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Pre-Salt Cluster Long Term Supply Strategy

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Abstract

The cluster of blocks, known as the Pre-Salt Cluster, located in the Santos Basin, offshore Brazil, has shown to contain a significant volume of hydrocarbons under a thick layer of salt. It is composed of 9 blocks, from which 8 of them have PETROBRAS as the Operator.

The area of these blocks totalizes 11,617 km² and it is expected, in the future, after the Commercial Disclosure, to add reserves that can change dramatically the Brazilian role in the world oil scenario.

In order to face this challenge, PETROBRAS is conducting an ambitious plan – PLANSAL - considering the major disciplines that should be addressed to guarantee the production development of these blocks in a coordinated and fast track way. Naturally, these initiatives will be shared and negotiated with partners from the different cluster blocks.

One of the subjects to be addressed is “how to provide all the necessary Goods and Services for the forecasted huge oil production development projects”, considering the constraints and risks inherent to those specialized markets.

One point to highlight is how to solve a problem that brings together: cutting edge technologies, complex reservoirs, several production systems, premise of increasing the local content and fast track development.

This paper intends to present the way chosen by PETROBRAS to deal with the issues concerning engineering, construction, contracting strategies, local content and commercial development of innovative equipment, highlighting the efforts aiming to assure the success of this unique challenge for the oil industry.

Introduction

The cluster of nine exploratory blocks, known as the Pre-Salt province, is situated in the Santos basin, approximately 300 km from the coast, at water depths varying from 2000 to 2500 m. The total area of these blocks is 11.617 km², where, in the future, after the declaration of the commercial viability of each block, the addition of a significant volume of reserves to Brazil is expected. PETROBRAS, as an operator of eight of these blocks, created an ambitious corporate plan called PLANSAL - Master Plan for the Santos Basin Pre-Salt Pole, considering the principal disciplines involved in order to ensure the development of the production of these blocks in a coordinated and accelerated way (fast track way). Figure 1 shows the manner in which the plan was structured.

Among the various challenges to develop the blocks, the supply of the required goods and services is of utmost importance, considering the limitations and risks inherent to the specialized supplier markets. For such, creative and innovative solutions should be proposed for the various aspects, such as:

- Contracting procedures that allow the fulfillment of the goals to be established

This relates to contracting procedures that allow the acquisition of goods and services in advance considering the normal timetable for a new undertaking. PETROBRAS normally anticipates the contracting of complex equipment at the end of the final stage of the Basic Project. This can be considered the normal and standard approach. However, for the Pre-Salt case, the anticipation should be even greater due to the volume of goods and services to be contracted and the challenging schedule of the projects. Forms of contracting covering partnerships, framework-agreements and long term contracts seeking a closer relationship with the suppliers may be practiced. It is also intended to use, to the maximum, standard and minimally customized equipment to speed up the delivery periods and lower the costs of acquisition.