



Status of Decommissioning in the Philippines

EPPM Program Seminar 5
12-14 June 2012
Bangkok, Thailand



Outline of Presentation

- A. Experience for the last 10 years
- B. Legal Framework
- C. Challenges and Solutions
- D. Conclusion





Experience for the last 10 years



Philippine Active Petroleum Service Contracts

❖ 28 Active Service Contracts

- 7 onshore areas
- 21 offshore areas
- 19 exploration stage
 - 5 Onshore
 - 14 Offshore
- 4 Development stage (Offshore)
- 5 production stage



Current Offshore Petroleum Exploration, Development & Production Activities

❖ Exploration

- Geological and Geophysical Studies; Seismic Data Acquisition, Processing & Interpretation; Exploration Drilling / Well Workover & Testing (Sulu Sea Basin, East Palawan Basin, Visayan Basin, SW & NW Palawan)

❖ Development

- Cadlao & West Linapacan Field Rehabilitation (NW Palawan)
- Octon & Bonita Field Appraisal (NW Palawan)

❖ Production

- Nido, Matinloc & North Matinloc Oil Fields (NW Palawan)
- Galoc Oil Field (NW Palawan)
- Malampaya Gas Field (NW Palawan)



Current Offshore Producing Fields



Malampaya



Nido



Galoc



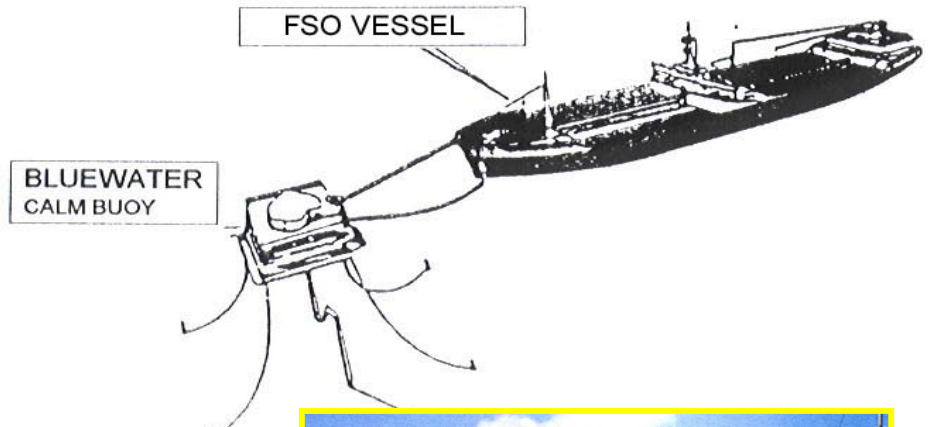
Matinloc Complex



Nido Production Facilities

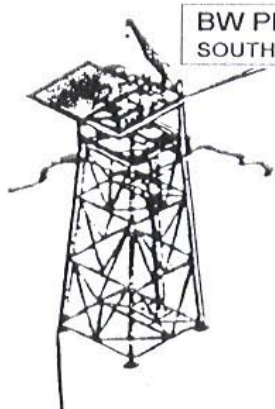


BW PLATFORM
SOUTH NIDO WEST



FSO VESSEL

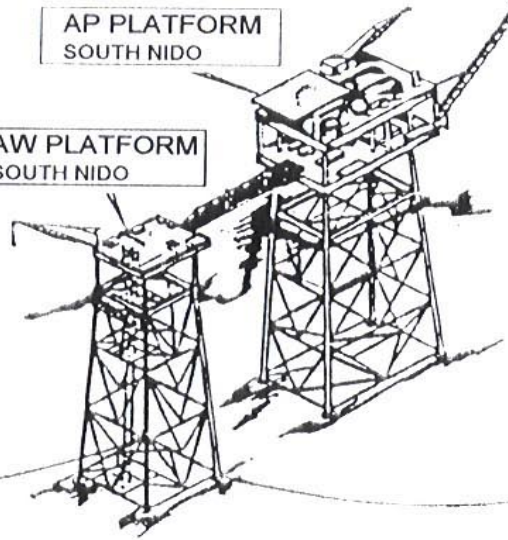
BLUEWATER
CALM BUOY



AP PLATFORM
SOUTH NIDO

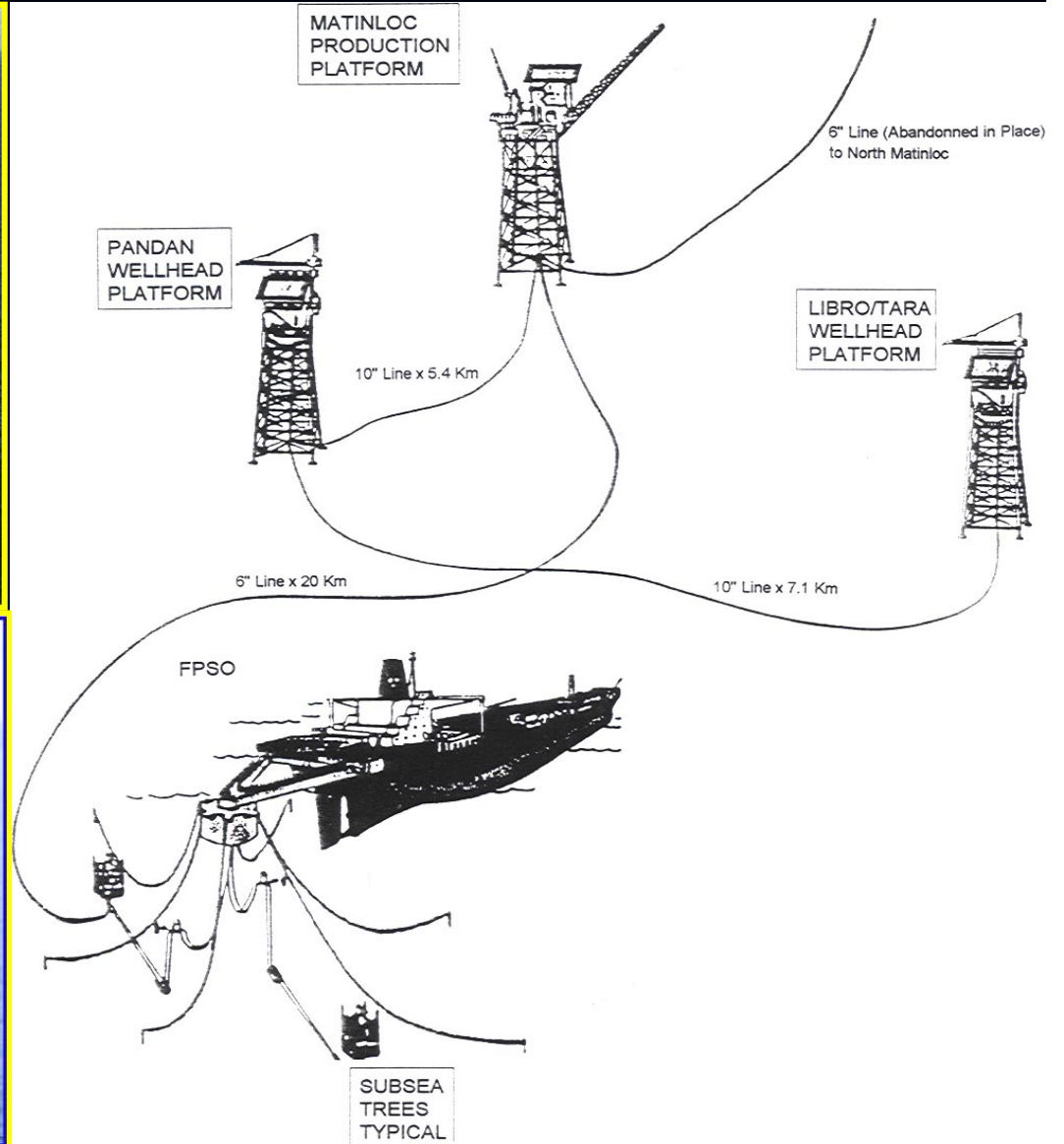


AW PLATFORM
SOUTH NIDO

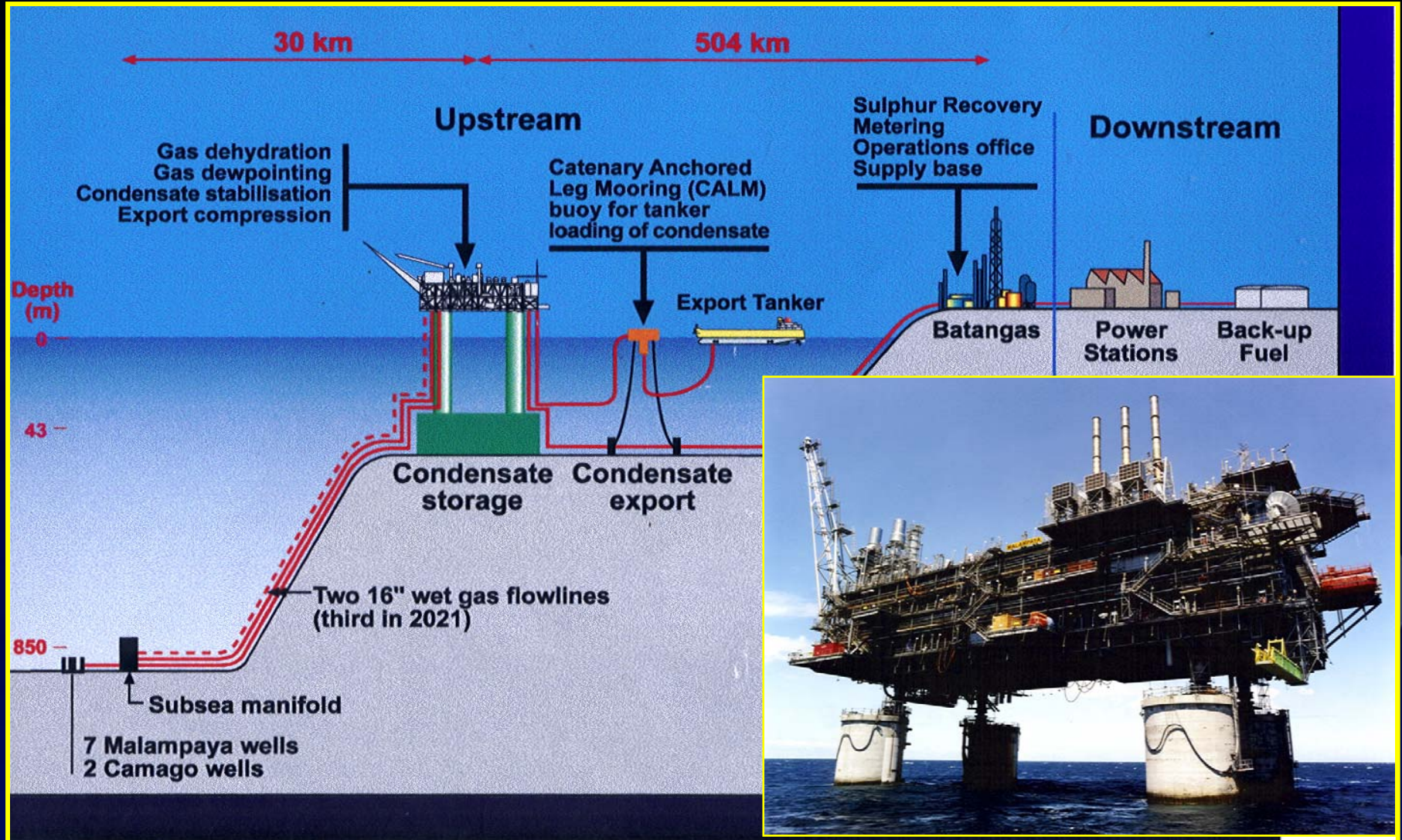


10" Line x 1.5 Km

Matinloc Production Facilities



Malampaya Production Facilities



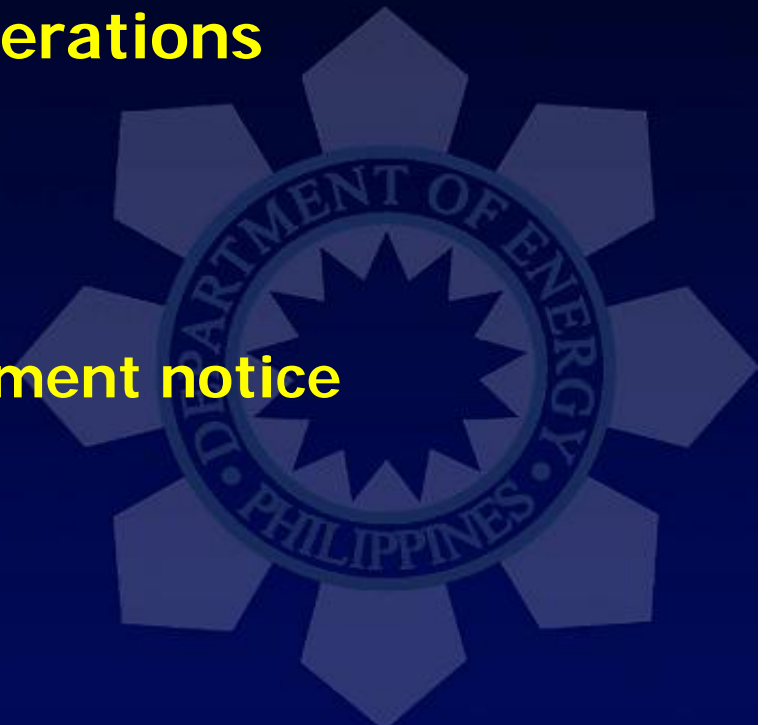


Legal Framework



Legal Framework

- **Presidential Decree (P.D.) 87 – “The Oil Exploration and Development Act of 1972”**
- **Department Circular – prescribing procedures for the Abandonment & Rehabilitation of Sites affected by the Petroleum operations**
 - **Contractor responsibility**
 - **Sinking fund**
 - **Operating expenses**
 - **Commencement of abandonment notice**
 - **Options**





Challenges and Solutions



Challenges and Solutions

- **Implementation**
- **Perpetual Liabilities**
 - **Safety and Environmental Risk**





Conclusion



Conclusion

- Amendment to the previous (old) Department Circular to meet the changes in this growing upstream industry proposed
- Conducted consultation with industry players
- Usefulness of the guidelines for the revision/amendment of Circular (Abandonment and Decommissioning Procedures)



THANK YOU

