

Secretary Norton Applauds Technological Advances at Dedication of World's Largest Offshore Oil Platform

(INGLESIDE, Texas) - Interior Secretary Gale Norton today joined BP officials in dedicating the world's largest and most advanced semi-submersible oil platform, which will be used to tap into a huge reserve of oil and gas deep under the Gulf of Mexico.

The Thunder Horse platform is about 50 percent larger than the next largest floating semi-submersible rig in the world. It includes advanced technology that will enable it to process 250,000 barrels of oil and 200 million cubic feet of natural gas per day – enough energy to provide daily energy needs for 6.5 million American homes.



At a development cost of approximately \$5 billion, the new platform features more than 100 technological firsts, including a new generation of engineering solutions to handle the unique challenges of tapping into an ultra-deep, high temperature and high pressure reservoir.

The energy used by the platform itself will be produced from natural gas from the field below. To maximize efficiency, the platform will capture waste heat through heat recovery units. This energy then will be used in the production process.



Similarly, to prevent routine over-board water discharges, the water produced by the platform will be commingled with seawater and re-injected for reservoir pressure maintenance.

"The Thunder Horse platform exemplifies the revolution in energy production technology that makes it possible to tap into oil and gas reserves that previously were inaccessible," Norton said. "From the Gulf of Mexico to arctic Alaska, we can increase domestic energy production in difficult-to-reach places in a safe and environmentally sensitive way."

"With increasing amounts of our oil imported from abroad, these technologies are vitally important to our nation's future energy security," she said. "It is amazing that so large a structure as Thunder Horse will

have such a tiny environmental footprint, leaving almost no trace of itself in either the sea or the sky."

Under the President's National Energy Plan, the Interior Department has been providing incentives to energy companies to take the financial risk of exploring in deep-water and deep-shelf areas of the gulf. These incentives, which take the form of royalty relief, ensure taxpayers a fair return while making it worth the risk for companies to explore hard-to-reach reserves.

The Department expects the incentives to boost peak oil production in the gulf by 43 percent and natural gas production by 13 percent over the next decade.

"As we exhaust our nation's more accessible oil and gas reserves, we must promote the kind of innovation represented by the Thunder Horse platform to reach new reserves in places we could never have reached before," Norton said.

The Thunder Horse area, which is 150 miles offshore of Louisiana in the Gulf of Mexico, has the potential to produce approximately 1 billion barrels of oil equivalent over the life of the field, making it the largest discovery in the gulf to date.

"We estimate the deep water regions of the Gulf may contain over 56 billion barrels of oil equivalent," said Minerals Management Service Director Johnnie Burton. "Huge deep water projects like BP's Thunder Horse and others are expected to increase our gulf production to more than 2 million barrels per day within the next two years."



"The Thunder Horse project is contributing not only to the nation's energy security but also to its economy by providing thousands of jobs," she said.

MMS, part of the U.S. Department of the Interior, oversees 1.76 billion acres of the Outer Continental Shelf, managing offshore energy and minerals while protecting the human, marine, and coastal environments through advanced science and technology research. The OCS provides 30 percent of oil and 23 percent of natural gas produced domestically, and sand used for coastal restoration. MMS's collects, accounts for, and disburses mineral

revenues from Federal and American Indian lands, with Fiscal Year 2004 disbursements of approximately \$8 billion and more than \$143 billion since 1982. The Land and Water Conservation Fund, which pays for acquisition of state and federal park and recreation land, gets nearly \$1 billion a year.

Relevant Web Sites:

[MMS Main Website](#)

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[MMS: Securing Ocean Energy & Economic Value for America](#)
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