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# MOMENTUM GROUP

Dubai's Momentum Group has carved itself a profitable niche providing innovative engineering and fabrication work for a hungry collective of operators

Upstream players have long considered the UAE not only a great market in itself, but also a launch pad to the wider regional opportunities. Few oil and gas companies embody that local office with global reach as well as the Dubai headquartered Momentum Group.

The company, present in the region for over quarter of a century, is a global contractor for drilling and related services. Momentum provides total drilling operations management and support for jack-up, land drilling, and pipeline projects, including well drilling and program engineering; platform and pipeline design, fabrication and installation, and growing sidelines in consulting services and port management. Though the company has a strong upstream pedigree with clients in the Middle East, including Dubai Petroleum,

its core markets are in the Black Sea and Caspian regions. "To date that has been our major focus area, but there are some exciting opportunities developing for us now in Malaysia and Iraq," explains Jimmy Larsen, deputy managing director.

"We are also known for our rig refurbishing program and our success in port management," he adds. Momentum's drilling division owns and manages both onshore and offshore drilling rigs. "Though the Caspian is a major region for us, we have successfully completed offshore drilling projects in Turkey, India, Bulgaria, the Mediterranean, Bangladesh, and the Arabian Gulf. Onshore, we have completed the highest elevation well in Turkey and multiple delineation drilling projects in Turkey, Bangladesh and the Arabian Gulf," explains Larsen.

The company owns and manages both onshore and offshore drilling

rigs as well as its ware-barge, the Gulfdrill 9 (pictured).

"We typically manage engineering projects on a turnkey basis for the design, fabrication and installation of offshore platforms. Recently we have delivered a Turkmenistan platform weighing more than 1000 tonnes in 60 metres of water. The platform was installed in three sections: The first section weighing 400 tonnes was lifted and placed on the seabed using one of Momentum's managed crane barges," says Larsen.

Larsen says that when the oil price fluctuated in the wake of the global financial crisis, a lot of the oil companies held off from any new work.

"However, we were quite well placed to keep busy during that contraction period. When new developments get put on ice there is a knock-on effect for new items

1 Momentum's offshore drilling support barge, Gulfdrill 9, in action.



and engineering demand slides a bit,”

Momentum, however, found a market hungry for a cost-effective solution which could help owners or operators maximise their existing infrastructure, without the need to commit to a new jack-up contract.

“We have a barge with a platform drilling rig on it, which meant owners or operators could focus on what they had in country. Deploying that was a lot less expensive than a contracting a jack-up or starting new developments, so for those companies to go back into existing wells and carry out maintenance or testing, that was a cost-effective solution, and a very popular one around that time. Ultimately it enabled these companies to increase output from wells which were already producing,” he explains.

This year has seen a noticeable bounce back in demand for offshore engineering projects, and Larsen says he expects 2011 to be another year of growth. “A lot of the companies we work with have production sharing contracts in place for a set number of years. When the oil price drops off its natural these companies to reign in some of their exploration and production

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Jimmy Larsen

expenses, but there’s only so long they are willing to do that for. If a client has 18 years left on a PSA then it might be judged acceptable to hold off for a year or two, but that’s not sustainable. Almost regardless of the oil price they will want to get back out there drilling and producing more,” he says.

Momentum has carved a niche for itself by developing innovative engineering and drilling solutions which can save operators substantial sums of money over traditional methods.

A recent example includes the EPIC of a production platform in 43 meters of water in the Sea of Mar-

mara for TPAO, Turkey’s national oil company. The jacket was comprised of a four-legged braced space frame structure supporting the topsides, riser and conductors.

The design included a total of six well conductors, which were installed separately. The jacket was installed utilizing the derrick equipment of the jack up rig.

Momentum is currently in advanced talks with a high-end US oil field service provider to go into Iraq with them to provide some of the major concession holders there with some solid equipment.

“Petronas and Shell will be a big focus for us. Petronas has established a very solid operation in Dubai, from where a lot of their Iraq work will be managed,” he says.

Combining its innovative engineering solutions with targeted clients in key growth markets has helped Momentum outperform much of the sector in a period where many firms have struggled.

“Last years we achieved around 20% growth, driven by our work in the Caspian with Petronas, Technip and Dragon Oil. Looking ahead we are conservatively forecasting 15% growth for next year,” beams Larsen. 

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Momentum engineers installing a Turkmenistan platform weighing more than 1000 tonnes in 60 metres of water.

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Jimmy Larsen is deputy managing director of Momentum Group.