

HGS LUNCHEON MEETING

A Business and Technical Overview of the Deepwater Gulf of Mexico Play

HGS Luncheon Meeting - September 29 1993
Social Period, 11:30 a.m., Luncheon and Meeting, 12:00 p.m.
Post Oak Doubletree Inn

A steadily growing volume of publicly available data (well logs, speculative seismic surveys, press releases, etc.) strongly suggests that the deepwater portion of the Gulf of Mexico contains large reserves of recoverable hydrocarbons. Well logs available through the MMS Order 4 program indicate at least 25 potentially developable accumulations have been found, some 14 of which have been publicized. We estimate that

industry has spent in excess of \$4 billion nominal to discover at least 1.5 billion barrels equivalent, of which only a small fraction has been developed and produced to date.

Most volumetrically significant deepwater discoveries can be geographically grouped into six "corridors" in which industry cooperative efforts in terms of shared infrastructure, operating principles, service company support, etc.

seems inevitable. Given the tremendous technical challenges and uncertainties associated with the play, coupled with the high cost of building, installing, and operating deepwater production systems, industry cooperation at least during the early stages of developing this resource will be a critical factor in revitalizing E&P activities in the Gulf of Mexico.

W. K. Dirks

- Biographical Sketch



W. K. (Bill) Dirks joined Shell as a geologist in 1981 after graduating from Iowa State University with a Bachelor of Science degree in Geology and a Master of Science degree in Civil Engineering. After a series of assignments in the mid-continent region and west Texas, he joined the Onshore (Gulf Coast) division in 1985 where he served as a project leader for Tertiary new ventures. In 1987 he joined Shell Offshore Inc. in New Orleans, serving as a project leader for lease sale efforts on the Texas and Louisiana continental shelf, slope and deepwater. In 1990 he was promoted to District Manager for the deepwater dis-

trict, where he served until January 1993. Bill is currently assigned as Manager of Exploration Economics for Shell Oil Company in Houston.

