



Maersk Peregrino has a production capacity of up to 100,000 barrels of oil per day.

Customer praises billion dollar project

With a price tag on the heavy side of one billion dollar, Maersk Peregrino is by far the Group's most expensive vessel. Customer Statoil has praised this extensive project, saying the Norwegian oil giant could not have done a better job than Maersk

By: Lisbeth Nedergaard, Head of Communications, Maersk FPSOs / 2011.06.22

Maersk Peregrino, built and operated by Maersk FPSOs, is currently working for Statoil at the Peregrino field offshore Brazil, where it is producing up to 100,000 barrels of oil a day. Maersk Peregrino is the result of more than three years of close teamwork between Statoil and Maersk FPSOs, 15 million man-hours in conversion work and the development of a technically highly advanced FPSO.

"We could not have done a better job ourselves," said Geir Birkeland, Vice President in Statoil, during a lessons learned seminar held after celebrating first oil on board Maersk Peregrino.

The Peregrino oil field was officially opened with a ceremony headed by the Norwegian Crown Prince Haakon on board the Maersk Peregrino on 24 May.

- **Maersk Peregrino's** production capacity of 100,000 barrels of oil per day will increase Brazil's total oil output by almost five percent. The storage capacity on board is 1,600,000 barrels of oil; an amount that can produce 32 days of electric power consumption in Denmark.
- **Maersk FPSOs** owns and operates 6 offshore installations: 4 FPSOs, 1 FGSO and one jack-up module. Statoil is customer on one FPSO and one jack-up module.

Maersk FPSOs is in close dialogue with Statoil these days about a second FPSO. In a bid for a project in the billion dollar plus range it is paramount that Maersk FPSOs already has proven they are able to deliver what the customer want.

Statoil estimates that recoverable resources in the Peregrino oil field are in the range of 300-600 million barrels of oil. The great challenge lies in the nature of the field's heavy oil. The oil is almost as thick as tar and must be heated up to more than 65°C just to stay liquid. During processing it will reach approximately 120°C. Maersk Peregrino is, therefore, equipped with a huge power plant able to produce 72 MW. Or enough power to run 150,000 households.

Working with high pressure gas and hydrocarbons is not without risk and safety has the indisputably highest priority. Statoil conducted a survey on their suppliers measuring several parameters in 2010. In areas such as health, safety and the environment, the Maersk Peregrino was rated a "strong performer" and best among 25 different rigs and FPSOs.

Managing customer expectations

Statoil expects from their suppliers:

- HSE performance and high ethical standards
- Quality in deliveries
- Control and quality in the supply chain
- Competitive terms
- A constant drive for competition

Statoil's view on being the customer in the Maersk Peregrino project:

- Maersk shows strong willingness to cooperate and make improvements
- Well trained and qualified personnel
- Maersk is showing a commercial mindset and balanced focus
- High personnel turnover effects continuity
- Communication around progress challenges has not been satisfactory

