

DRILLWATCH

Volume 3, Issue 20

15 Jul 2018

ONGC will begin a [11-well shale exploration campaign](#) in the Cambay basin for Rs366cr (\$55m) around mid-September. Five wells will be drilled in Bharuch at Gandhar Ext-III, V, VII, IX and Pakhajan Ext-II. Two wells will be drilled at Gandhinagar: one at the Paliyad-Kalol-Limbodra block and another at the Kalol West Ext-I additional areas (I, II, III and IV) block. One each will be drilled at the Jotana-Warosana, Nandasani-Langhnaj blocks, Nandej East and Nawagam blocks. Drilling vertical wells will take 90 days or more. ONGC will analyse and evaluate data collected from the wells and based on this, testing and completion will be done. An ONGC source expects it will be a difficult campaign given the lack of water supplies and concerns about the environmental impacts of fracking.

Mercator Petroleum is gearing up to begin a [15-well development campaign](#) at onland Cambay basin block CB-ONN-2005/9 later this year. Around Rs200cr (\$30m) has been set aside for the development campaign, including the cost of setting up an Early Production System (EPS) to handle 6000 b/d and 28,300 cm/d. Mercator wants to hire a 1100-hp drilling rig to drill wells to 3000 to 3200 metres TD at confirmed locations Sitpon, Kargat, Jhangar, Bambusar and Kahan villages. Each well is expected to take about 45 days to complete. Also possible is that Mercator opts for directional or cluster well drilling. Mercator has planned 're-completion' of discovery wells Jyoti-1 and Jyoti-2 to produce from another formation to the one where they were originally completed or prepared for production.

ONGC has laid out plans to drill [19 development wells](#) this fiscal: 17 oil producers; one gas producer and one water injector to boost production from its Mumbai Offshore asset, which includes Mumbai High North and South plus marginal fields WO-16 and B-127. ONGC also wants to sidetrack 22 old wells: sixteen oil producers and six water injectors and workover 28 old wells: 20 oil producers and eight water injectors. All of this with a view to reverse the 8% annual decline at the mature but declining Mumbai High North and South fields and boost production. At present oil production from the asset is approximately 193,000 b/d, while gas production is approximately 13m cm/d. ONGC wants to increase this to 216,000 b/d of oil and 15m cm/d of gas by the end of this fiscal or March 31, 2019.

On June 13 **ONGC** floated a tender to drill [15 wells](#) to mine for uranium in the Padra area of Vadodara district in Gujarat with a bid deadline of July 30. Delhi-based ONGC Energy Centre wants to drill 9150 metres in total across the 15 wells with an average estimated depth for each well pegged at 610 metres. Of this, 7650 metres of drilling will be carried out specifically to obtain core samples. ONGC wants four rigs mobilised for the campaign which must be completed within 250 days with a specific condition that the first four wells must be completed within 90 days. Whoever wins must transport the cores to a lab run by the ONGC Energy Centre at Ahmedabad by providing a truck that can carry 400 galvanised iron core boxes, each one metre long.

Oilmax issued a limited tender on July 7 to [hire a 2000-hp rig and 750-hp rig](#) for a five-well workover and drilling campaign across the Charaideo and Duarmara fields in Assam. Oilmax has invited bids from Quippo Oil and Gas, John Energy, Halliburton, Weatherford and Schlumberger. Anyone interested will be asked to bid end-July in the hope Oilmax sticks to its August target for contract award. Oilmax has also issued tenders to buy casing, tubulars, wellheads Xmas trees, logging, wireline, mud logging and directional drilling services. Oilmax is hoping to produce first oil from its prospective Charaideo field in Assam by the first quarter of 2019 and gas from its Duarmara field, also in Assam. Once it completes the five-well programme, Oilmax is considering drilling another seven wells across both fields by 2021.

Despite concerns about its PSC extension, **Cairn India** is planning to invest up to \$790m by 2030 to extract more oil from the RJ-ON-90/1 block. Cairn's focus is on the Mangala field, where it wants to drill an additional [67 infill wells](#) (35 producers and 32 injectors) to add to 35 infill wells already planned (22 producers and 13 injectors) by 2030 in the revised FDP. These will target oil-bearing FM1 (Fatehgarh Mangala) sands. Cairn wants to carry out Alkaline Surfactant Polymer (ASP) flooding in all 102 proposed wells following the success of a pilot project in 2015 which raised production by 25% compared to flooding with regular polymers without alkaline chemicals. At the FM4 sands at Mangala, Cairn proposes to drill an additional 21 infill wells (12 producers, nine injectors).

Plans for an **ONGC nine-rig jack-up tender** have not been shelved and it is expected to come out soon. ONGC's Mumbai-based drilling division favours moving to Quality and Cost Based Selection (QCBS) under which 80% weightage will be given to technical superiority/efficiency and only 20% to the commercial bid. The file for the same has been cleared by the Executive Purchase Committee and is back in the Materials Management department in Delhi since first week of July. ONGC wants to hire or replace nine jack-ups. Hopes are alive that jack-up rates will improve after ONGC awarded a two-year contract on July 3 to Aban Offshore for Deep Driller 8 at an ODR of \$35,739 in contrast to the \$25,830 ODR it is paying for Greatdrill Chaaya operated by Greatship (India) that began in April 2018.