



NORWEGIAN PETROLEUM
DIRECTORATE



Norwegian Petroleum Directorate

- roles and responsibilities

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Manila 7. February 2006

Norwegian Petroleum Directorate (NPD)



W Established 1972. Approx. 210 employees.

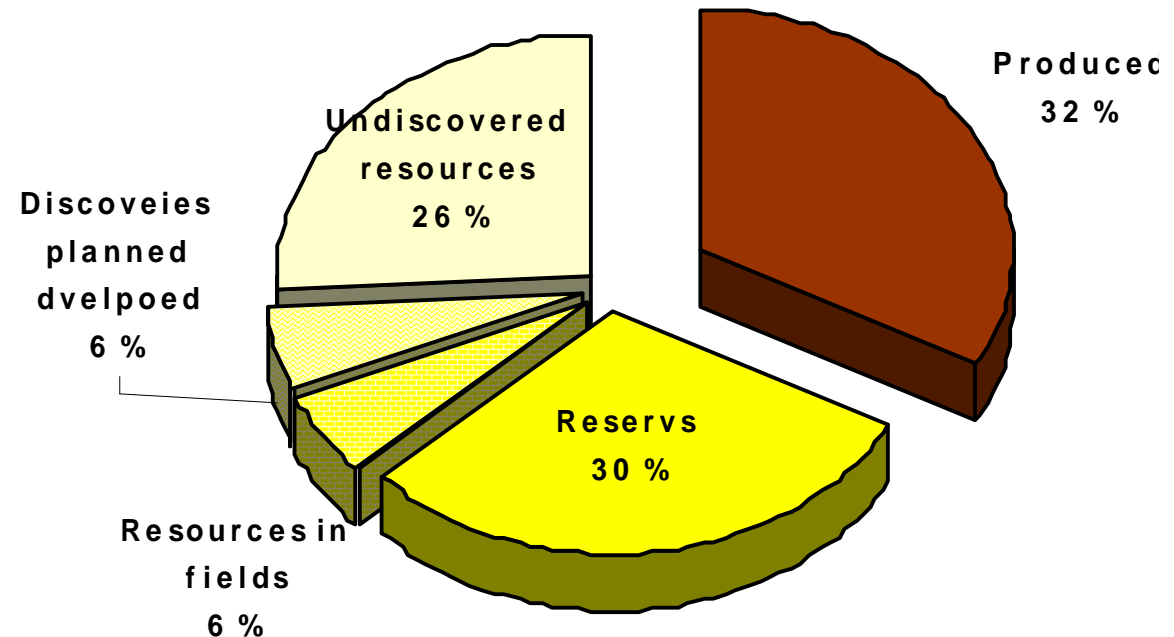
About 150 employees within core business areas: Geologists, Geophysicists, Reservoir engineers, Engineers, Economists..

W Reporting to the Ministry of Petroleum and Energy (MPE)

W The Norwegian Petroleum Directorate will contribute to *creating the greatest possible value for society from oil and gas activities by means of prudent resource management*, based on safety, emergency preparedness and safeguarding the natural environment.

Resources as of 1 January 2006

- W Total resources approx. 13 bn Sm³ o.e.
- W 4.3 GSm³ o.e produced
- W 5.4 GSm³ o.e. remaining proved resources
 - W Of this, 54 discoveries and
 - W More than 200 projects for improved recovery in existing fields
 - W 281 MSm³ o.e. approved for development in 2005
- W 3,4 bn Sm³ o.e. undiscovered

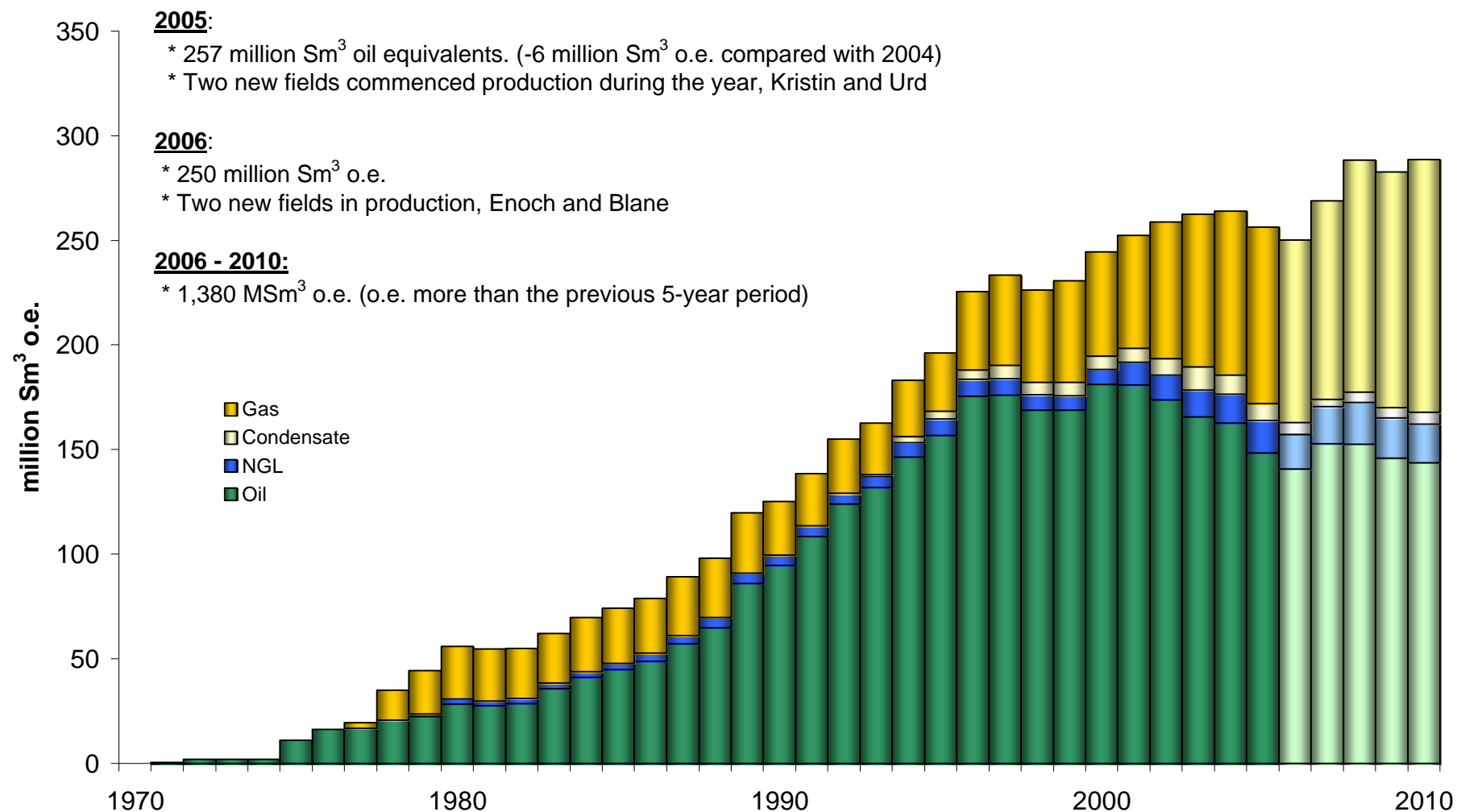


Petroleum production

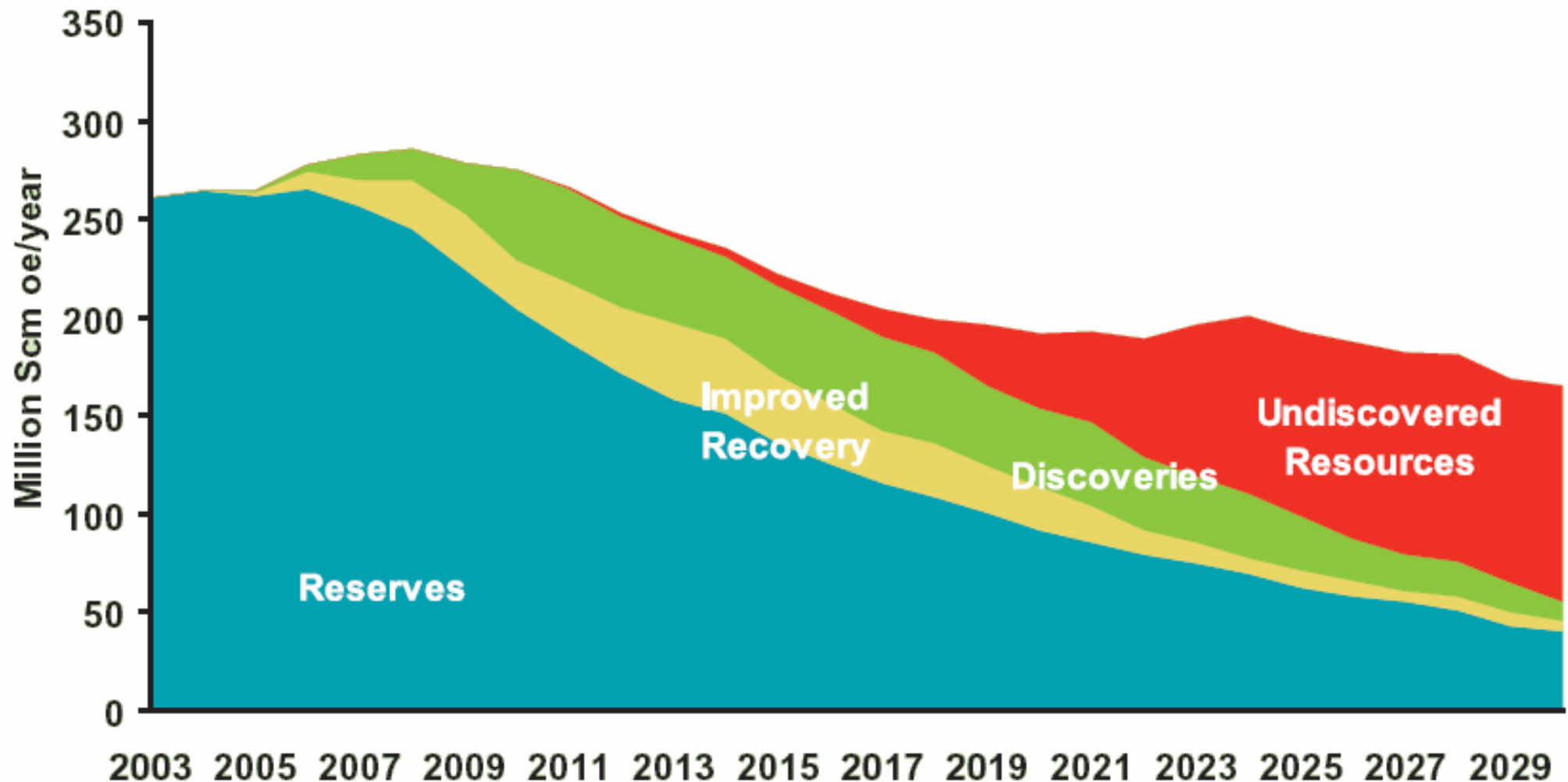


Petroleum production

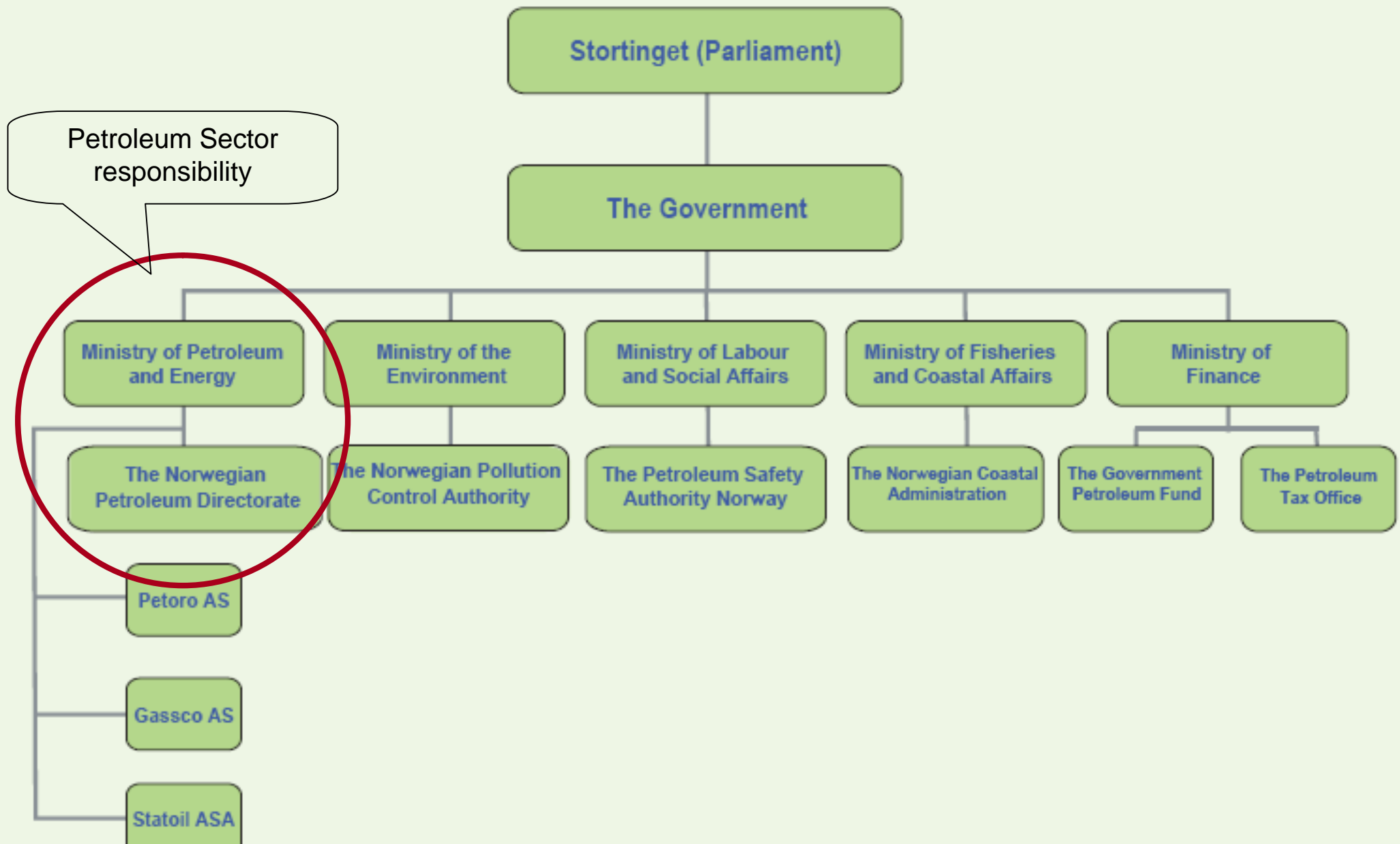
(marketable petroleum - preliminary estimates)



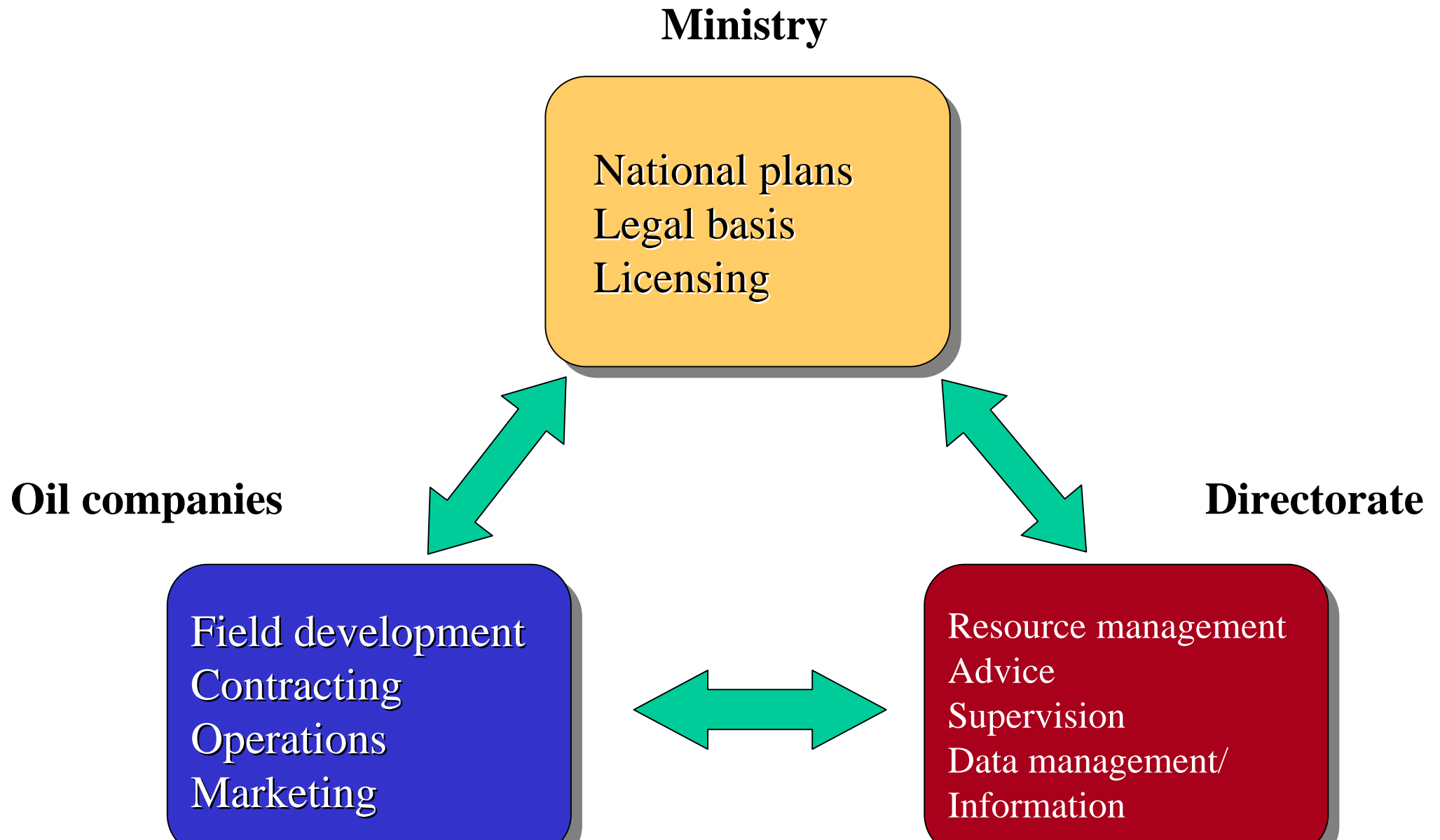
Long Term Oil Production forecast



State organisation of the petroleum sector



Separation of roles and responsibilities



Resource management – advisory role



Advisor to the MPE:

The NPD gives professional advice to the MPE on issues in all phases of the petroleum activity. Decisions are taken by the government and Storting.



- W Exploration
- W Development
- W Production
- W Cessation
- W Resource analyses and forecasts
- W Environmental issues

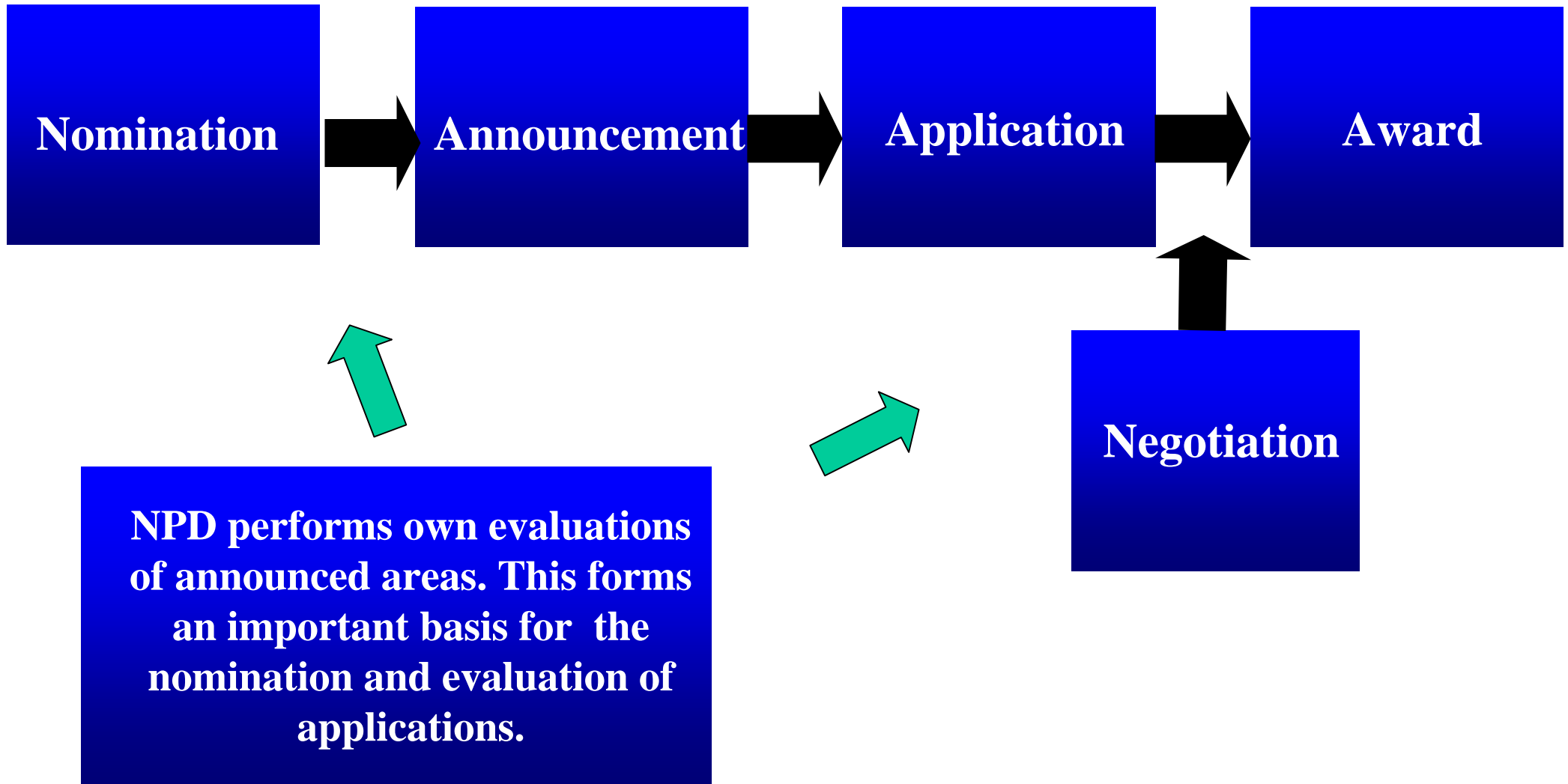
Exploration



- W Data gathering and mapping
- W Opening new areas
- W Marketing the Norwegian continental shelf
- W Award of exploration licenses
- W Award of production licenses



The Norwegian licensing round



19th licensing round



- W Access to frontier acreage**
- W Size and scope of round is significant**
 - W 64 blocks or parts of blocks in the Norwegian Sea and the Barents Sea**
- W Announced 16 June 2005**
- W Deadline 15 November 2005**
- W Planned awards in the first quarter of 2006**

Development



- W Plans for development and operation of fields (PDO)
- W Plans for installation and operation of installations (PIO)
- W Transport solutions



Production



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- W Production permits
- W Improved recovery
- W Coordination across production licenses
(fields and transport solutions)
- W Emergency preparedness for delivery reliability
- W License monitoring



Development of Resource

- setting goals for reserve growth



- W In 1991 the NPD estimated a potential for increased recovery of about 600 MSm³ (3.7 billion bbl) from fields in production, at that time
- W This represented an increase in recovery factor from about 34% to 45%
- W Later the goal was set to an average recovery factor for oil at 50 %.
- W New goal was set in 2005: + 800 Mill Sm³ of oil reserves
=> *5 billion bbl additional oil reserves before 2015*

Gross oil reserve growth 2005

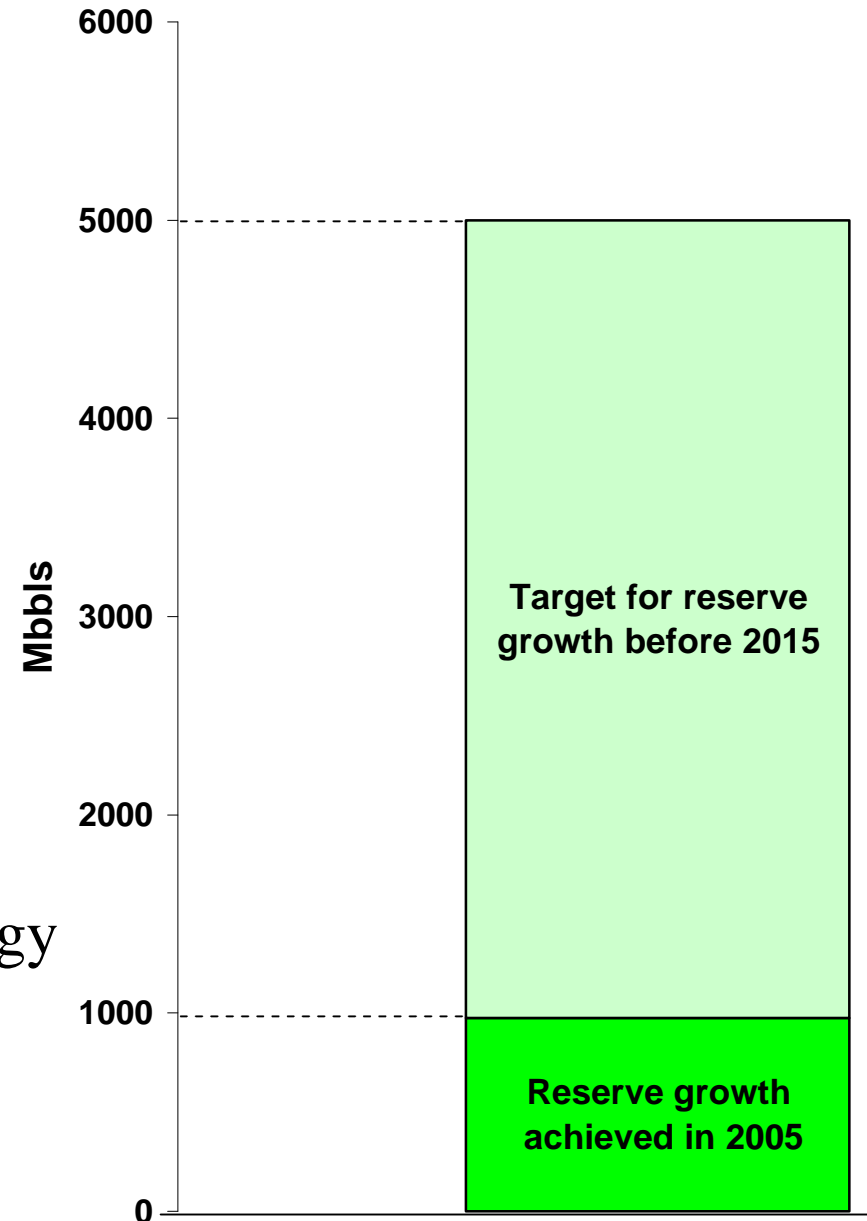


The goal is an increase of the oil reserves over the next ten years of five billion barrels, or 800 million Sm³.

Achieved in 2005: nearly 1 billion barrels

Challenges

- Utilize existing and develop new technology
- Brains and material to get the jobs done



Norwegian petroleum policy and the environment



- W The issue of global climate change is of high concern
- W Continuous challenge related to the marine environment
- W Coexistence a guiding principle
- W Environmental concerns is an integral part of the petroleum policy

Data-, knowledge- and information management



- W The NPD has a long term goal of taking a national responsibility to ensure that data and information from petroleum activities is made available through:
 - W Focus on the national databases that contribute to added value on the NCS
 - W Ensure that knowledge about petroleum activities is communicated to external users
 - W Take an active role towards increased data dissemination in the industry
 - W Increase the accessibility to free information and data by use of NPD's web-page



CORE STORE – Cores from all wells are stored at the NPD

Not all data is digital!



**The NPD makes core photos
available on its website through
Well data summary sheets – WDSS
www.npd.no**



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