

Ireland Atlantic Margin Licensing Round - Phase 1 Awards

Clare Morgan
Head of Technical Section

Petroleum Affairs Division
Department of Communications, Energy and Natural Resources

APPEX, London 1-3 March 2016

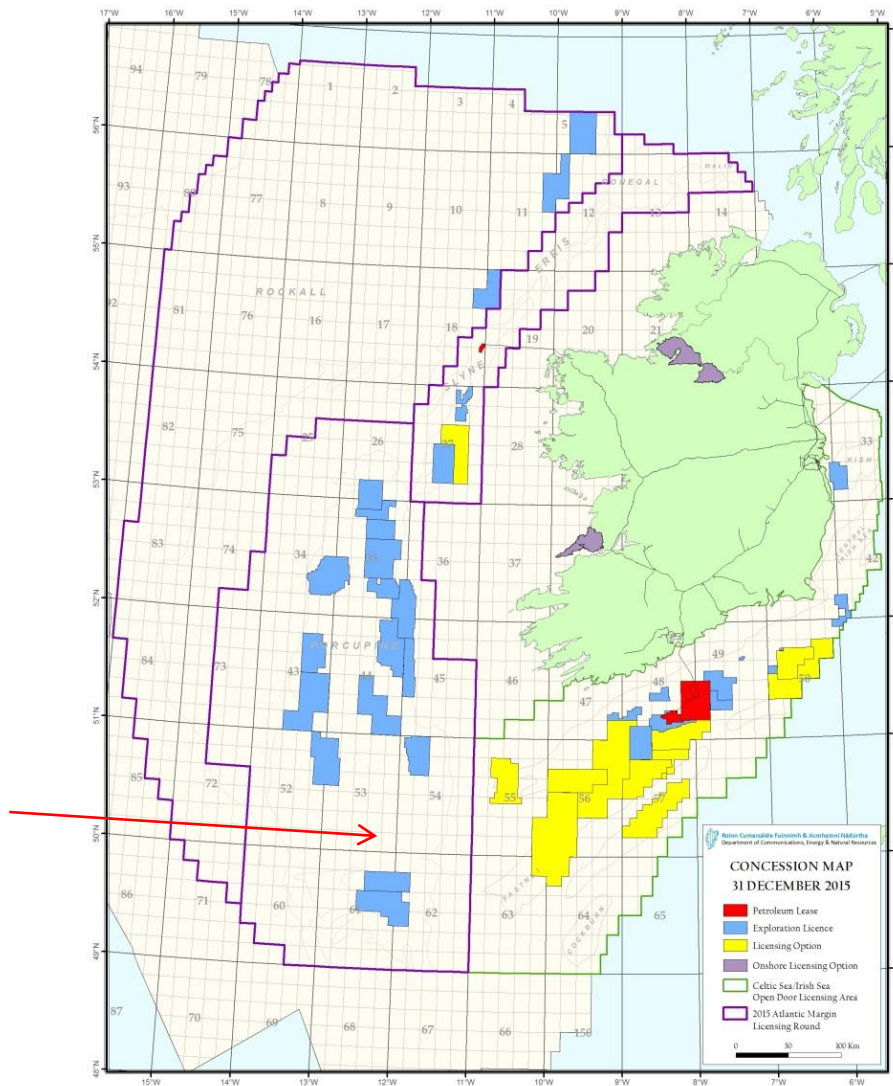


**Roinn Cumarsáide,
Fuinnimh & Acmhainní Nádurtha**
Department of Communications,
Energy & Natural Resources



Exploration Authorisations Offshore Ireland

**South
Porcupine Basin**



**Current Concession Map
31 December 2015**



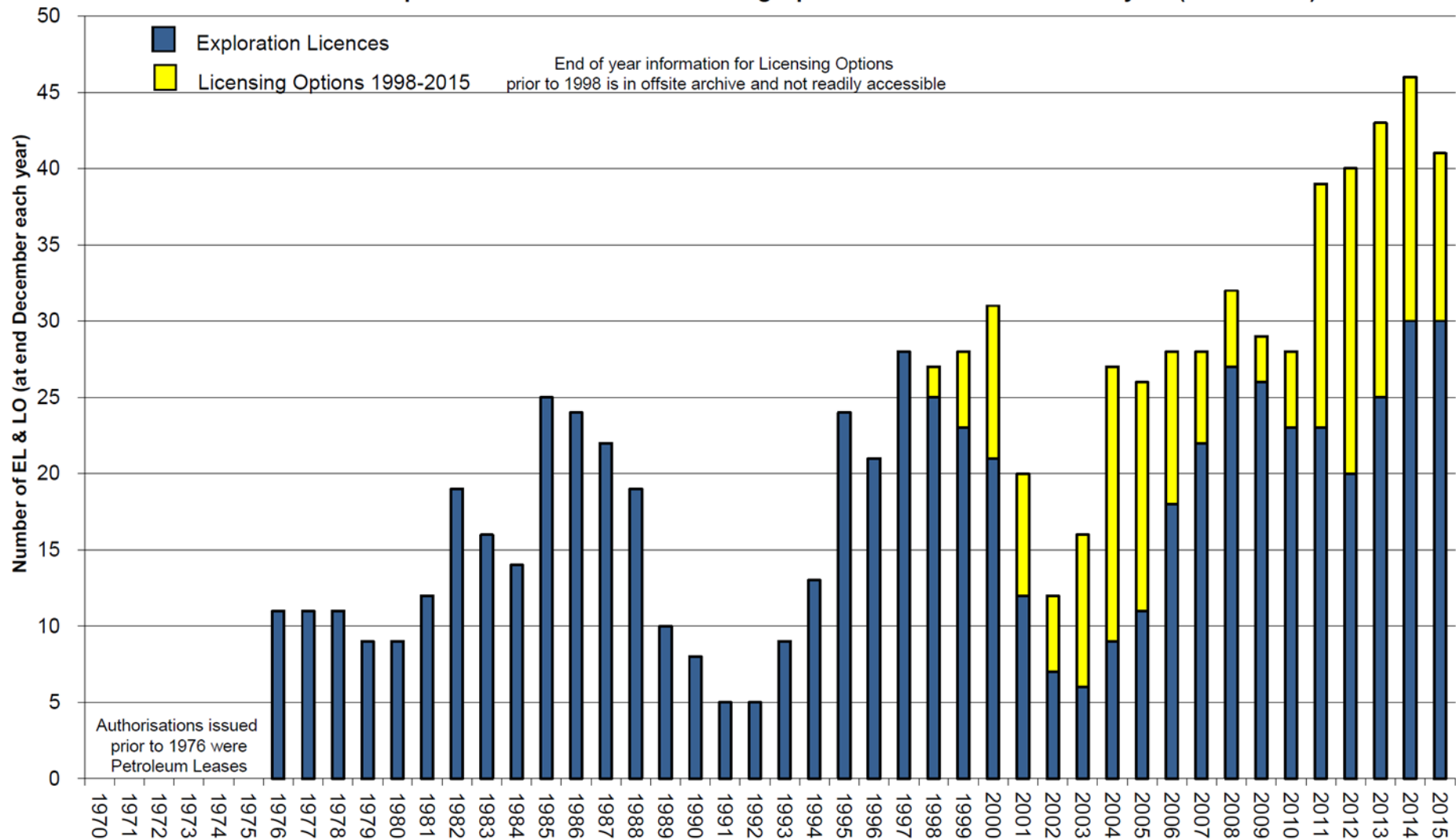
Licences offshore Ireland

Number of Offshore Exploration Licences and Licensing Options at end December each year (1970 - 2015)

■ Exploration Licences

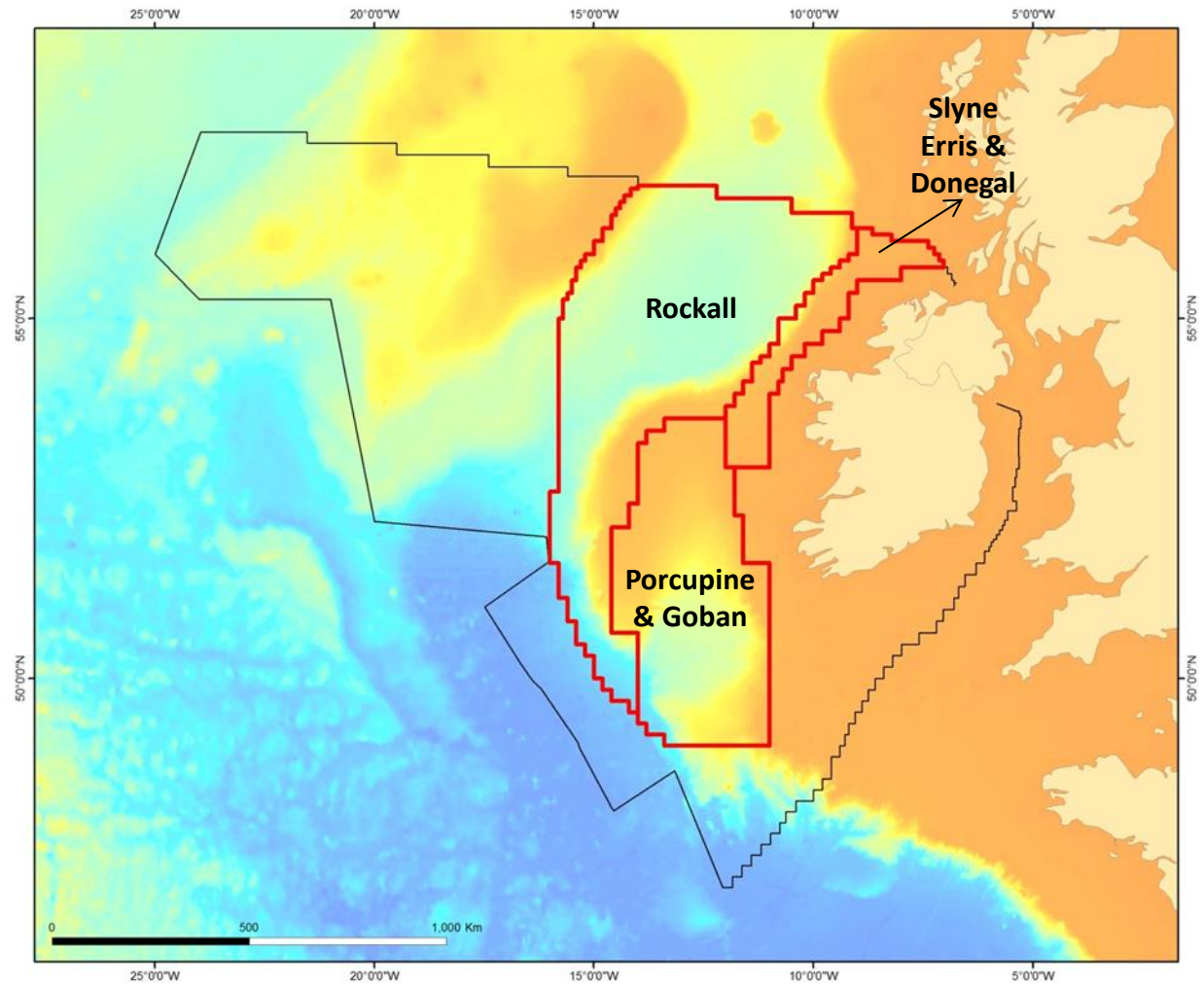
■ Licensing Options 1998-2015

End of year information for Licensing Options
prior to 1998 is in offsite archive and not readily accessible



2015 Atlantic Margin Round Area

Licensing Round Regions —



**Licensing Round was designed and planned having consulted widely.
Underpinned by a considered and deliberate Strategy**

- All basins west of Ireland in one Round
- Advance notice (Round Notice issued 18 June 2014; closed 16 September 2015)
- Allowed for 2 Acquisition seasons
- Larger number of blocks
- Licensing Option

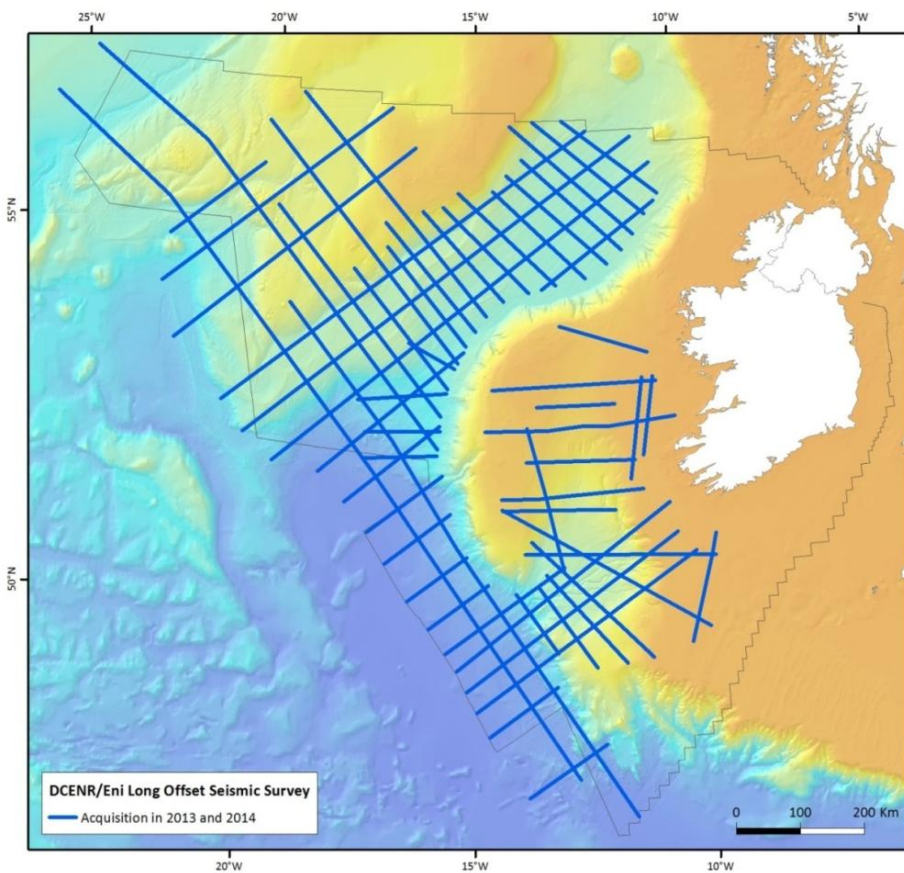
Supported by a number of initiatives to reduce both technical and regulatory risk

- Data gaps addressed
- Dataroom facility
- Promotional campaign
- Petroleum research
- Clarity on fiscal Terms
- IOSEA5

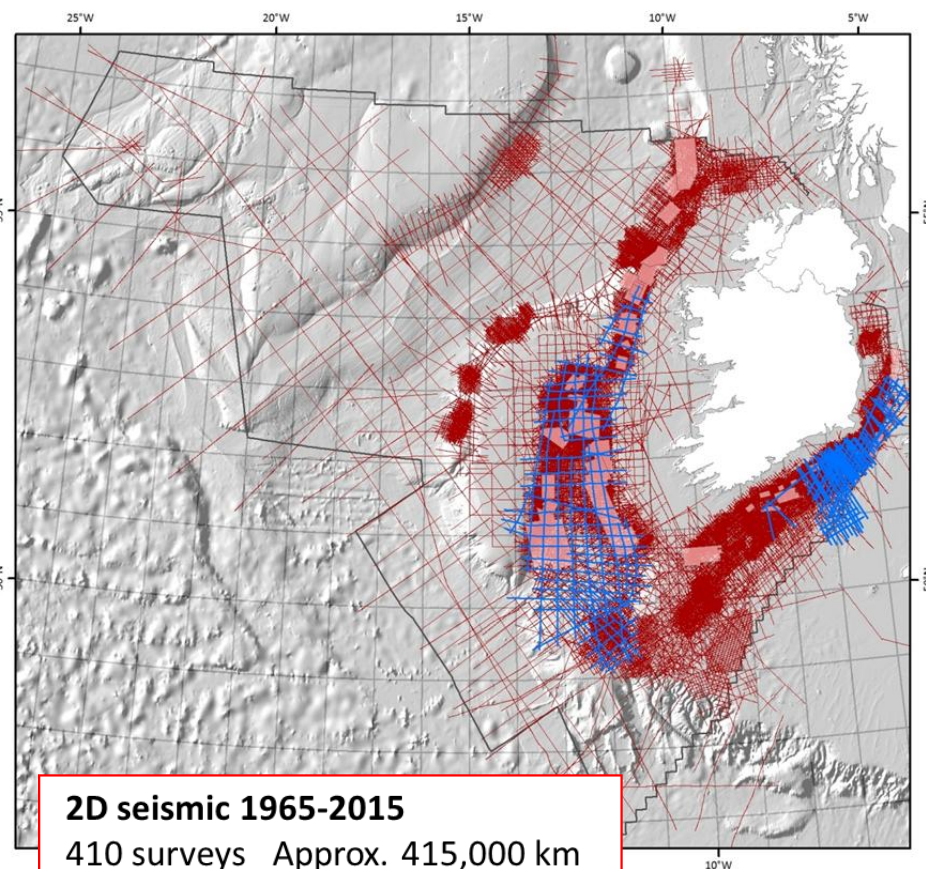


DCENR/Eni regional seismic survey 2013/2014

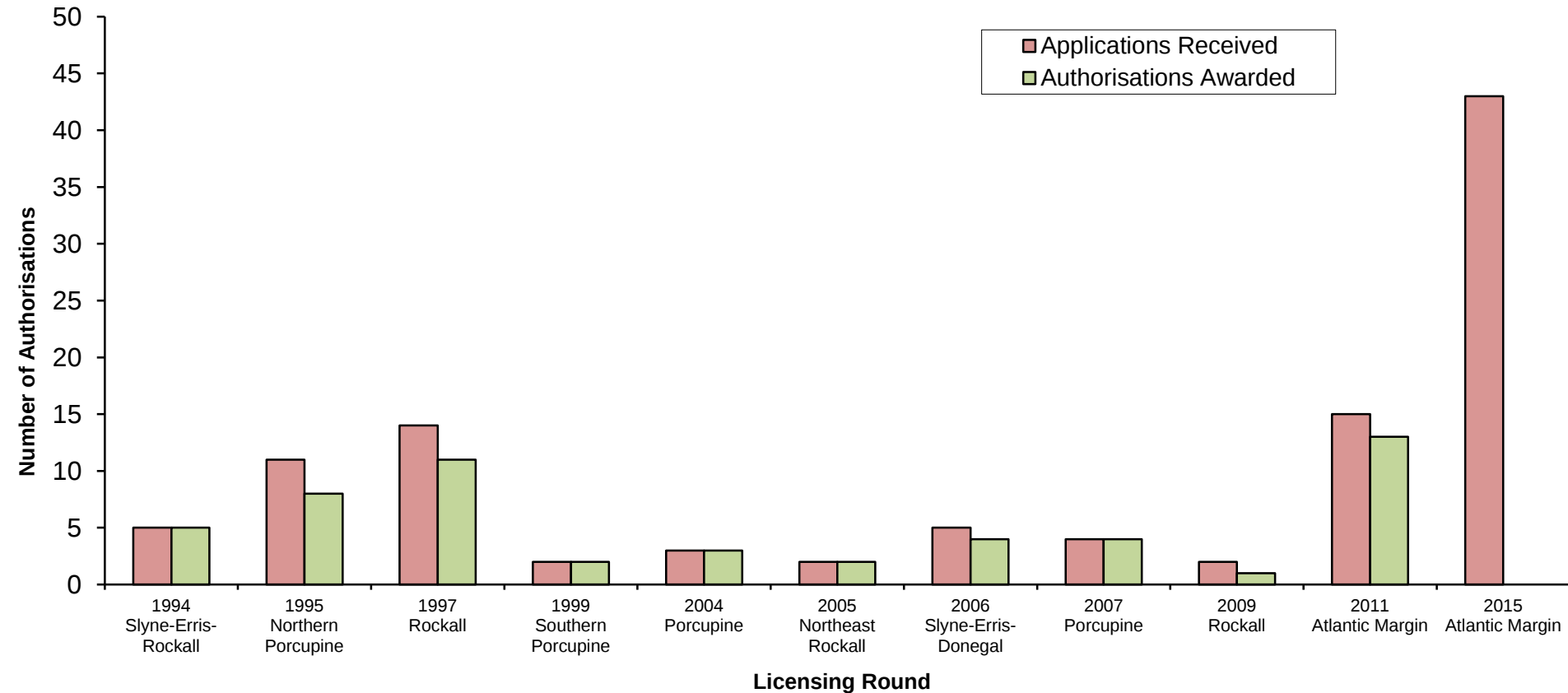
Seismic Database 2015 Seismic Surveys in blue



**Acquired programme
16,800km**



Licensing Rounds offshore Ireland

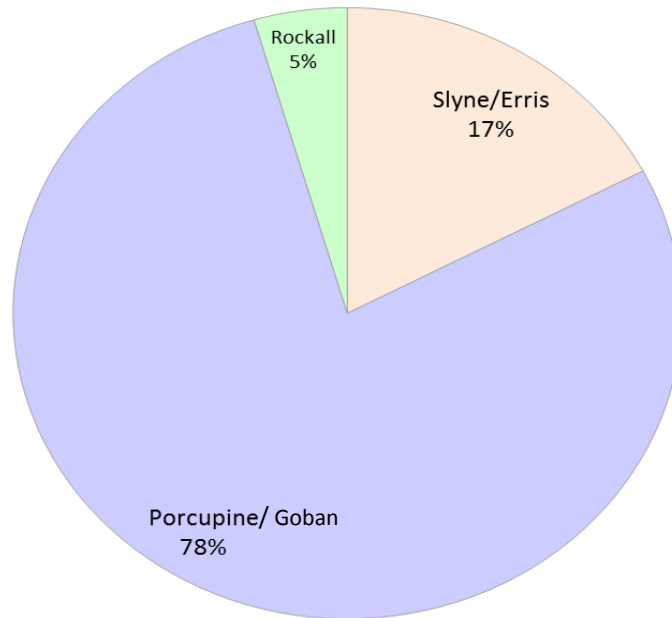


The 2015 Atlantic Margin Licensing Round attracted the largest ever number of applications for a licensing round offshore Ireland



2015 Atlantic Margin Licensing Round

Applications by Region



2015 Atlantic Margin Licensing Round - Highlights

- **43 Applications received in 5 basins (Porcupine, Goban, Slyne, Erris, Rockall) in water depths from 100m to 3000m.**
- **17 companies submitted Applications including new companies to Irish waters.**
- **Porcupine Basin - Applications received over new blocks never licensed before. More than 50% of blocks applied for involve overlapping bids.**
- **135 prospects identified with primary reservoir in Tertiary, Cretaceous, Jurassic and Triassic. Structural and stratigraphic traps identified in Applications.**
- **More than half the companies who submitted Applications used the DCENR/Eni Regional Seismic Survey to inform applications.**



2015 Atlantic Margin Licensing Round - Evaluation

Criteria for Scoring (as outlined in Round Notice June 2014)

Award Criteria

In considering an application the following scoring system will apply:

- (a) The extent to which the applicant has demonstrated an **understanding of the petroleum prospectivity** of the acreage covered by the Round – **10 Marks**.
- (b) The quality of the **work programme** proposed by the applicant (marks will only be awarded for firm commitments made) – **40 Marks**
- (c) The level of **technical competence and offshore experience** of the team that will manage and conduct the exploration programme – **30 Marks**
- (d) Evidence of the **financial capacity** to fund the work programme proposed – **20 Marks**

All applicants were interviewed for clarification purposes



2015 Irish Atlantic Margin Licensing Round – Phase 1 offered Awards

14 new Licence Option awards

Eni, Europa, ExxonMobil, Nexen (CNOOP), Scotia, Statoil, Woodside, BP



2015 Atlantic Margin Licensing Round – Blocks offered for Award

Current Authorisations:

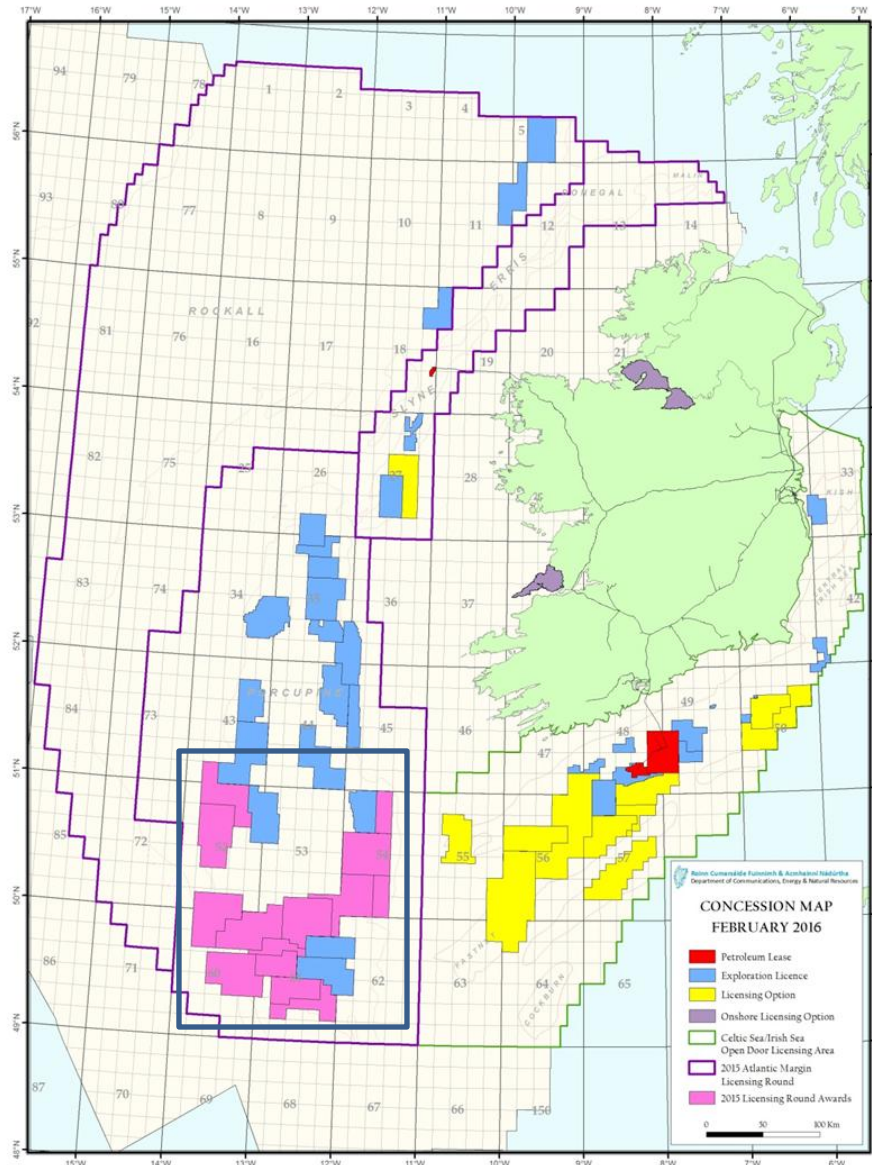
Exploration Licence



Licence Option



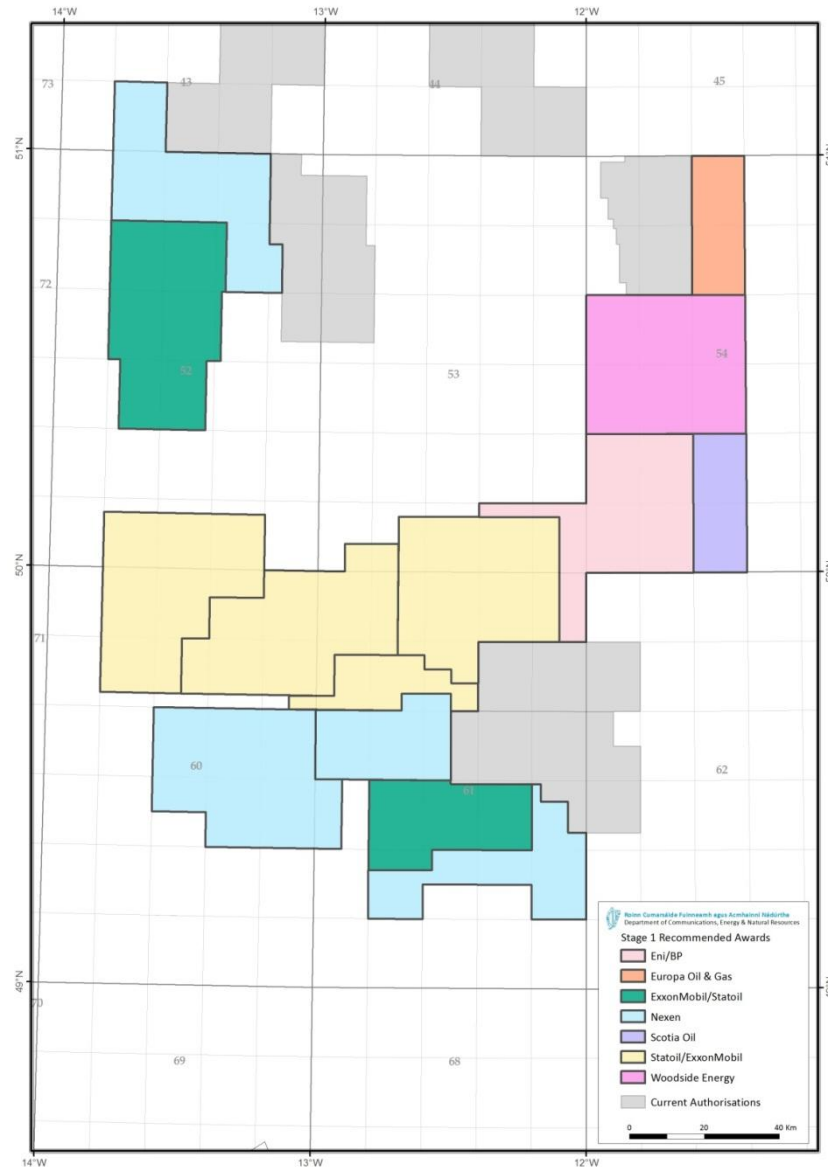
Petroleum Lease



Blocks offered for award



2015 Irish Atlantic Margin Licensing Round – Phase 1 offered Awards

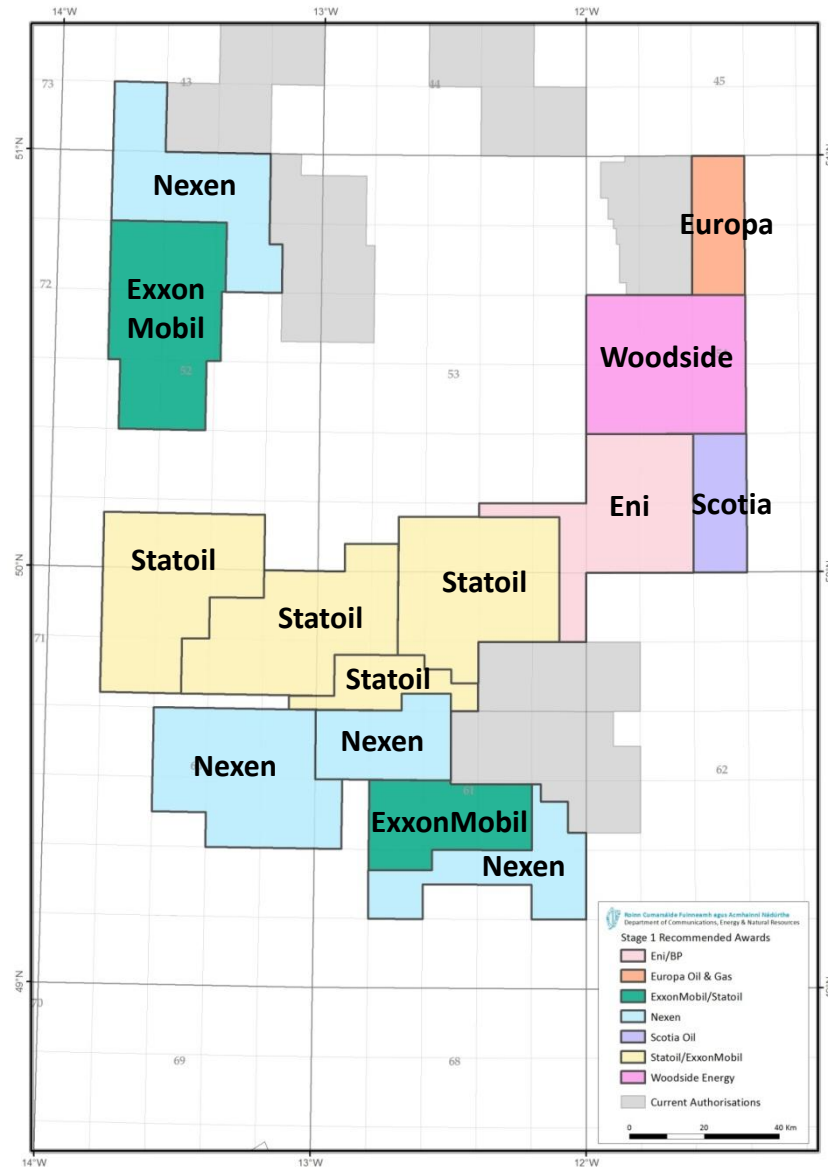


Acreage offered to 7 companies

**South
Porcupine Basin**



2015 Irish Atlantic Margin Licensing Round – Phase 1 offered Awards

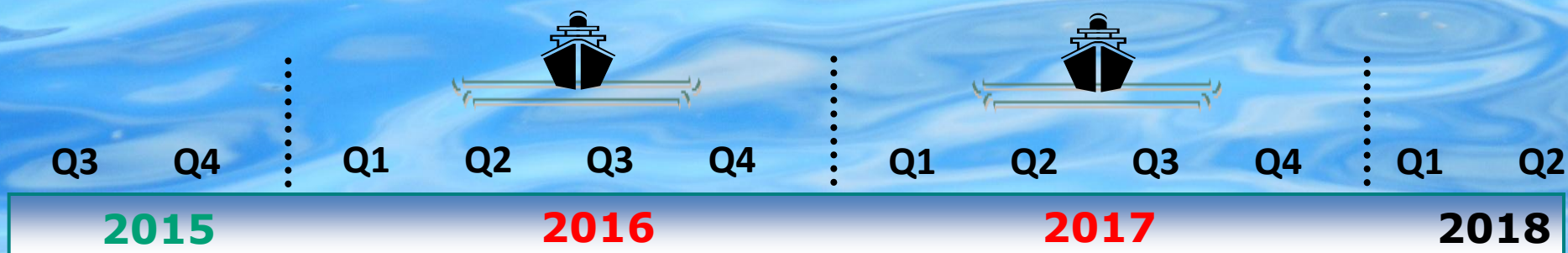


**South
Porcupine Basin**



TIMELINE

2015 Licensing Round



Closing date
16 September

LR
Interviews
P1a mid Dec

LR
Interviews
P2

LR
Interviews
P1b mid Jan

Licence
Conversion.
Option to Expl
Licence



2 Phases of Licence Awards

Target date for Licence award Phase 1 decision is Q1 2016



Target date for Licence award Phase 2 decision is Q2 2016



2015 Licensing Round – Summary and Conclusions

- **Very positive and encouraging outcome. At a challenging time, industry has responded very positively. Licensing Round closed 16 September 2015. There were 43 Applications from 17 companies**
- **Several applications propose seismic acquisition in 2016 as part of work programme. Department understands industry's business timelines**
- **There are 2 stages of Licence Awards. 14 Licence Options offered in Phase 1**
- **Evaluation -**

Phase 1 (completed) : 14 Licence Options offered for award to 7 companies

**Phase 2 (ongoing) : Interviews with Applicants completed by the Department.
Licence award Phase 2 decision is mid-May 2016**

Focus for now is on concluding the evaluation of applications

Exploration momentum offshore Ireland is escalating



IRELAND

your exploration target !

**What Ireland
has to offer**

- Large acreage,
Good prospectivity,
Underexplored basins
- Accessible data
- Strong market demand,
import dependent and
good access to market
- Extensive all island gas network with Interconnectors to the UK
- Favourable terms and a modern appropriate regulatory framework

Booth 10

www.pad.ie

