

Private sector heavyweight poised to kick off 10-well offshore drilling campaign

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Hitesh Vaid, chief financial officer of Cairn Oil & Gas. (Photo: Cairn Oil & Gas)

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Vedanta-owned Cairn Oil & Gas, the largest private sector exploration and production player in India, is poised to kick off a 10-well offshore drilling campaign off the nation's western coast.

The company's upcoming west coast drilling campaign involves a mix of appraisal, development and exploration wells and is aimed at swiftly scaling up its domestic production from the region, Hitesh Vaid, Cairn's chief financial officer, told Upstream.

Vaid said the company is proceeding with a multi-well drilling campaign on the west coast with promising prospects, which could boost its oil and gas

production in the next year or two.

“Our intent is to do up to 10 wells in a continuous programme,” he said.

Greatship-owned jack-up rig, Greatdrill Chetna, has been contracted by the operator for its west coast drilling programme, with the first well likely to be spudded next month.



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Cairn’s drilling programme is focused on its producing Block CB/OS-2 in the Cambay basin offshore Gujarat, its nearby Ambe discovery and the promising Kutch basin region, Vaid noted.

“We will start with drilling in the CB/OS-2 producing block where we are planning five wells in total... and we will spud the first well in December,” he said.

The Cambay basin block is currently producing around 7000 to 8000 barrels per day, and Cairn believes that the upcoming five-well development and exploration campaign in this key asset could almost double the asset’s oil production.

Vaid suggested that while the drilling campaign in the CB/OS-2 is mostly developmental, some of the wells would also be testing exploration prospects.

In addition to the CB/OS-2 campaign, the operator is aiming to drill appraisal and development wells on the nearby Ambe field, which has discovered resources and was awarded to the company as a part of India’s discovered small fields (DSF) round.

“We will drill around two to three wells (at Ambe)... and these are already discoveries. In fact, these discoveries were done by Cairn in the past and now we

have got it back under RSC (revenue sharing contract) terms, which makes it economic,” Vaid said.

Cairn's CFO said the company's development approach to Ambe is not traditional and it would tie back discoveries to its existing nearby Cambay facility, aimed at optimising costs and fast-tracking the development process.

“We have a large processing facility onshore. So we'll just do a modular one, tie back to the existing pipes and then we bring it onshore to Cambay,” he explained.

Cairn is also planning to drill around three exploration wells in the offshore Kutch region.

East coast plans

Cairn has plans to proceed on a separate east coast exploration campaign on its Ravva producing asset and the nearby Greater Ravva block, with those wells likely to be drilled in March or April next year.

“On the east coast, we have the Ravva producing asset, right there we are looking at drilling three to four exploration prospects,” Vaid added.

Besides Ravva, the company has an open acreage and licensing policy (OALP) exploration block, dubbed Greater Ravva, off India's east coast, for which it is currently working out exploration plans.

In total, about seven to eight exploration wells are likely to be targeted by Cairn on the east coast, but its topmost priority remains the west coast, where it aims to quickly monetise discoveries.

The operator is also laying the groundwork for a key deepwater exploration drilling campaign in the gas-rich Krishna Godavari basin off India's east coast, where it holds a promising exploration asset.

The KG basin region is home to some of the country's largest offshore gas fields operated by Reliance Industries and state-owned ONGC.

Cairn is "currently looking to onboard farm-in partners with international deepwater drilling experience" for the KG basin block to proceed with its deepwater drilling plans, said Vaid.

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