

## Successful Tank Test Supports a 70% reduction in Marginal Field costs

01 November 2019

SBT Energy is pleased to announce the completion of a successful wave-tank test programme and preliminary field trials, for their buoy concepts, part of a disruptive offshore buoy and tank technology for the renewables, oil and gas and other offshore industries.

SBT's technology covers eight unmanned offshore buoy and storage tank concepts, tested with the support of the Oil & Gas Innovation Centre (OGIC) and the University of Edinburgh through the provision of a financial grant and the supply of a wave-tank facility respectively.

SBT's production buoy concepts reduce total oil & gas production costs by at least two thirds, when compared to traditional installations. In the UK North Sea, per barrel operating costs would typically be reduced to \$5, a 70% reduction from the \$16 per barrel costs in 2019 (OGUK Economic Report 2019), allowing competition with shale oil, on costs and flexibility grounds.

Such new technologies could allow the UK North Sea and Atlantic Margins to continue production and job creation over the next 50 years. With the incorporation of offshore renewables generation in the buoy and potential for hydrogen storage, it could immediately support the transition to net zero carbon field emissions and make the UK a world leader in new offshore installations; securing jobs and corporate tax receipts over the next 30 years.

Furthermore, cost efficiencies created by the production buoy concepts support energy security and extend decommissioning by making up to 25% of the world's oil and gas reserves, considered commercially less accessible, viable for commercial production. One of the biggest issues in the world today is security of energy supply with the global population increasing by over one fifth in the next twenty years.

The tests and trials, involving two of the concept buoys, confirmed the extremely stable response of the designs, with the unique design resulting in very low motions not previously achievable by offshore buoys. The comprehensive scope of the model tests resulted in more accurate measurement and a large database for confirmation of results.

SBT Energy's production buoys and tanks are designed to have a life span of 25 years. They are reusable assets, movable from field to field, with minimal decommissioning costs or potential damage to the marine environment. They can be used independently or integrated as part of a wider field development including facilitating multiple tie-backs.

SBT Energy's solutions allow substantially less CO2 emissions and carbon footprint compared to other oil and gas installations and also can be used for carbon sequestration, an increasingly important test for the targeted Energy Transition and Net Carbon Emissions by 2050.

OGIC connects oil & gas companies with world-class expertise in Scotland's universities, to address the industries innovation challenges and opportunities. OGIC have supported the unique technology development through their superb project management, technology and financial support making it one of the world leaders in blue sky research and development.

Ewan Neilson of SBT Energy, said: "Our concepts offer low Capex and Opex energy solutions for the renewable, oil and gas and other offshore industries. They make production of oil and gas from some uneconomic and borderline commercial fields, viable again. In turn, this will support much needed energy security in many regions of the world, as well as in the UK, and allow for additional investment and job creation. The buoy and tank concepts, in particular, support net zero carbon emissions, can be used for carbon sequestration and are perfectly aligned with the process of Energy Transition. We would also like to take this opportunity to sincerely thank OGIC for their support during the testing of the technology.

Investors and the energy industry are looking at lower Capex and Opex solutions with potentially net zero carbon emissions in short life cycles with quick capital payback; SBT Energy's stable and flexible offshore acreage concepts meets that sweet spot as the facility of the future".

