

Announcement from Norway concerning Directive 94/22/EC of the European Parliament and of the Council on the conditions for granting and using authorisations for the prospection, exploration and production of hydrocarbons

Announcement of invitation to apply for petroleum production licences on the Norwegian continental shelf — Awards in predefined areas 2016

(2016/C 236/12)

The Norwegian Ministry of Petroleum and Energy hereby announces an invitation to apply for petroleum production licences in accordance with Directive 94/22/EC of the European Parliament and of the Council of 30 May 1994 on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons⁽¹⁾, Article 3, para 2, litra a).

Production licences will only be awarded to joint stock companies registered in Norway or in another state party to the Agreement on the European Economic Area (the EEA Agreement), or to natural persons domiciled in a state party to the EEA Agreement.

Companies which are not licensees on the Norwegian Continental Shelf may be awarded production licences if they are prequalified as licensees on the Norwegian Continental Shelf.

Individual companies and companies applying as part of a group will be treated on equal terms by the Ministry. Applicants submitting an individual application, or applicants being part of a group submitting a joint application, will all be considered as an applicant for a production licence. The Ministry may, on the basis of applications submitted by groups or individual applicants, compose groups of licensees to be awarded a new production licence, including removing applicants in a group application and adding individual applicants, as well as appoint the operator for such groups.

The award of a participating interest in a production licence will be subject to the licensees' entering into an Agreement for Petroleum Activities, including a Joint Operating Agreement and an Accounting Agreement. If the production licence is stratigraphically divided, the licensees of the two stratigraphically divided licences will also be required to enter into a specific Joint Operating Agreement, regulating the relationship between them in this respect.

Upon signing the said agreements the licensees will form a joint venture in which the size of their participating interest will at all times be identical to their participating interest in the production licence.

The licence documents will mainly be based on relevant documents from the Awards in Predefined Areas 2015. The aim is to make the main elements of any adjustments to the framework available to the industry prior to the time of application.

Criteria for the award of a production licence

To promote good resource management and rapid and efficient exploration for and production of petroleum on the Norwegian Continental Shelf, including the composition of licence groups to ensure this, the following criteria shall apply to the award of participating interests in production licences and to the appointment of operator:

- a) The applicant's geological understanding of the geographical area in question, and how the licensees propose to perform efficient exploration for petroleum.
- b) The relevant technical expertise of the applicant, and how this expertise may actively contribute to cost effective exploration and, as appropriate, the production of petroleum from the geographical area in question.
- c) The applicant's experience on the Norwegian Continental Shelf or equivalent relevant experience from other areas.
- d) That the applicant has the satisfactory financial capacity to carry out exploration for and, as appropriate, production of petroleum in the geographical area in question.
- e) If the applicant is or has been a licensee in a production licence, the Ministry may take into account any form of inefficiency or lack of accountability demonstrated by the applicant as a licensee.
- f) Production licences will mainly be awarded to a joint venture where at least one licensee has drilled at least one well on the Norwegian Continental Shelf as operator or has equivalent relevant operational experience outside the NCS.

⁽¹⁾ OJ L 164, 30.6.1994, p. 3.

- g) Production licences will mainly be awarded to two or more licensees, where at least one has experience as mentioned under f).
- h) The appointed operator for production licences in the Barents Sea must have drilled at least one well on the Norwegian Continental Shelf as operator or have equivalent relevant operational experience outside the NCS.
- i) For production licences in deep waters, both the appointed operator and at least one other licensee must have drilled at least one well on the Norwegian Continental Shelf as operator or have equivalent relevant operational experience outside the NCS. In the production licence one licensee must have drilled in deep waters as operator.
- j) For production licences where drilling of exploration wells in high pressure and/or high temperature (HTHP) is expected, the appointed operator and at least one other licensee must have drilled at least one well on the Norwegian Continental Shelf as operator or have equivalent relevant operational experience outside the NCS. In the production licence one licensee must have drilled a HTHP-well as operator.

Blocks available for application

Applications for participating interests in production licences may be submitted for the blocks that are not licensed within the predefined area, as shown on the maps published by the NPD. It is also possible to apply for acreage that has been relinquished within the predefined area after the announcement in accordance with updated maps on the Norwegian Petroleum Directorate's interactive Factmaps that are found on the NPD's web-page).

Each production licence may comprise one or more blocks or part of block(s). The applicants are requested to limit the application outline to areas where they have mapped prospectivity.

The full text of the announcement, including detailed maps of available areas may be found on the web-page of the Norwegian Petroleum Directorate www.npd.no/apa2016

Applications for petroleum production licences shall be submitted to

Ministry of Petroleum and Energy
P.O. Box 8148 Dep.
N-0033 Oslo
NORWAY

Two copies shall be submitted to

The Norwegian Petroleum Directorate
P.O. Box 600
N-4003 Stavanger
NORWAY

Deadline: 12.00 AM on 6 September 2016.

The awards of petroleum production licences in the Awards in Predefined Areas 2016 on the Norwegian Continental Shelf is planned to take place in the first quarter of 2017.
