



bp begins oil production from major new platform offshore Azerbaijan

16 April 2024

- Azeri Central East (ACE) platform is technologically and digitally the most advanced bp-operated offshore platform, the first controlled from onshore.
- ACE is the seventh offshore platform installed on the giant ACG field in the Caspian Sea.

bp, as operator of the Azeri-Chirag-Gunashli (ACG) project, today announced the start-up of oil production from the new Azeri Central East (ACE) platform as part of the ACG field development in the Azerbaijan sector of the Caspian Sea.

bp's strategy is to invest in the energy system of today – such as in the development of ACE – as well as the energy system of the future.

The ACE platform is the seventh oil producing platform installed on the giant ACG field in the Caspian Sea. ACG first began production in 1997 and has since produced over 4.3 billion barrels of oil. The bp-operated Shah Deniz gas field has two further platforms in the Caspian.

The ACE platform and related facilities are designed to process up to 100,000 barrels of oil per day (bpd) and the project is expected to produce up to 300 million barrels over its lifetime. Oil will pass through the processing facilities on the platform and then be exported around 130 kilometres to the onshore Sangachal terminal via a new in-field pipeline linked to an existing 30-inch subsea export line.

Initial production from ACE comes from the first well that was initiated from the platform at the end of last year. ACE production is expected to increase through 2024 to around 24,000bpd as two more planned wells are drilled, completed and brought online.

Ewan Drummond, bp's senior vice president, projects, said: "I'm incredibly proud of the team at bp for safely delivering the first bp-operated offshore platform fully controlled from onshore. This establishes a new benchmark for innovative engineering and competitive project delivery for our company and the wider industry."

The ACE platform is technologically and digitally the most advanced bp-operated platform in the world. Its innovative engineering allows automation of labour-intensive processes, enabling safer and more efficient operations. The platform has a state-of-the-art fully automated drilling rig. The use of modern technology and new processes also helps lower operational emissions.

Gary Jones, bp's regional president for Azerbaijan, Georgia and Turkiye, said: "This successful start-up is testament to the ongoing close collaboration between bp, SOCAR and the Government of Azerbaijan, together with the support of our partners. First oil from ACE – in the year of the thirtieth

anniversary of the agreement to develop ACG – marks the beginning of this world-class field’s next development phase.”

“This is the ninth world-class production platform that we have built, installed, and are operating offshore Azerbaijan. ACE really stands out with its engineering creativity, advanced digital technology, and automation. We are proud to have delivered what we believe is the ‘platform of the future’.”

The safe start-up of ACE delivers on the first major investment decision made by the ACG partnership since the signing of the extended ACG production sharing agreement in 2017.

ACG participating interests are: bp (30.37%), SOCAR (25.0%), MOL (9.57%), INPEX (9.31%), Equinor (7.27%), ExxonMobil (6.79%), TPAO (5.73%), ITOCHU (3.65%), ONGCVidesh (2.31%).

Photos available.

Notes

- The \$6 billion ACE project is the next stage of development of the giant ACG field in the Caspian Sea. Its development was sanctioned in April 2019. It is the seventh platform in the ACG development and the first new production since the West Chirag platform started up in 2014.
- ACE is a 48-slot production, drilling and quarters platform located midway between the existing Central Azeri and East Azeri platforms in a water depth of 137 metres. The project also includes new infield pipelines to transfer oil and gas from the ACE platform to the existing ACG Phase 2 oil and gas export pipelines for transportation to the onshore Sangachal terminal.
- The ACE platform jacket weighs 16,000 tonnes and stands 153 metres high. It contains three production risers - one water injection, one oil export and one gas export. It was built at the Heydar Aliyev Baku Deepwater Jackets Factory and sailed away to its permanent location in early 2023.
- The 19,600-tonne ACE topsides unit was constructed at the Bayil fabrication yard near Baku. It sailed away for offshore installation in August 2023.
- At peak, over 8,500 people were involved in the ACE project construction works in Azerbaijan.
- A water injection pipeline between the East Azeri and ACE platforms supplies injection water from the Central Azeri compression and water injection platform to the ACE facilities. In addition, ACE’s design allows gas and water injection into the reservoir to support other platforms.
- The first production well was spudded from the ACE platform in December 2023 and was drilled to total depth of 3,150 metres.
- To date the ACG field has produced over 4.3 billion barrels of oil. With future continual major investments in new technologies and facilities, and other efforts to maximise field recovery, it is expected to continue to produce as a world-class reservoir for many decades.

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