

ASSET MONETISATION CASE STUDY

Galoc Production Company - SC14C
Onshore Palawan Basin, Philippines

AWT DISCIPLINES

Business Strategy
Field Development
Subsurface
Well Engineering

PROJECT BACKGROUND

The Galoc field, discovered in 1981, is situated offshore Palawan Island in 270 to 800m of water comprising of a thin oil column in a turbidite sandstone reservoir. Numerous drill stem tests, stimulation treatments had been conducted in the exploration and appraisal wells, with mixed results.

Galoc-1, a vertical exploration well, was re-entered in 1988 and a 3 month extended production test was conducted. Galoc-1 was re-entered in 1989 and a horizontal sidetrack was drilled and stimulated and tested.

The results indicated significant formation damage and sub-commercial production rates and the international operator subsequently withdrew from the PSC leaving it in the hands of a number of small Philippine oil companies without the funding or technical capability to develop the asset.

Location:
Philippines

For more information contact:
Tel: (+603) 2162 3127 or visit our
website at: www.awtinternational.com



PROBLEM STATEMENT

The offshore oil accumulation was small, with potentially less than 10 million barrels of reserves, and located in water depths that were too deep to be extracted from a platform development.

The asset owners were unable to commit to the field development or further appraisal due to technical uncertainty, lack of funding and lack of technical capability.

A technical solution, funding partner and operational capability were required.

SOLUTION

- Assembled technical team from a number of aligned parties
- Assessed existing data and performed additional studies
- Developed a fresh view of turbidite play supporting developable reserves
- Identified low cost, low risk, phase development concept for wells and facilities
- Sourced aligned development funding and technical partner

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AWT ADDED VALUE

- Validated upgraded reserves position based on development drilling results and production performance
- Delivered enhanced well productivity
 - long horizontal wells
 - solved the historical formation damage issue
- Liberation of stranded asset
- Established a hub for further near-field development expansion
- Created value for all original participants and the Philippines economy

Note: Another international operator subsequently farmed in, drilled and tied in additional Phase 2 development wells. A cumulative 20MMbbl or more is expected to be produced.