

Offshore eruption The daily oil drilled from offshore platforms has doubled in the last five years to six million barrels. Estimates show that output will double again by 2011, most of that increase coming from projects in the Middle East and Africa.

Oil & gas // Development

Oil riches in the shallows

Explorers search for crude close to home

New technology allows specialised barges to revisit nearby fields once thought depleted

Tamsin Carlisle

While the world's major energy producers search ever-deeper waters for undersea oil deposits, a canny few are going the other way, to search the shallows off the Gulf coast.

Gulf Marine Services (GMS), an Abu Dhabi offshore drilling platform service company, will more than double its fleet of specialised barges to meet demand from explorers plumbing the shallow coastal shelf along the region's shores.

"Our ideal market would be anything with a lot of wells in less than 100 metres of water," said Duncan Anderson, the company's chief executive officer.

Most of the world's undiscovered offshore oil deposits lie in deep waters but new technology and the record high oil price has made it profitable to return to developed, if depleted, shallow water fields.

The GMS management team has a wealth of deepwater operating experience, and Mr Anderson finds it strange to be "coming back into shallow water because of oil prices".

Until recently, GMS was strictly a local operator, servicing offshore oil platforms for the Abu Dhabi National Oil Company (Adnoc). Now, it has set sail for international waters in the Gulf and beyond.

Last month, GMS won two significant contracts: a two-year deal to

* the facts

Gulf Marine Services

Established: 1977

Headquarters: Mussafah

Main business:
Marine contracting

Employees: 300

Services: Offshore worker accommodation, safety, offshore construction, well intervention and towing.

help the US energy company, Occidental Petroleum, develop Qatari offshore oil reserves and explore for more oil and gas off the Gulf state's coast; and a three-year well servicing contract with Dubai Petroleum.

Mr Anderson said opportunities for shallow water drilling were plentiful in the Red Sea, off North Africa and Southeast Asia.

In time, GMS could operate off Britain and continental Europe, he said. Although Britain's ageing North Sea fields are past their prime, Mr Anderson believes they will remain viable for at least another century.



Gulf Marine Services, an oil platform builder, is receiving orders from firms searching shallow Gulf waters. Courtesy GMS

GMS is therefore expanding its fleet; a pair of specialised barges is being built at its Mussafah shipyard. These are the first of six state-of-the-art vessels the company plans to add to its fleet of four barges and five smaller supply ships.

The vessels, or jack-up barges as they are known, resemble an oil platform and can be raised off the seabed in poor weather, and so keep pumping oil uninterrupted.

"We just don't have enough barges and we are trying to build as many as we can," he said.

The barges are designed to dock with offshore platforms in the

roughest weather, and unlike the towed jack-up barges of the past, are self-propelled.

Mr Anderson said GMS had no shortage of contract offers, but lacked the capacity to meet them. The first two barges alone could more than double GMS's revenues, he said, because the versatile new design could command higher than average rates.

Last year, GMS, which has operated in the Gulf since 1977, was acquired by a group led by the Abu Dhabi private equity company Gulf Capital. The new owners' first move was to replace the company's

management with a team recruited internationally. Mr Anderson, the team's leader, is a native of Scotland who previously managed a 90-vessel fleet of tugs and supply vessels for the UAE's Lamnalco Group.

In time, Mr Anderson expects Gulf Capital to float an initial public offering of GMS shares, within the next six years.

"The way Gulf Capital sees it, we have the management expertise, and if there are acquisitions out there to be realised they will use us to do it," he said.

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Property

The heights of luxury for Gulf debut

Nathalie Gillet

The Dubai World Trade Centre (DWTC) has awarded the operation of three hotels within the Dubai Trade Centre District project to Singapore-based Amanresorts and GHM — its first venture in the Gulf.

Adrian Zecha, the founder of Amanresorts, said: "People come for business purposes and tend to stay an average of 3.5 days for leisure — there are only six to eight cities with this profile."

GHM, also headed by Mr Zecha, focuses on luxury hospitality and operates 19 hotels mainly in Asia. It will manage two buildings: one with 140 high-end, two-bedroom apartments and 150 hotel rooms, the other with 200 apartments and two penthouse suites.

The towers, built on 34,000 square metres, will be delivered by 2012. They will be part of a new "urban resort", which is due to become the heart of the Trade Centre District.

The project develops the area from the Trade Centre roundabout to the Emirates Towers, including offices, a 600 room three-star hotel managed by Accor, a 450 room four-star hotel and the urban resort itself.

The new area will integrate the 37-storey Trade Centre Tower, known as the "first skyscraper to be built in the Middle East", said a DWTC statement.

The total project will cost between Dh7.2 and eight billion.

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