



## **Phased Approach to Perth Agreed**

April 4, 2000

Amerada Hess, on behalf of the partners in Block 15/21, have taken a significant step forward in unlocking the Perth Field and a number of other adjacent prospects and undeveloped discoveries. Perth was discovered in 1991 and is located 10 kms north west of the Scott Platform. The Sigma and Gamma accumulations were discovered in the early 1990s and lie directly to the west of Scott. The sour nature of the crude contained in most of these reservoirs, together with the need for new dedicated processing equipment, has rendered a traditional development approach uneconomic.

Consequently the field partners invited the contracting community to take a more innovative and proactive role in bringing forward cost effective technical solutions and new commercial arrangements to unlock the value of Perth.

A contract for a pre-FEED (front-end engineering and design) study to refine and test a range of possible development options for the Perth Field has been awarded to a contractor alliance consisting of Transocean Sedco Forex, Stolt Offshore, Kvaerner and RML.

The approach to the field development will be phased in two parts. The initial, pre-FEED part will focus on reservoir studies designed to prove up reserves in the Perth Field and in the adjacent prospects and discoveries. Concurrent with that, essential engineering work will be performed, targeted primarily at ensuring that a technically and environmentally safe development solution can be secured. Providing this first phase is concluded satisfactorily, the results will be used to develop a more detailed scope of work for the second phase, which is expected to commence in May.

The outline development concept for the field involves the drilling of dual-lateral production wells, a subsea tie back to the Scott platform, and the installation of new processing facilities on the platform.

Commenting on the award of the pre-FEED contract, Nick Fairbrother, Managing Director of Amerada Hess Limited, UK said, "The phased approach agreed for Perth represents an important step forward in unlocking the potential of undeveloped discoveries in our portfolio. Perth presents a number of significant challenges but we are confident that by applying new technical concepts and commercial arrangements we can create a viable economic development. We look forward to working with the contracting alliance to create an optimal solution that meets the aims of all participants."

Contact: Amerada Hess Corporation - Morag Pyper, Corporate Affairs Advisor Tel: 01224 243003