

The threat from hurricanes

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Topic: Supply/Production

As the path of Hurricane Dennis becomes clearer it is interesting to contrast this with the location of the major new fields that are currently being developed in the Gulf. A detailed map of their location can be found at Rigzone but for the sake of simple reference I have put a couple of dots on the map that I took from the NOAA site showing the projected path for Dennis.

The black dot on the edge of the green and yellow zones south of New Orleans, represents the Thunder Horse platform which is scheduled to ramp up until it is producing 250,000 bd of oil at a water depth of about 6,000 ft.



The white dot further out and in the blue zone nearer the left side, represents the Mad Dog development that will ramp up to 100,000 bd; the Holstein development that will also produce, at peak, around 100,000 bd of oil; and the Atlantis field that will begin production next year and will ramp up to around 200,000 bd in all.

Put together these projects have the potential of around 650,000 bd, but as can be seen, they are sitting in an uncomfortable spot relative to the tracks of the hurricanes.

And with the hurricane season showing the promise of being worse than usual, this has the potential not just to threaten completion of these projects, but also in the years to come posing some threat to their continued ability to reach the target levels required in the times of the year that will be most critical (from now through the end of the year). As J has pointed out before, there is only a certain amount of repair capacity available, and if the storms keep coming, this will diminish overall the supply that we will increasingly need.

Technorati Tags: peak oil, oil

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