

Annual Report 2010



INTSOK Annual Market Report
– Report prepared by Rystad Energy
| June 2010 |



• **MAIN MARKETS**

- Australia
- Brazil
- China
- Russia
- UK
- US (GoM)

• **OTHER PRIORITY MARKETS**

- Angola
- Canada
- India
- Indonesia
- Iraq
- Kazakhstan
- Malaysia
- Mexico
- United Arab Emirates
- Shipyards in Asia

• **MARKETS UNDER OBSERVATION**

- Azerbaijan
- Ghana
- Nigeria
- North Africa
- Qatar
- Saudi Arabia

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Gulbrand Wangen
Managing Director INTSOK

INTRODUCTION

The Deepwater Horizon tragedy in the Gulf of Mexico in the spring of 2010 lead to a moratorium on deepwater drilling in the US Gulf of Mexico whilst the American government reviewed the regulatory system and structure. The Macondo blowout is the largest marine oil spill in history and will influence the way the oil industry operates in the future.

The United States is finalising its efforts to introduce improved safety and environmental regulations, whilst at the same time allowing for the continuity of operations and production.

The Gulf of Mexico market has been the world’s largest offshore market the last several years. The activity level has been reduced as a result of the moratorium on drilling new deepwater wells. The moratorium has been lifted, but it will take some time before the market recovers.

Norwegian companies contributed extensively during the operations to shut down the Macondo well and recover oil from the spill. Norwegian personnel provided expert assistances and companies provided support vessels, ROV systems, oil spill recovery equipment and systems. This expertise was presented in Houston at the annual US-Norway Technology Partnership event held in March 2011.

INTSOK was set up in 1997 with the aim of securing new market opportunities for the Norwegian oil and gas industry in international markets so as to maintain jobs and value creation in the industry in a future with declining activities on the Norwegian Continental Shelf (NCS). The Shelf has proved to be more resilient than anyone thought in the 1990s. The Norwegian offshore market is now the world’s largest, bigger than the 2011 - 2014 estimate for the US Gulf of Mexico. The petroleum cluster has expanded its capacity and is able to meet the demand from the NCS, as well as capturing a larger share of the global markets.

More than 50% of global oil and gas production takes place in the countries where INTSOK is active. The markets represent a very large part of the world oil and gas expenditure. Our analysis indicates that the total expenditure within INTSOK’s target offshore markets will grow from USD 192 billion in 2010 to USD 281 billion by 2014. The report developed for INTSOK by Rystad Energy shows that investment levels have recovered from 2009. The annual report is available to partners and provides insights into all priority markets.

Brazil in the long term is likely to become the world’s largest offshore market. The opportunities in Brazil have moved to the top of the agenda in the Norwegian petroleum and maritime clusters. Norway can offer products, technologies and services of considerable interest to Petrobras, the dominant operator.

Local content policies will require Norwegian firms to invest in capacity and people in Brazil. Local content is not only an important factor in Brazil, it is also high on the agenda in many INTSOK markets where governments and national oil companies give preference to companies willing to invest in their countries.

INTSOK’s growth, 218 partners representing 300 individual companies at the end of 2010, reflects the strong internationalisation during the last decade. International turnover is growing. Norwegian-based firms are winning large contracts based on their capabilities and technology solutions. Global oil and gas firms are also increasingly acquiring companies set up by Norwegian entrepreneurs due to their advanced technologies.

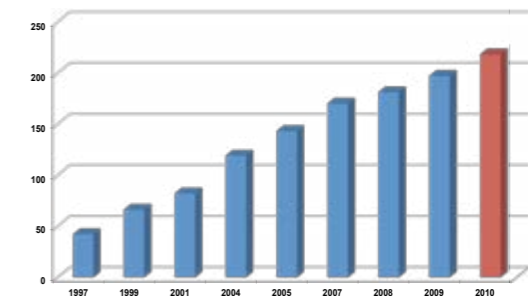
A fast growing number of small and mediumsized enterprises (SMEs) are becoming international. They get significant assistance in marketing their technologies and services as a result of their INTSOK membership. We have therefore increasingly expanded our assistance to the SMEs to help them enter new

markets, which are Brazil, the Gulf of Mexico, Russia, the Middle East and South East Asia.

The Norwegian Continental Shelf has been a breeding ground for innovation and technological development. Norway is a global frontrunner in increased oil recovery technologies. We have an industry with lower levels of discharges and emissions than any other country. INTSOK has therefore invested significantly in mapping the clusters’ competences and capabilities in areas of high interests to the global oil and gas industry. The mapping has provided us with a new valuable tool in promoting the cluster to international clients, whether international oil companies, national oil companies or global contractors.

Close collaboration between the industry and the Government delivers results. During recent years funding of INTSOK has gradually changed. The partners are now contributing close to 60% of the costs of implementing planned activities. The Government’s share has been reduced.

We know that the Norwegian industry has the potential to grow further internationally to create value and jobs both at home and abroad. The INTSOK partnership model has proved be successful in supporting the industry.



Growth in member companies

ONS is an important arena for INTSOK, our partners and visiting clients. Photo: INTSOK



INTSOK SERVICES

INTSOK continues to assist companies' international expansion by providing advice, market and project information to partners and communicating the capabilities of the Norwegian petroleum cluster to key clients in overseas markets. The database on priority projects has detailed information on close to 100 major projects around the world and is updated continuously.

Partners used INTSOK services more extensively in 2010 than ever before, but the potential for further involvement is still substantial. INTSOK has an experienced team of local advisors. The advisors are on frequent visits to Norway to meet INTSOK partners and to present the business environment and the opportunities in their markets.

It is a priority for INTSOK to use the experience of the local oil and gas advisors and the regional directors to contribute with more direct market advice and guidance to individual partners. The local advisors provided assistance to partner companies 400 times in 2010. The advisors in Brazil, China, Russia, the US and the Middle East were in especially high demand. The partnership programme in Russia has been a valuable tool for new entrants to the Russian market and an efficient way to evaluate potential Russian business partners.

A considerable group of partners joined a delegation organised by INTSOK to London and Korea to present their capabilities to ENI and the contractors involved in developing the Goliat project in the Norwegian Barents Sea. The aim was to strengthen the Norwegian companies' ability to get involved in the project.

In addition to market and country reports, partners are able to meet key clients in customer meetings and workshops. INTSOK organised 37 seminars, client meetings and workshops in 2010, meeting more than 50 key clients and creating major opportunities to develop contacts and relationships with important customers. INTSOK events attracted more partners than ever before, close to 700 companies attended events in 2010, reflecting the growing interest for international expansion.

INTSOK has published several catalogues show-casing the different capabilities of its partner companies within Increased Oil Recovery (IOR), Solutions for cleaner oil and gas production, as well as a catalogue mapping suppliers of equipment and systems and service providers for FPSOs, off-shore drilling units and supply vessels. These catalogues have proven to be useful tools in communicating the partners capabilities towards clients.

INTSOK's annual *International Oil and Gas Business Day* has become an important meeting place for partners and clients and the 2010 event was organised as an integrated part of ONS. INTSOK and ONS invited key representatives from Brazil, China, Indonesia, Kazakhstan, Malaysia, Mexico, Russia and Saudi Arabia. They presented business opportunities in their countries. Over 300 participants and 84 partner companies were present.

INTSOK has continued its involvement with the annual *FPSO International* event in Oslo. The meeting gathers the relevant players in the FPSO sector and has become a major place for the exchange of information on market trends, technologies and company performance with close to 200 participants.

Network meetings for partners are an important arena to present opportunities in the main markets and to exchange experience and insights from the markets. INTSOK organised five regional network meetings in Norway to present the plans for the years to come and address some of the challenges and opportunities in the markets. Anti-corruption issues remain an important issue on the network agenda. Local content was the theme for a full-day workshop in Bergen in partnership with NCE Subsea.



Brazil Day at ONS 2010
Photo: INTSOK



Minister of Petroleum and Energy, Terje Riis-Johansen at the INTSOK - Apex Brazil Industry Seminar during Rio Oil & Gas 2010 Photo: Ministry of Petroleum and Energy

BRAZIL – THE NEW INDUSTRY HOTSPOT

Brazil is on its way to becoming one of the largest global oil producers and has become one of the highest priority markets for the Norwegian petroleum cluster. Many Norwegian firms are well established in the country and have built significant positions. Norwegian financial institutions are providing finance and guarantees for projects in Brazil. Statoil will start production from its Peregrino field in 2011, one of its first operated fields outside Norway. INTSOK has developed a new catalogue presenting the Norwegian oil and gas industry's capabilities relevant for the Brazilian developments.

Petrobras is the dominant operator and operates alongside more than 70 national and foreign oil and gas companies. Petrobras' ambition is to grow production from 2.5 million barrels of oil and gas in 2009 to more than 5.7 million barrels oil equivalents by 2020. Petrobras is planning to spend more than USD 100 billion in the Brazilian upstream sector through 2014 and is engaged in a major procurement programme, both in Brazil and internationally.

The success in the oil and gas sector is a product of maintaining an open investment environment that has created a dynamic and competitive sector where experienced and technologically advanced companies have joined forces with Petrobras. Brazil has introduced an ambitious national content programme with substantial expansion of the oil and gas industry in Brazil and is stimulating international firms to establish activities in the country to serve the growing demand.

The Government has launched a set of reforms for the hydrocarbon sector in Brazil that will make Petrobras the operator of future pre-salt developments. Petrobras is the largest deepwater producer in the world. The company is investing substantially in new technology for deep and ultra deep waters.

The dialogue between Brazilian and Norwegian firms has become more extensive than ever before. The advanced technologies delivered by the Norwegian oil industry have been of substantial interest to Petrobras. Norwegian research institutes and research programmes are exchanging knowledge and experience with their Brazilian counterparts

and two Norwegian research institutes, SINTEF and IRIS, have established themselves in the country. INTSOK has run workshops of How to do Business in Brazil for the many newcomers interested in the market.

INTSOK has launched a Brazilian Entry Network Program for Norwegian SMEs and secured financial support from Innovation Norway and 19 companies are qualified for the programme.


Petrobras representatives have been on several visits to Norway to explore best practice and technologies in areas like integrated operations, drilling and well technology, and technology for personnel transfer offshore from ship to installations. Brazilian oil executives used the Brazil Day at ONS 2010 to attract Norwegian oil and gas suppliers to the Brazilian market.

Petrobras and the privately owned Brazilian oil company OSX/OGX sent key staff to a workshop organised in Rio on integrated operations and quality work processes. OGX is an emerging leading player in development of shallow water resources.

More than 100 Norwegian companies visited the Rio Oil and Gas Exhibition where the Norwegian Minister for Petroleum and Energy, Mr. Terje Riis-Johansen, opened Innovation Norway's pavilion. INTSOK arranged a workshop in collaboration with APEX Brazil and Innovation Norway presenting business opportunities and the availability of incentives for establishing business in Brazil.



Rune Norseng
Regional Director Brazil and Canada



Vitor Azevedo Júnior
INTSOK Oil and Gas Advisor, Brazil





Fire boat response crews battle the blazing remnants of Deepwater Horizon. Photo: Reuters/SCANPIX



Minister of Petroleum and Energy, Terje Riis-Johansen at the Macondo field in the US Gulf of Mexico. Photo: Ole Berthelsen / SCANPIX

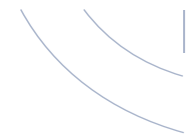
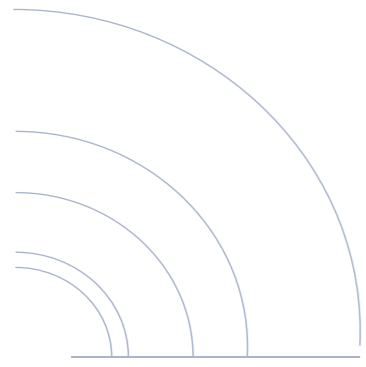
US GULF OF MEXICO AND CANADA

The US Gulf of Mexico will remain one of the largest offshore markets in the world when the new regulatory environment has concluded their work after the Macondo blowout. The Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE) has approved the first deepwater oil drilling permit since the BP disaster. The oil companies have been able to demonstrate to the new regulator that they can drill their deepwater wells safely and that they are capable of containing a subsea blowout if it were to occur.

More than 100 Norwegian companies are present in Houston and others are looking at establishing a presence in the market. Many world-class projects on hold are of interest to the Norwegian petroleum cluster, which is able to deliver the advanced technological solutions well suited for the challenges in the Gulf of Mexico. INTSOK has some 15 GoM project among its priority projects.

INTSOK maintained its activity level in 2010. The 12th annual meeting between the Norwegian supply and service industry and key Houston-based clients addressed increased oil recovery including reservoir characterization and downhole technologies.





INTSOK invited selected partner companies to participate in a three-day programme to meet with main contractors and EPC companies in Houston. The objective of the meeting was to expand market knowledge and enhance client contact network.



The SURF 2010 workshop addressed the SURF scope on the newly installed Chinook Cascade FPSO field development project. BW Offshore is the supplier of the first FPSO in the Gulf of Mexico for this project. Petrobras and key package suppliers were invited to address the issues around two particularly challenging areas: hybrid risers and the subsea pumping systems. The workshop addressed the technical challenges of developing deepwater GoM, what can be done to reduce project risks, improving recovery and decreasing the costs.

Norwegian suppliers took five of a total 13 prestigious "Spotlight Technology Awards" at the OTC Exhibition and Conference. Several events took place at the newly opened facility centre "Norway House", which houses Innovation Norway, the Norwegian Consulate General, INTSOK and ten Norwegian Companies.

INTSOK is monitoring project developments off-shore Newfoundland and Nova Scotia with priority focus on the Hebron project. The INTSOK Oil and Gas Advisor based in St. Johns has provided support to several partners.

<p>Werner G. Karlsson Regional Director, Middle East, North Africa and USA</p>	
<p>John L. Hurter INTSOK Oil and Gas Advisor, USA</p>	
<p>Rune Norseng Regional Director Brazil and Canada</p>	
<p>Tor Naess INTSOK Oil and Gas Advisor, Canada</p>	

Russia and Norway have reached an agreement over the demarcation of borders in the Barents Sea. Photo: Berit Roald / SCANPIX



RUSSIA – SETTLEMENT OF BOUNDARIES IN THE

The Russian oil and gas market attracts considerable interest from the Norwegian petroleum cluster. This market, particularly onshore, is huge and future opportunities in Arctic waters are exciting. The delineation solution agreed upon during President Dmitry Medvedev’s visit to Norway in April 2010 has removed the obstacle of unclear boundaries for future exploration and development in the Barents Sea.

A seminar entitled *Strategic Partnership in Oil and Gas Development in Harsh Environments* was organised by the Norwegian - Russian Chamber of Commerce together with INTSOK during the President’s visit to Oslo. The event brought together invited guests in various fields of the industry to discuss and attend presentations by the leading specialists in the fields of oil and gas technologies. The opening speeches were by First Deputy Prime Minister of the Russian Federation, Mr. Victor Zubkov, and the Minister of Trade and Industry of Norway, Mr. Trond Giske. The President of the Russian Federation, Mr. Dmitry Medvedev, and Prime Minister Jens Stoltenberg held the closing remarks.

INTSOK’s activities in Russia attract significant interest from partners and from Russian companies. *The Partnership Programme between Russian and Norwegian Oil and Gas Industry* was launched in 2005 and has been a success. Introducing partners to key clients and potential Russian partners have a high priority and business-to-business meetings have become an excellent platform for companies to develop closer relations. Eight INTSOK partners were involved in the final round of the programme. The project supported a total of 57 companies establishing a strategy plan for the Russian market.

The Shtokman decision is eagerly awaited by many in the Norwegian petroleum cluster. INTSOK is closely monitoring progress and developing a relationship to the project organisation and over the years has had several events with the Shtokman Development Company to present the capabilities and capacity of INTSOK partners.

INTSOK has been instrumental in facilitating for Norwegian industry in Russia. Here from a Russian-Norwegian Seminar. Photo: INTSOK



BARENT’S SEA

Two hundred and forty participants attended the 8th Annual Russian Oil and Gas Conference in Tromsø and were given thorough insight into the status and future potential for oil and gas development in the High North.

INTSOK also introduced partners to the developments of the V. Filanovsky field where a group of Norwegian firms met up with the key Russian companies involved in this large project.

INTSOK arranged a client week in Russia focusing on environmental protection and improved oil recovery. Workshops were held in Moscow, Khanty-Mansiysk, Surgut and Tyumen. The workshop in Moscow was opened by the Norwegian Deputy Minister, Mr. Per Rune Henriksen, and the Russian Deputy Minister, Mr. Sergey Donskoy. The objective was to support increased partnership between Russian and Norwegian oil and gas industry with a focus on the Arctic region, support the Russian ambition of increasing the involvement of local industries and support the internationalisation of Norwegian and Russian technologies and services.

INTSOK also hosted a visit by Novatek, a Russian gas company, to look at business opportunities with Novatek within gas production, transportation and techniques.


INTSOK has also used events in Murmansk and Arkhangelsk, as well as the large ONS Conference in Stavanger, for meetings to strengthen the partnership between companies in the two countries.



Håkon Skretting
Regional Director,
Australia, China, Russia and Korea



Vladimir Ryashin
INTSOK Oil and Gas Advisor, Russia





Part of the UK Continental Shelf and the North Sea. Photo: Scotland Marine Atlas

UKCS – REVITALISATION OF THE MARKET

Capital investment in UK oil and gas exploration and production has increased by 60% over the last two years, significantly slowing the rate of production decline from the UK Continental Shelf (UKCS).


If all the development plans under consideration by companies come to fruition, annual investment could be sustained at around USD 12 billion annually for the next five years. Some USD 100 billion is forecasted to be invested in the next decade. This will have a significant impact on the country's hydrocarbon production. Investment could lead to a further 10 -15,000 jobs in the supply chain across the UK.

Investment has been boosted by the approval of a number of new large field developments in the west of Shetland, the central North Sea and to a lesser extent in the northern North Sea. Investment was initiated in thirteen new oil and gas fields in 2010 together with four major redevelopment projects on existing fields. There are 67 potential new field developments, ten of them account for over 60% of forecasted capital expenditure. In addition, there are more than 160 incremental projects in existing fields. The industry also faces decommissioning costs of GBP 29 billion over the next thirty years.

The UKCS market for many years has been one of the largest and most important markets internationally for the Norwegian oil industry. More Norwegian companies are engaged in activities on the UKCS than in any other international market. Many small and medium-sized Norwegian-based companies are successful in the UK.

INTSOK partners visited operators and contractors in Aberdeen in April where the main topic of the visit revolved around cleaner production technologies whilst subsea was the main theme for the Aberdeen Client Week in November. The traditional London Week in June enabled partners to meet with BG, Nexen and Petrobras with a focus on FPSOs for the Americas and subsea compression.

The cross-border cooperation between Norway and the UK established a mentoring scheme which has become a major success and a third programme ended successfully in 2010. The mentee companies have especially highlighted the network opportunities which the programme provides.



Einar Holmefjord
Advisor and Regional Director, UK



Aker Solutions will supply 264 kilometres of steel tube umbilicals for the Gorgon Project. Photo: Aker Solutions

AUSTRALIA - FAST GROWING LNG PRODUCER

Australia's LNG exports are expected to almost double in the next five years to almost 28 million tons per year. Giant projects like Gorgon in Australia, Browse, Wheatstone and Pluto LNG will make the country into one of the world's largest LNG players. It is also in Australia that the world's first floating LNG vessel will be operated. More than 20 LNG projects are under evaluation; many of the projects are based on gas from coal bed methane in the Gladstone area. The projects could make Australia the largest LNG exporter in the world by the end of the decade. Shell, BG, Total, CNPC, ConocoPhillips and Petronas are in partnership with local firms and aim to bring new coal bed methane projects on stream in Queensland after 2014.

Australia also has the potential to become one of the world's largest subsea markets as a result of the many projects under way.

Many Norwegian companies have been active in the Australian market for years. INTSOK has strengthened its own activities and provides more market and project information to its partners. A new INTSOK advisor has been employed.

INTSOK and several partners attending APPEA 2010 hosted a reception in cooperation with the Norwegian Ambassador to Australia, Ms. Siren Gjerme Eriksen. INTSOK arranged a conference in Perth in October focusing on intelligent fields. The conference was opened by the Norwegian Ambassador. About 100 participants registered for the conference. INTSOK organised a project briefing with Chevron on the development of Wheatstone and with Woodside on the Browse developments.



Håkon Skretting
Regional Director,
Australia, China, Russia and Korea



Tore Moe
INTSOK Oil and Gas Advisor, Australia



The Norwegian pavilion at EXPO 2010. Photo: Martin Svalin

CHINA – AN AGGRESSIVE HUNT FOR RESOURCES

China's energy strategy in the 21st Century focuses on growth, energy security and environmental sustainability. A main target for the Chinese national oil companies is maintaining China's sustainable economic growth and ensuring security of the energy supply. The country is accelerating exploration and development of domestic resources as well as expanding its international upstream expansion. The Chinese national oil companies are acquiring assets in most of the promising hydrocarbon basins around the world and CNPC and CNOOC are among the leading investors in Iraq. In 2010 SinoChem acquired a 40% share of the Peregrino offshore project from Statoil in Brazil.

CNOOC's partners, Husky Energy and BG, are drilling in the deep waters off China and are expanding their deepwater capacity. The targeted annual natural gas output for CNOOC from deepwater is 100 billion cubic meters in 2015.

LNG features prominently in China's energy strategy and the country is building a large number of terminals to receive LNG from the Middle East, Australia and Indonesia.

The three leading Chinese national oil companies are maintaining their high level of investment, backed by Government financial support. Substantial growth is expected to continue in the drilling segment onshore, in onshore MMO and last but not least in the development of the gas infrastructure, LNG plants and pipelines.

The Chinese oil and gas industry is expressing interest in developing closer relations to the Norwegian petroleum cluster. Chinese shipyards are working closely with INTSOK partners and INTSOK organised a road show to several Chinese shipyards for a number of partners with the aim of becoming the preferred partners to the offshore industry in China.

Innovation Norway, INTSOK and the Ministry of Petroleum and Energy arranged a Norwegian Business Delegation to China and EXPO 2010 in May. The delegation was headed by the Minister of Petroleum and Energy, Mr. Terje Riis-Johansen. Two seminars were held; the first focused on the construction of floating production vessels and mobile drilling units whilst the second looked at the development of offshore oil and gas projects. Members of the Norwegian delegation also visited the CIMC Yantai Raffles shipyard where a meeting was held with the top management in CNOOC and COSL Drilling Europe. CNOOC joined ONS 2010 with its owned pavilion for the first time. A CNOOC executive held the key note presentation at the INTSOK International Oil and Gas Business Day, emphasizing the interest in developing closer ties with the Norwegian petroleum clusters.

Håkon Skretting

*Regional Director,
Australia, China, Russia and Korea*



Guo Jian

INTSOK Oil and Gas Advisor, China



Exploring possibilities in the Middle East. Cleaner Production Seminar at Abu Dhabi Marine Operating Company (ADMA OPCO). Photo: INTSOK

MORE FOCUS ON THE MIDDLE EAST

The Middle East has the world's largest oil and gas reserves and a number of world-class projects are under way in many of the countries. The investment level is high both upstream and downstream in Saudi Arabia and Abu Dhabi. Work is under way in Iraq where a number of leading oil companies are involved in some of the world's largest oil fields. Statoil has joined Lukoil in developing the West Qurna 2 projects with estimated reserves of around 12.9 billion barrels.

INTSOK has engaged an experienced advisor in the Middle East based in Abu Dhabi. This appointment reflects INTSOK's new Middle East strategy which will address the opportunities for the Norwegian petroleum cluster throughout the region and not only individual countries as in the past.

An INTSOK delegation met with high level personnel from ADCO, Adma-Opco and Zadco, which are three key players in Abu Dhabi in January. Partners presented their top-of-the-line technological solutions towards improved oil recovery over a three-day period.

A seminar entitled Responsible Resource Management was organized by INTSOK in Abu Dhabi in connection with the visit of Crown Prince Haakon of Norway. The workshop was opened by the Norwegian Minister of Petroleum and Energy, Mr. Terje Riis-Johansen.

The seminar was well attended by key decision makers in the ADNOC group of companies. In addition to the seminar, INTSOK partners got the opportunity to have an exclusive meeting with ADNOC's top management.

The Middle East Main Contractor Week showed that there is a growing level of interest for Norwegian capabilities in the Middle East.

A Middle East network meeting in Oslo focused on the situation and the opportunities in Iraq and it was opened by H.E Mrs. Sundus Albayraqdar, Iraqi Ambassador in Norway, where she informed on the role and services of the Iraqi embassy in Norway.

Werner G. Karlsson

*Regional Director,
Middle East, North Africa and USA*



Nasrollah Gharesifared

INTSOK Oil and Gas Advisor, Middle East





Minister of Trade and Industry, Mr Trond Giske interacts with industry during his India visit. Photo: INTSOK



Crown Prince Haakon and Crown Princess Mette-Marit visiting Petronas Towers. Photo: Gorm Kallestad / SCANPIX

ASIAN COUNTRIES MOVING INTO DEEP WATERS

New discoveries in deep waters have stimulated the oil and gas sector in India, Indonesia and Malaysia. Natural gas is also a priority in these countries as is increased oil recovery technology. The three national oil companies, ONGC, Pertamina and Petronas, as well as many private sector companies, are interested in developing relations to Norwegian technology companies. INTSOK has therefore maintained a close dialogue with relevant partners in the three countries with support from local advisors in India and Malaysia.

Crown Prince Haakon and Crown Princess Mette-Marit's official visit to Malaysia in March created opportunities for the petroleum cluster to meet with key clients in the country. A two-day seminar on improved oil recovery and CO2 management was also a part of the official programme. The seminar addressed up to 150 participants from both Norway and Malaysia.

INTSOK, in cooperation with PETRAD and Innovation Norway, organised two network meetings, one on how to do business in Malaysia and the other consisted of meetings with key clients like Shell, Technip and ConocoPhillips.

INTSOK organised a workshop together with PETRONAS, PETRAD, and CCOP, on corrosion management in January with good attendance of key people from the oil companies based in Malaysia.



The fifth Indian-Norwegian Joint Working Group (JWG) Meeting on Hydrocarbons was held in Mumbai in March and looked at areas and opportunities for increased cooperation with Norwegian companies. INTSOK, in cooperation with Innovation Norway, hosted a workshop and meeting programme on integrated operations between partners and clients in India in connection with the visit by the Minister of Trade and Industry, Mr. Trond Giske. Three workshops were held with Reliance, ONGC and Hindustan Oil Exploration Company. Groups of future managers from ONGC visited and met partners presenting technology and services relevant for the Indian market during visits to Norway.

In Indonesia several projects are moving forward. INTSOK organised a visit for partners to meet with engineering contractors – Technip and Woley Parssons in Indonesia and two leading yards in Singapore. One of the key future projects is the Ghehem Gendalo project operated by Chevron. INTSOK also arranged a network meeting entitled How to do Business in Indonesia.

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Gulbrand Wangen
Managing Director and Regional Director, India
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Per Hagen
Regional Director, Mexico, Nigeria, Ghana, Malaysia, Singapore and Indonesia
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Tejas Sharma
INTSOK Oil and Gas Advisor, India
- 

Tuan Hai Ewe
INTSOK Oil and Gas Advisor, Malaysia
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Tay Siow Hwee
INTSOK Oil and Gas Advisor, Singapore



FPSO Yuum K'ak' Naab operating for Pemex
Photo with courtesy of BW Offshore

MEXICO – HOPING FOR DEEPWATER SUCCESS

Mexico's oil production has continued to decline and the national oil company, Pemex, is expanding its exploration efforts to stop further falls in production. Deepwater prospects have moved up on the agenda. So far Pemex has made five deepwater discoveries that may be developed, one heavy oil discovery and a gas field. Most of the exploration wells have not discovered commercial volumes.

Pemex has launched a new service contract model to enable working more closely with experienced international oil companies and contractors with deepwater competence and technologies, as well as competence in mature field developments.

INTSOK has developed good relations with Pemex over the last few years. INTSOK arranged a successful delegation visit to Mexico in June 2010 visiting PEMEX, engineering contractors, service companies and suppliers to discuss partnering in heavy oil and drilling projects. The four-day visit was organised in six smaller workshop meetings allowing for good interaction, resulting in numerous business leads.

Several Norwegian suppliers are well established in the market. BW Offshore has won the contract for the FPSO producing the Ku-Maloob-Zaap field. The field has become the leading producing field in the country, delivering around 800,000 barrels per day.

Per Hagen

Regional Director, Mexico, Nigeria, Ghana, Malaysia, Singapore and Indonesia



Sergio Rivas Farias

INTSOK Oil and Gas Advisor, Mexico



Crown Prince Haakon and Minister of Foreign Affairs Jonas Gahr Store with President Nursultan Nazarbayev of Kazakhstan. Photo: Ministry of Foreign Affairs

EXPANDING THE TIES TO THE CASPIAN REGION

Kazakhstan is emerging as a major international oil and gas production market. Norway has strengthened its relationship with Kazakhstan as a result of the Norwegian embassy in Astana, opened by Crown Prince Haakon and the Norwegian Foreign Minister, Mr. Jonas Gahr Støre, in early 2010.

A Kazakhstan - Norway Energy Seminar was organised by INTSOK in cooperation with the Norwegian Ministry of Foreign Affairs. The theme was how to achieve local content, and on technology cooperation. A large number of participants from the oil industry from both countries attended the event.

During Kazenergy week in Astana in October, INTSOK arranged a client meeting on environmental issues between the national oil company, KazMunaiGaz, and INTSOK partners. This topic is of great interest in Kazakhstan and fits well with our newly published catalogue on cleaner production.

INTSOK is present in Kazakhstan with a local oil and gas advisor and is monitoring developments in Azerbaijan with the ambition of supporting the Norwegian petroleum cluster in future projects.

Sjur E. Bratland

Regional Director Angola, Azerbaijan and Kazakhstan



Aidyn Tumyshev

INTSOK Oil and Gas Advisor, Kazakhstan



Production, injection and riser base manifolds for the Jubilee field, offshore Ghana.
Photo: FMC Technologies



WEST AFRICA – A GLOBAL DEEPWATER PROVINCE

International oil companies have a significant portfolio of potential new deepwater developments in West Africa with substantial potential for the Norwegian subsea cluster. Ghana has been added to the countries which INTSOK is monitoring.

INTSOK maintains a focus on Angola where the Norwegian subsea cluster continues to secure new major contracts in new deepwater fields. Eight deepwater projects in Angola are among the priority projects and information about the status and relevant contacts are updated regularly.

FMC Technologies secured the large contract to supply deepwater subsea systems to the Clov project operated by Total. Statoil has a strong participating interest in many of the deepwater discoveries made in the last 15 years and has secured new blocks, and is negotiating operatorship for two of Angola's first pre-salt blocks.

Development in the deepwater sector in Nigeria has slowed down whilst the oil companies wait for the outcome of the reform programme under review by Nigerian authorities. INTSOK is monitoring seven potential deepwater projects with frequent updates of status. Nigeria has also launched a Master Gas Plan which aims to utilize more of the gas resources in the domestic market and several of the large international oil companies are evaluating gas projects for the domestic market. ExxonMobil is evaluating a major project to feed into power plants. Statoil, FMC Technologies, BW Offshore and a few INTSOK partners are well established in Nigeria.

Sjur E. Bratland

Regional Director Angola, Azerbaijan and Kazakhstan



Per Hagen

Regional Director, Mexico, Nigeria, Ghana, Malaysia, Singapore and Indonesia



INTSOK BOARD OF DIRECTORS



Pål Helsing
Chairperson



Torgeir Kydland
Vice Chairperson



Åsmund Bøe
Board Member



Grethe Fossli
Board Member



Yrjar Garshol
Board Member



Odd S. Haraldsen
Board Member



Ole Andreas Lindemann
Board Member



Birgit Løyland
Board Member



May Britt Myhr
Board Member



Charlotte D. Strøm
Board Member



Eli Sætersmoen
Board Member



Jan Erik Tveteraas
Board Member

INTSOK PARTNERS PER DECEMBER 31ST 2010

Aak Group AS
 ABB AS
 Abbon AS
 Acergy Norway AS
 ActionPhoto International AS
 Add Energy Group AS
 Advokatfirmaet Selmer DA
 Aibel AS
 AGR Group
 Aker Solutions ASA
 Alustar AS
 Amitec AS
 Aqua Rock Company AS
 Aquateam Norwegian Water Tech. Centre AS
 AS Trans Construction (ATC)
 Autronica Fire And Security AS
 Barlindhaug Consult AS
 Bandak Group
 Bedriftskompetanse AS
 Beerenberg Corp AS
 Bergen Group Dreggen
 Business Region Bergen
 BIS Industrier AS
 Bjørge ASA
 Bredero Shaw Norway AS
 Bring Logistics AS
 Bussring AS
 BW Offshore
 Carbon Limits AS
 ClampOn AS
 CMA CONTIKI AS
 Computational Industry Technologies (Computit)
 DeepOcean ASA
 Deep Sea Anchors AS
 Delta-P Pumpe og Kompressorsystemer AS
 DnBNOR ASA

DNV (Det Norske Veritas) AS
 DOF Subsea Norway AS
 Dovre Group AS
 Draka Norsk Kabel AS
 Dräger Safety Norge AS
 Dresser-Rand AS
 Dr Techn Olav Olsen AS
 EIFair AS
 Eksportfinans ASA
 EMGS (ElectroMagnetic GeoServices)
 EMTEK AS
 Epsis AS
 Exprosoft
 Falk Nutec AS
 Ferguson Norge AS
 Fishbones
 Flex LNG
 FMC Kongsberg Metering AS
 FMC Technologies
 FORCE Technology Norway AS
 Framo Engineering AS
 Frank Mohn Flatøy AS
 Fugro - OCEANOR AS
 4 Subsea AS
 GANN Mekaniske AS
 GE Oil & Gas
 Geomec Engineering
 GIEK
 Glamox International ASA
 GMC HVAC AS
 Greater Stavanger Economic Development
 Grenland Group ASA
 GS-Hydro Norge AS
 Hamworthy Gas Systems
 HERNIS Scan Systems AS
 Octio Group
 High North Center for Business, Høgskole i Bodø

Höegh LNG
 IKM Group
 Inmaco AS
 Imenco Engineering AS
 Ing. Per Gjerdrum
 Institute for Energy Technology (IFE)
 Inocean AS
 International Maling
 Inventure Management AS
 IOS InterMoor AS
 IPRES Norway AS
 IRIS AS
 iSURVEY AS
 i-TEC AS
 Jotun AS
 K. Lund Offshore AS
 Kaefer IKM AS
 Keppel Norway
 Kimek Offshore AS
 Kongsberg Maritime AS
 Kongsberg Norcontrol It AS
 Kongsberg Oil & Gas Technologies AS (KOGT AS)
 Linjebygg AS
 LMG Marin AS
 M-I Epcon AS
 Malthus AS
 Marine Aluminium AS
 Marine Cybernetics AS
 MARINTEK
 Master Marine AS
 MIRAS AS
 Miros
 Moss Maritime a.s.
 Multi Phase Meters AS (MPM)
 Multiconsult AS
 Nature Technology Solution AS
 NEMO Engineering AS

Nera Networks AS
 Nexans Norway AS
 NLI Group
 Norconsult International AS
 NOREQ AS
 NorLense AS
 Norner Innovation AS
 NORSAFE AS
 NORSAR
 Norse Cutting & Abandonment (NCA) AS
 NorSea Group AS
 Norsk Institutt For Vannforskning (NIVA)
 Norske Ventiler AS
 Norwegian Centre of Expertise Subsea (NCE Subsea)
 Norwegian Institute for Air Research (NILU)
 Norwegian Oilfield Supply AS
 Norwegian University of Science & Technology (NTNU)
 Novenco AS
 Numerical Rocks
 NYMO
 Ocean Riser Systems
 Odfjell Drilling AS
 ODS-Petrodata
 ONS (Offshore Northern Seas)
 Parker Maritime AS
 Petrell AS
 Petroleum Technology Company AS (PTC)
 Petrolink AS
 Presens AS
 Pon Power Scandinavia AS
 ProAnalysis AS
 ProSep AS - Ctour Process Systems AS
 QuickFlange AS
 Rambøll Storvik AS
 Rapp Bomek AS
 READ Group AS

Reef Systems AS
 ReelWell AS
 REINERTSEN AS
 Remora ASA
 RESMAN AS
 Rig Management Norway AS
 Rogaland County Council
 Rogaland Training & Education Centre(RKK)
 Rokade AS
 Rolls-Royce Marine AS
 Roxar ASA
 Rystad Energy
 Safetec Nordic AS
 Sandvik Riser Technology AS
 SAR AS
 Sarens Norge AS
 Scan Mudring AS
 Scan Tech AS
 Scana Industrier ASA
 Scandpower AS
 Scomi Oiltools AS
 Seadrill Management AS
 Seawell
 Seaproof Solutions AS
 Sevan Marine ASA
 SFF - Scandinavian Fittings & Flanges AS
 SHAREcat AS
 Shell Technology Norway AS
 Sherpa Konsult AS
 Ship Manoeuvring Simulator Centre AS
 Siemens Oil and Gas Solutions
 SIMONSEN Advokatfirma DA
 SIMTRONICS ASA
 SINTEF Group
 SINTEF Petroleum Research
 Software Innovation
 SPT Group AS
 Statoil ASA

Storm Weather Center AS
 Strømme Group AS
 StS Gruppen AS
 Subsea 7 Norway
 Sydvaranger AS
 Synergi Solutions
 Tampnet
 TCO (Total Catcher Offshore) AS
 Technip Offshore Norge AS
 Techno Dive AS
 Technor AS
 TESS as
 The Research Council of Norway (RNC)
 Thermtech AS
 Tieto Norway AS
 TORGY MEK INDUSTRI AS
 Trelleborg Offshore AS
 TREMA COMPANY GROUP AS
 Tschudi Shipping Company
 TS-Tecnology
 TTS Group ASA
 Twin Marine Heavylift AS
 Ulstein International
 Uniteam International AS
 VECTOR International AS
 Vest Byggsikring AS
 Vett & Viten ELS AS
 Vicinay Northern Europe AS
 Weatherford Petroleum Consultants AS
 Wikborg, Rein & Co
 Willhemsen Callenberg
 Xait AS
 Ølen Betong AS
 Øglænd System AS



PROMOTING NORWEGIAN OIL AND GAS CAPABILITIES IN INTERNATIONAL MARKETS

INTSOK, Oslo

Hoffsveien 23, 2nd floor
P.O. Box 631 Skøyen
NO-0214 Oslo
Norway

Phone: +47 22 06 14 80
Fax: +47 22 06 14 90
E-mail: intsok@intsok.com
Web: www.intsok.com

INTSOK, Stavanger

Prof. Olav Hanssens vei 7a
P.O. Box 8034
NO-4068 Stavanger
Norway

Phone: +47 51 87 48 80
Fax: +47 51 87 48 81
E-mail: intsok@intsok.com
Web: www.intsok.com

INTSOK, Bergen

Strandgaten 6
NO-5030 Bergen
Norway

Phone: +47 91 35 14 54
E-mail: intsok@intsok.com
Web: www.intsok.com

