Deepwater Drilling and Rig Report
Reassessing Deepwater Strategies in a Dynamic Market
WHO WE ARE
Quest is a boutique strategic advisory and consulting firm to the Oil & Gas industry worldwide. Quest is a leading source of market intelligence focused primarily on deepwater oil & gas specifically technology-led solutions for exploration, development and exploitation activities.

OUR MISSION
Through a dedicated team of sector specialists that focus on qualitative and quantitative data, Quest provides market expertise, strategic analysis, marketing communication and consultancy services.

OUR CLIENTS
All major participants in the deepwater oil and gas market utilize our strategic market intelligence products and services. International, National and Independent oil companies subscribe to Quest data and services to better understand market conditions and supply chain dynamics when making key decisions for their offshore developments. Over 60 leading oilfield service companies rely on Quest’s market forecasts to provide insight into future business opportunities. Over 50 global financial services companies subscribe to Quest data and market reports as another important tool when following key deepwater market segments for investment opportunities.

WHAT WE DO

Data and Subscriptions: Quest Offshore offers a full suite of database subscriptions tailored to the major market segments for offshore oil and gas. Quest provides comprehensive market analysis and forecasting of key trends coupled with full transparency of working data and pertinent models, as well as downloads of the market-specific databases to maximize usability by our clients.

Quest applies proprietary forecasting methodologies as well as our expert market knowledge to project-level data to provide historical and forecast trends on key project milestones, including award, installation and startup activity for major offshore equipment and services. Extensive working files are provided to our clients containing all data driving the graphs seen in the market overview. With the working files, our clients can extrapolate figures to apply to internal models or company presentations. Quest offers great flexibility to our clients with respect to your subscription. If one product does not fully answer your market intelligence questions, we can bring in components of other databases to provide the most valuable solution for your company.

Quest Consulting Services: Quest is a leading source for valuable, client-directed consulting products and expertise that enables companies to make well-informed decisions across the offshore oil and gas industry. Quest Offshore’s Consultancy Practice has grown considerably as an extension of our comprehensive market analysis, accurate forecasting and industry expertise honed through our subscription products. Utilizing the Quest Enhanced Deepwater Development Database, in combination with our global network of key industry contacts, Quest maintains the flexibility to speak to a wide variety of questions and requirements through a client-driven consulting process aimed at providing accurate and concise results in a format best fitting the customer’s needs.

Clients engage Quest’s Consultancy Practice from all business areas involved in deepwater oil and gas including oil companies, financial firms, engineering firms, key manufacturers and industrial conglomerates, trade groups, and law firms. Our clients contact Quest as they: branch-out into new areas of the market; further analyze the competitive landscape; gain knowledge of the current and future pricing environment; expand upon a market trend illustrated in a current subscription product, or otherwise utilize the data and expertise of Quest.

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# Deepwater Drilling and Rig Report

**Reassessing Deepwater Strategies in a Dynamic Market**

2008-2025

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  o Floating Rigs Currently Stacked by Idle Year & Water Depth Rating
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  o Top 15 Drilling Contractors by Ultra-Deepwater Fleet Size
  o 149 Global Ultra-Deepwater Rigs Working
  o Average Day Rates and Contract Terms on Global Ultra-Deepwater Rigs Working
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  o Global Ultra-Deepwater Rigs Working by Type and Region
  o Global Ultra-Deepwater Rigs by Contracted Operator Type

• Contracted Ultra-Deepwater Rig Relationship Matrix
  o Top 11 Operators with 80% Ultra-Deepwater Rigs Under Contract

• Global Deepwater Floating Rig Supply (4,000-7,499fsw)
  o Top 10 Drilling Contractors by Deepwater Fleet Size
  o 36 Global Deepwater Rigs Working
  o Average Day Rates and Contract Terms on Global Deepwater Rigs Working
  o Average Working Water Depths of Global Deepwater Rigs Working
  o Global Deepwater Rigs Working by Type and Region
  o Global Deepwater Rigs Working by Contracted Operator Type

• Contracted Deepwater Rig Relationship Matrix
  o All Operators with Deepwater Rigs Under Contract

• Global Midwater Floating Rig Supply (<4,000fsw)
  o Top 15 Drilling Contractors by Midwater Fleet Size
  o 78 Global Midwater Rigs Working
  o Average Day Rates and Contract Terms on Global Midwater Rigs Working
  o Average Working Water Depths of Global Midwater Rigs Working
  o Global Midwater Rigs by Type and Region
  o Global Midwater Rigs Working by Contracted Operator Type

• Contracted Midwater Rig Relationship Matrix
  o Top 11 Operators with 60% Midwater Rigs Under Contract

Section Six: Top Five Drilling Contractors

• Top Drilling Contractors
  o Floating Rig Total Supply (Excluding Sete Brasil)

• Transocean
  o Transocean Total Floating Rig Market Share
  o Transocean 2015 Contracted Supply Outlook
• Long-term deepwater development opportunities will rely on successful exploration activity to maintain optimistic execution levels.

• Recent averages in global success rates of deepwater exploration activity declined 6% in 2011-2014 compared to the previous four years.

• This lower overall success rate coupled with less overall exploration activity in 2013 and 2014 leads to fewer discoveries contributing to the backlog for future development opportunities.

• An increase in successful exploration results would need to be realized in 2015 in order to boost 2022 and 2023 project executions closer to expected development execution levels.

• In 2015 all regions will experience decreased drilling activity continuing the trend that began in 2014. South America, North Sea, and Asia forecast to have the deepest cuts.

• Through their dominance of the drillship market, Korean yards have captured approximately $80Bn, or 57% of the spending on floating rig construction contracts since 2008.

• 2015 will mark another peak year for newbuild deliveries at 30 rigs.

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**STRATEGIC VALUE**

- Identifies total deepwater exploration, appraisal and development drilling demand
- Identifies total well demand in deepwater exploration, appraisal and development
- Details global and regional floating rig supply, including existing fleet and newbuild units
- Illustrates “gap” analysis between global well demand and floating rig supply and regional implications

**QFRC Deliverables**

- Monthly detail of Quest Floating Rig Commitments in MS Excel
- Quarterly Market Overview outlining key forecast trends in MS PowerPoint

**QFRC Outline**

### Global Drilling Activity
- Current Drilling Activity by Well Type (Exploration, Appraisal, Development)
- Global Floating Rig Supply & Total Well Demand
- Most active Operators currently drilling with Floating Rigs

### Quarterly Regional Activity
- Current Drilling Activity by Well Type (Exploration, Appraisal, Development)
- Percentage of rigs working by provinces within the region
- Supply and Demand by Region – five-year forecast
- Average Day-rates among top five operators in region

### Floating Rig Analysis
- Twelve Month Utilization by Region & Global Comparison
- Floating Rig Supply to 2018 (Contracted vs. Spec Rigs)
- Newbuild Deliveries out to 2018
- Operators with Newbuilds ordered
- Stacked Rigs by Type
- Top 10 Operators with Floating Rigs contracted

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**RIG CONTRACTS**

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<th>Operator</th>
<th>Hemisphere</th>
<th>Province</th>
<th>Contract Start</th>
<th>Contract End</th>
<th>Available Year</th>
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<td>India</td>
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<td>Eni</td>
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**EXPLORATION & DEVELOPMENT WELL SPUDS**

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<td>Block 31 PHS 1 (NE AREA) (P5VM)</td>
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<td>Prospect 3694 E</td>
<td>KG Basin Exploration (ongoing)</td>
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Excel Tables Do Not Contain All Available Data Fields
Quest Offshore is a leading provider of industry analysis, tactical data, news, influential market intelligence reports, consulting and technical conferences to the offshore oil and gas industry. Our niche canvasses subsea technology, FPS fabrication, umbilicals, risers & flowlines, and marine construction segments globally.

**Quest is your source for strategic insight on the global deepwater oil & gas industry.**