

PRESS RELEASE

INTECSEA Canada Awarded Phase 1 of Trenching System Development Contract

Houston (July 26, 2011) – INTECSEA Canada has been awarded a contract by Petroleum Research Atlantic Canada (PRAC) for Phase 1 of a Joint Industry Project (JIP) for the “Development of a Trenching System for Subsea Pipelines, Flowlines and Umbilicals in Ice Scour Environments”.

The trenching system will be relevant to Arctic and Subarctic waters wherever ice gouging is an issue. INTECSEA will be responsible for the management of Phase 1 of the JIP and the provision of consulting services to support the program. The JIP is sponsored by the Hibernia, Terra Nova, White Rose and Hebron Projects.

The goals of the new trenching system will be a system which is capable of:

- a) trenching to depths greater than current industry norms (burial depths greater than three metres, with potential trench depths as much as seven metres);
- b) trenching in soil conditions that are difficult and highly variable, including the presence of boulders;
- c) trenching in water depths beyond the majority of trenching requirements (water depths up to approximately 300 metres); and
- d) operating in harsh marine conditions (for example, the Western North Atlantic).

The JIP is planned to be a research and technology development project with four phases. The objective of the project is to prove a trenching system that is capable of meeting the above requirements and concluding with a full scale field demonstration project in Phase 4. The goal of Phase 1 is to shortlist a number of potential technology solution providers who will carry out more detailed engineering and feasibility studies in Phase 2.

The work will be performed at INTECSEA’s office in St. John’s, Newfoundland and Labrador. “This is a great opportunity for INTECSEA Canada and we will draw upon the experience that we have gained over the past 25 years designing Arctic and cold region pipelines,” said Mike Paulin, Operations Director of INTECSEA Canada. “This is an important step forward in the ability to safely and efficiently install pipelines and flowlines in ice scour environments.”

“This puts INTECSEA at the centre of this industry effort to improve the cost and decrease the risk of deep trenching in challenging environments with highly variable seabed conditions – understanding of the different drivers of development stakeholders, trenching contractors and trenching technology vendors will be a crucial aspect,” said INTECSEA’s Senior Vice-President and Chief Technology Officer, Garry Mahoney.



About INTECSEA

Headquartered in Houston and with more than 800 employees worldwide, INTECSEA is a leading engineering and project delivery company serving the offshore oil and gas industry. For over 25 years, INTECSEA has provided frontier technology leadership for the energy industry's most challenging offshore field development and pipeline projects.

With 16 offices across five continents, INTECSEA delivers solutions for floating systems, marine pipelines and risers, subsea and control systems and offshore technologies including flow assurance and materials engineering. INTECSEA is a WorleyParsons Group company.

About PRAC

PRAC is the principal delivery agent for collaborative research and development projects in Newfoundland and Labrador on behalf of the offshore oil and gas industry. PRAC's mission is to identify opportunities, develop proposals, fund and manage the execution of research and technology development projects on behalf of the Newfoundland and Labrador offshore oil and gas industry. For more information, visit www.pr-ac.ca.

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