



SPE Houston Chapter DW Oil Transportation





SPE WORKSHOP DW OIL TRANSPORTATION

OFFSHORE OPERATORS COMMITTEE

- Non profit industry trade association
- Actively engaged in operational and regulatory issues related to oil and gas recovery in GOM
- Disseminates information among its members and sister associations
- Facilitate participation among operators, contractors, other trade associations and regulatory representatives through forums and workshops



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OFFSHORE OPERATORS COMMITTEE

- Serves as a Focal Point of Interaction with MMS, USCG & EPA on GOM issues
- Performs Technical Studies on Operational Issues
- Provides Technical and Operational Comments on Proposed Rule Making
- Facilitates Operational Practices and Regulatory Awareness Workshops
- Work with Regulators in Development of Operational Standards



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(Continued)

- **Support activities that help the public become better informed about oil and gas activities in the GOM**
- **Active Participation in all issues that impact GOM Oil and Gas Operations**
- **Interfaces with API, NOIA, IPAA, IADC, ADC and other Trade Associations on matters of mutual interest**



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Who are our members?

**In 2000, OOC member companies
represented:**

- **95% of GOM Oil and Gas Produced**
- **89% of GOM Leases Operated**
- **85% of GOM Wells Drilled**
- **84% of GOM Facilities Operated**

WWW.OffshoreOperators.com



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- **Best Practices Workshops**
- **Bioaccumulation Study**
- **Crane Safety Workshops**
- **GOM Air Quality Monitoring Programs**
- **EROS Issues**
- **GOM Security Practices**
- **SCP Issues**
- **Marine Debris and Vessel Strike**
- **E-Gov Efforts**
- **MMS & USCG Proposed Rule Making Efforts**
- **GOM Water Discharge Guidelines**
- **Inspection Consistency Web Site Survey**



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CHALLENGES FOR INDUSTRY

- **Accelerate Field Developments**
- **Lower Lifting Costs**
- **Continue to Lower Incident and Accident Rates**
- **Improve Communication**
- **Deploy Enabling Technology Solutions**
- **Enhance Existing Tools and Processes**
- **Cope with a Shrinking Resource Base**
- **Compete in a Global Effort to Supply Energy to a Changing World**



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CHALLENGES

Produce and Transport Oil as easily as we do gas!





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- 1.7 MM (BOPD) produced in GOM, which is 29% of the total U.S. domestic oil production
- 1 million BOPD of foreign oil is imported into the GOM via LOOP, i.e. tankers!
- 1 million BOPD of foreign oil is imported into the GOM via the offshore lightering industry,
- Also, several million BOPD of foreign oil is delivered directly to U.S. refineries in the GOM.
- About 40% of our nation's oil is brought in via the GOM
- The GOM has 43 petroleum refineries, representing an oil refining capacity of over 7 million BOPD and accounting for 41% of the total U.S. refining capacity.



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- The U.S. consumes about 20 million BOPD, with about 40% of the oil produced domestically and about 60% imported from foreign countries.
- Overall, considering both domestic supply and foreign imports, domestic oil production on the OCS accounts for close to 10% of the oil consumed by the U.S.
- The Minerals Management Service (MMS) predicts that by 2009 oil production on the OCS will increase from 29% to about 40% of the total U.S. domestic oil production.