



Alliance project Valhall Flank West starts production

As of Monday afternoon, operator Aker BP and partner Pandion Energy report that first oil was produced from Valhall Flank West in the North Sea. Through the development of this field, the wellhead platform alliance between Aker BP, Kvaerner, Aker Solutions and ABB set a new standard for delivery of flank developments on the Norwegian shelf.

“This is truly a delivery worthy of respect. The alliance has worked together as one strong team. Not only have they delivered on the ambition of making the safest project ever, but the alliance is also delivering ahead of schedule and within budget,” says CEO Karl Johnny Hersvik in Aker BP.

The Plan for Development and Operation was submitted in December 2017. The first steel was cut at Kvaerner’s yard in Verdal in April 2018. Just over one year later, both the jacket and the topsides were installed on the field with no additional carry-over work.

The strategy delivers

Valhall Flank West is a wellhead platform that will normally be unmanned. It receives power from shore via the Valhall field centre. This is in line with Aker BP’s strategy of minimising the footprint from our operations.

The platform has been delivered with the world’s first electric lifeboat. The lifeboat is monitored from the Valhall field centre. Both the crane and seawater pump are electric and receive power from the field centre. All of this contributes to reduce maintenance.

“Valhall Flank West is a benchmark for good project execution. Reorganisation of the value chain through strategic partnership and alliances is an important part of Aker BP’s strategy. Four alliances have contributed to the project, and Valhall Flank West is visible proof that this strategy creates enormous value for the company,” says Hersvik.

The following alliances have been involved in addition to the wellhead platform alliance:

- Subsea alliance between Aker BP, Subsea 7 and Aker Solutions
- Modification alliance between Aker BP and Aker Solutions
- Alliance for jack-up rigs between Aker BP, Maersk Drilling and Halliburton

Efficient and no harm

A significant scope of modification work has been carried out on the Valhall field centre. The subsea alliance has been responsible for the work to tie Valhall Flank West to the field centre through pipelines, power cables and umbilicals. The Maersk Invincible rig came to the field in July, and the first two wells were drilled and completed in record time. The “single trip multiframe” technology has been used for better and faster well stimulation.

“It’s impressive to see the results achieved in the project. Together with our alliance partners, we are demonstrating a reduced number of engineering hours, reduced costs and reduced construction time compared with similar projects. And most important of all, this work has been performed without any serious harm to people and the environment,” says Knut Sandvik, SVP Projects in Aker BP.

“We also see that we can extract even more improvement, efficiency and value creation through the alliance model in future projects. This is very motivating,” Sandvik adds.

Heading for another billion barrels

The gigantic Valhall field has produced more than one billion barrels of oil equivalent since the field was opened in 1982. The ambition is to produce another billion barrels over the next 40 years.

“Valhall Flank West is an important contribution to achieving our ambition for Valhall. The plan calls for the field to contribute close to 80 million barrels of oil equivalent to Valhall’s production,” says Kjetel Digre, SVP Operations & Asset Development in Aker BP.

The partnership has invested NOK 5.5 billion in Valhall Flank West. The break-even price for the development is USD 28.5 per barrel. Around 1500 people have been involved in the project. The plan is to drill nine wells, but the option of drilling even more is being considered.

“Aker BP sees an enormous potential in the Valhall area. We have started removing old platforms from the field centre, we are investing in new wells, we are plugging old wells and we are actively seeking new business opportunities in the area. With Valhall Flank West on stream, this represents another important step towards achieving our ambition of another billion barrels from Valhall. Congratulations to everyone involved in this fantastic project,” says Digre.

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About Aker BP:

Aker BP is a fully-fledged E&P company with exploration, development and production activities on the Norwegian Continental Shelf. Aker BP is the operator of Alvheim, Ivar Aasen, Skarv, Valhall, Hod, Ula and Tambar. The company is also a partner in the Johan Sverdrup field. Aker BP is headquartered at Fomebu, Norway, and is listed on the Oslo Stock Exchange under the ticker 'AKERBP'. More about Aker BP at www.akerbp.com