

Orogenic supplies Malaysian expertise to global oil firms

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OROGENIC Group of companies may not be a familiar household name in the corporate world, but this 14-year-old Malaysian company is taking big strides in supplying geoscience and engineering solutions to the global oil and gas industry.

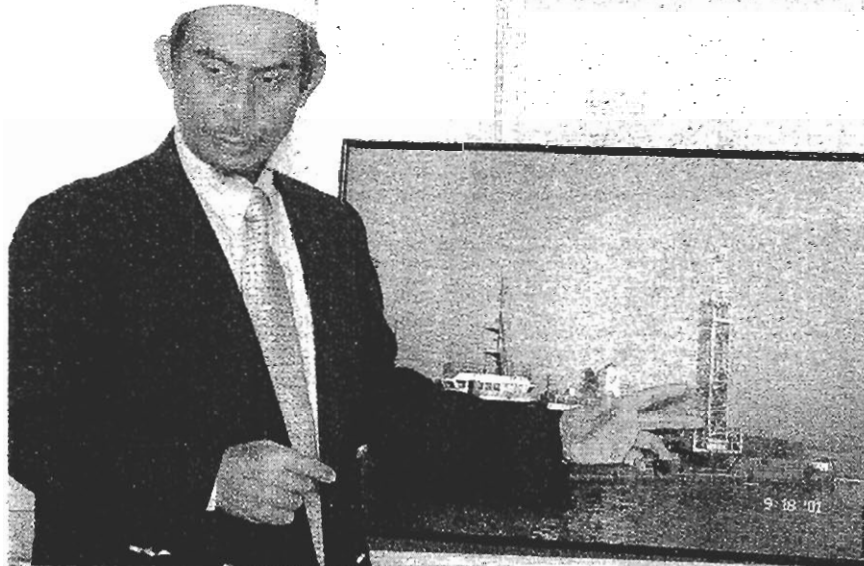
Since its inception in 1993, Orogenic has been building up its reputation as an integrated geosolution and engineering specialist and is now recognised as one of the leading geotechnical specialists in the industry, with customers in the likes of ExxonMobil, Royal Dutch Shell, Murphy Oil Corp, Newfield, Talisman, Amerada Hess and Petrolia Nasional Bhd.

Founder and executive chairman Ahmad Ziyad Elias said the company has managed to design and build its own geotechnical marine drill rig, which will be deployed to the North Sea, probably in October this year.

Known as the AG-75, he said this drill rig, the first purpose-built rig for deep-water services in Asia, will cover European and West African markets.

"We are about to sign an agreement with a UK company to establish a joint-venture survey company for activities in the North Sea, Europe and West Africa.

"The UK company has signed the agreement on their side, while we will be signing on our part soon. We



The company plans to own two vessels by next year to carry out its geotechnical services activities, says Ahmad Ziyad

expect a contract of two-years from this collaboration with the UK company," he said.

He explained that the rig is designed, built and operated by Orogenic, which when completed will be transferred to a ship belonging to the UK company to ply the North Sea market.

Dubbed as a motion-compensated marine geotechnical drill rig, Ahmad Ziyad said the system employs the latest state-of-the-art design and technologies put together by a group of highly experienced engineers from the Orogenic Group.

"The fabrication of the rig has been to the highest standards, with strict non-destructive testing and load testing as part of the fabrication acceptance testing, to ensure safe performance under all anticipated operating conditions, especially during deepwater drilling," he said.

In this respect, he said Orogenic is ready to carry out any geotechnical activities in deepwater fields, either in Malaysian waters or overseas.

Through the collaboration with the UK company, Ahmad Ziyad said Orogenic's

subsidiary Asian Geos Sdn Bhd will provide the British company with the offshore geotechnical services.

"Orogenic Group will provide geotechnical drilling teams of experts to work on partner's vessels in Europe and engineering support from Kuala Lumpur," he said.

Initial working arrangement will cover Europe, the Atlantic fringe, the Mediterranean and Sakhalin in Russia," he said.

Ahmad Ziyad said the company plans to own two vessels by next year to carry out its geotechnical services activities.

"Currently, we chartered the vessels, two at a time to carry out jobs stipulated under contracts awarded to us," he said.

He said the company is putting aside more than RM30 million as capital expenditure for next year, with the major portion going to buy the vessels.

"It will be a marked increase. The acquisition of vessels is going to contribute bigger portfolio of our capital expenditure," he said.

The Orogenic Group has recently acquired an operating unit in China.

"The move will position our hydrographic and geotechnical survey units more competitively in China, making an inroad to China's growing oil and gas market," he said.

Given such an encouraging scenario, he said the company is targeting a revenue of RM100 million for this year, with a compounded growth of 15 per cent.

Orogenic provides customised solutions through proactive client consultation, leveraging technology to meet clients' needs.

Today, it has more than 10 subsidiaries, employing more than 200 personnel, operating in offices in Malaysia, Singapore, Indonesia, Bangladesh and China.

The main operating companies under the group are Orogenic Resources, Asian Geos, GeoExpro Sdn Bhd, International Logging Orogenic Sdn Bhd and Energy Quest Sdn Bhd.