Agenda

1. Offshore Construction
2. Importance of Gulf Of Mexico
3. Impact of Significant Weather
   a) Hurricanes
   b) Loop Current
4. Questions
Company Overview: Summary

- Leading provider to the worldwide oil and gas industry of offshore construction, engineering, project management and support services including pipeline construction, SURF installations, platform installation and removal and diving

- Operations in the Gulf of Mexico, West Africa, Asia Pacific, Middle East, India, Latin America and Mexico's Bay of Campeche

- Founded in 1973; public since 1993

- Nasdaq Global Select: GLBL

- Headquarters in Carlyss, Louisiana; worldwide administrative offices in Houston, Texas

- Approx. 5,000 employees worldwide

- Marine Fleet: 30 Vessels
Offshore Field Development
Platform Size Comparison

*Deep Water Jacket shown weighs approximately 20,000 tons – Eiffel Tower weighs 7,100 tons*
Typical Project

- Heavy lifts
- Expensive equipment
- Complex engineering
- Challenging Environment
- Highly weather dependent
U. S. Gulf of Mexico

- 4000 Structures
  - 2175 Active
- 6,400 Producing Wells
- 29,000 Miles of Pipelines
- 27% of US Crude Oil Production
- 29% of US Natural Gas Production
- 3 Million BOE produced daily
- 12.5% of Revenue to U.S. Treasury
Hurricane Tracks vs Production

Figure 2. Major Hurricanes in the Gulf of Mexico, 1995-2005

Source: National Oceanic and Atmospheric Administration (NOAA) Coastal Services Center (http://hurricane.csc.noaa.gov/hurricanes/)
2005 Season

Figure 3. Hurricanes Katrina and Rita
Relative to OCS Oil and Natural Gas Production Platforms

Post Hurricane Model of Downed Platform
## Decision Flow

### Phase 1:
1 June XX
- **Planning**
- **Preparation**
- **Supply Inventory**
- **Hurricane Awareness**

### Phase 2:
- **Tropical Depression Identified**
  - Dispatcher Awareness
  - Collect Data
  - Monitor Wx Buoys
  - Notification Procedures

### Phase 3:
- **Storm Alert Issued**
  - (Crosses 20N/80W)
  - Cease Saturation Diving
  - Identify Storm Watch/Warning Radii
  - Formulate Courses of Action
  - Advise Tugs/utility vessels
  - Remove Non Essential Personnel
  - Notify Clients

### Phase 4:
- **Storm Watch**
  - (Impact to Ops)
  - Dispatch tugs to Sea Bouys
  - Cease Operations.
- **Storm Warning**
  - (Impact to Vessel)
  - Dispatch Add'l tugs as nec.
  - Arrange crew Transportation
  - Secure Equipment
  - Return Mat'l Barges to safe Anchorage
  - Anchor tugs remain with barges

### Actions in Storm Watch Radius:
- **A. Secure from Operations**
- **B. Recover all anchors**
- **C. Tow to Safe Harbor**
- **D. Tow to Designated Anchorage**
- **E. Tow away to Fair Weather**

### Calculations:
- **Storm Watch Radius:** 
  
  \[
  [A+B+(C or D or E)] \times \text{(Storm Speed)} = \text{Storm Watch Radius}
  \]

- **Storm Warning Radius:** 
  
  \[
  [B+(C or D or E)] \times \text{(Storm Speed)} = \text{Storm Warning Radius}
  \]
Loop Current Activity
Loop Current

Gulf of Mexico Ocean Current Monitoring
In response to reports of high currents, both at the surface and at depth, the MMS has issued a Notice to Lessee’s (NTL) requiring that currents be monitored from mobile offshore drilling units (MODU’s) and floating production platforms in the Gulf of Mexico. A requirement of the NTL is that industry must send current data to the National Buoy Data Center (NDBC) for posting on a website. The public may view the data in an almost real-time mode.

NTL 2007-G17, Deepwater Ocean Current Monitoring on Floating Facilities
National Data Buoy Center