Asia Pacific Decommissioning Market Holds Promise

Hyperion Energy Ltd has indicated that current opportunities in the Asia Pacific region are very positive with the decommissioning market expected to grow and mature over the next 5-10 years.

London (PRWEB) June 29, 2009 -- In the past, it has been mentioned that out of more than 6500 offshore oil and gas production installations worldwide, located on the continental shelves of some 53 countries, around 1000 of them are in the Asia Pacific region. This represents a significant exposure for International and National Oil Companies operating in the region.

A recent report from the Louisiana State University showed that the average cost of well plugging and abandonment sits at around $775,000 USD and platform removal up to a water depth of 300 ft around $2.8m. With other project cost including site clearance and verification, this liability quickly grows to have a significant impact on operator's balance sheets.

Mike Corcoran, Operations Director at Hyperion Energy Ltd, said that there are positive signs as far as this region is concerned.

"Decommissioning began in the Gulf of Mexico which is now a mature decommissioning business area; this was followed by the North Sea where the decommissioning market is beginning to harden up and now we have the Asia Pacific market beginning to emerge," said Corcoran, who is scheduled to speak at the forthcoming Offshore Decommissioning Summit, Asia Pacific 2009 (to be held in Kuala Lumpur, October 1-2).

This emerging market also represents a timely opportunity for offshore oil field services companies suffering in more competitive areas or locations. Proserv Offshore, one of the leading integrated decommissioning contractors worldwide, have recently acknowledged the Asia Pacific market as one of their fastest growing business units. Mike Urbigkit, General Manager - Far East Region for Proserv Offshore will be speaking at the Offshore Decommissioning Summit in October.

Mike Corcoran added, "Decommissioning regulations tend to follow the market, hence regulations in the Gulf of Mexico and North Sea are well defined, both being based on a presumption of total removal with some specific exceptions. I would expect the regulations in the Asia Pacific region to converge similarly, as decommissioning programme's are developed."

Operators and contractors seeking to gain a firmer understanding of the initial guidelines being developed in the Asia Pacific region by local regulatory bodies will relish the opportunity to attend the Offshore Decommissioning Summit to hear from the Department of Mineral Fuels in Thailand and also the Department of Resources, Energy and Tourism of Australia. This summit is being endorsed by the Petroleum Institute of Thailand and will be bringing together both National and International Oil Companies as well as leading contractors, service providers and government officials.

Offshore Decommissioning Summit, Asia Pacific 2009
EyeforEnergy is scheduled to conduct Offshore Decommissioning Summit, Asia Pacific 2009 in Kuala Lumpur (October 1-2) this year.
For more information, click here:
http://www.eyeforenergy.com/asiapac/agenda.shtml

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