

MTC to supply floater

Malaysian contractor MTC Engineering has emerged as the surprise supplier of a small floating production, storage and offloading vessel for the Ophir oil project in Malaysia, writes Russell Searancke.

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MTC has bought an oil tanker called Puteri Bangsa for conversion into the MTC Ledang FPSO, said Ophir project co-owner Octanex.

Conversion work on the tanker will begin shortly at an unnamed shipyard.

The FPSO will have processing capacity of 15,000 barrels per day of fluids and gas flaring, and will be capable of storing up to 350,000 barrels of oil.

It will be connected to a wellhead platform via a flexible eight-inch pipeline, and will be contracted “at a competitive rate for a period of three years, with a one-year extension option”, said Octanex.

No delivery schedules were provided, but the project owners’ previous target of the second half of 2017 looks optimistic, said sources.

Little is known about the contracting company MTC, with sources indicating it is a group of engineering consultants with close working ties to Petronas.

The market had expected that the Nautica Muar FPSO, which is currently being upgraded at Marine Heavy and Engineering with an expected delivery of around mid-2017, was bound for Ophir.

Sources said the Nautica Muar will instead be dispatched to a different marginal field operated by Vestigo Petroleum, which is also a co-owner in Ophir.

The Nautica Muar’s new contract will likely commence by mid-2017 and expire in January 2021, said a source.

The Ophir oilfield is being developed under a risk service contract.

The co-owners are Octanex on 50%, with Malaysian companies Scomi Energy on 30% and Vestigo on 20%.

Octanex said recently the approved development plan assumes production of 5.2 million barrels of oil over the three-year life of the field, but Octanex believes the “most likely” production estimate is 6.7 million barrels.

Dutch company SPT offshore is due to start installing in the second quarter the Ophir wellhead platform — a 350-tonne topsides on a three-legged jacket built at Muhibbah Engineering’s fabrication yard at Port Klang.

Also in the second quarter, Malaysian contractor UMW Oil & Gas will supply the jack-up Naga-2 to drill three production wells.

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