not often associated with cutting edge technology by those from other industries. However subsea solutions provider Prospect recently received a Rolls Royce sponsored 'Innovation through Technology' award at the 2007 Derbyshire Chamber of Commerce Business Awards. The Rolls Royce award capped a successful evening for the company which had earlier been recognised in the award category of 'Business Skills and Staff Development.'



GE Business VetcoGray Wins Otc Technology Award For New Marine Riser System

For its development of a new, innovative marine riser system, VetcoGray, a GE Oil & Gas business, was named one of 14 winners in the Offshore Technology Conference (OTC) 2007 Spotlight on New Technology Awards program.

VetcoGray's new MR-6H SE marine riser system offers improved safety and efficiency for the offshore drilling industry, combining innovative design with the field-proven technology of the H-4 subsea wellhead and the dog-style marine riser.

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