

Press Announcement

Offer of Awards for the UK's Frontier 31st Offshore Licensing Round

Under embargo until 00:01 on 4, June 2019

The Oil and Gas Authority (OGA) has offered for award 37 licence areas over 141 blocks or part-blocks to 30 companies in the 31st Offshore Licensing Round.

These successful awards act as a strong platform for future exploration and production in frontier areas of the UK Continental Shelf (UKCS) in the Faroe-Shetland Basin, Moray Firth, East Irish Sea, East Shetland Platform, Mid North Sea High and English Channel.

A number of proposed new work programmes have been secured in this round, including new shoot seismic acquisition, with two licences progressing straight to field development planning (second term licences).

Overall, the awards have been offered to a broad spectrum of companies; with super-majors expanding their footprint and new entrant companies investing for the first time.

Dr Nick Richardson, Head of Exploration and New Ventures at the OGA, said: "Exploration on the UK Continental Shelf continues to be revitalised with the results indicating a continuation of the strong interest shown in the previous frontier round, the 29th Round in 2016. It has been very encouraging to see industry generating new prospects and play concepts, and seeking acreage in areas which have never before been licensed, such as parts of the East Shetland Platform, underlining the positive impact of ongoing Government-Funded data initiatives."

The OGA provided a number of incentives to support this successful round and stimulate interest, including a suite of new data and analyses, digital maps, prospect and discovery reports, plus well and seismic data. This includes the data from 2016 Government-Funded Seismic Programme, which provided almost 19,000 km of broadband seismic data, freely available to download, together with approximately 23,000 km of reprocessed legacy seismic data and well data packages.

Attention will now turn to the 32nd Round, scheduled to be launched in Summer 2019, which will provide exploration and field development opportunities in mature areas of the UKCS.

Notes to editors:

- A full list of the awards and maps can be viewed on the <u>OGA licensing rounds</u> <u>webpage</u>.
- The 31st Offshore Licensing Round was launched on 10th July 2018 and closed for applications on the 7th November 2018.
- Applicants have been screened for financial capacity (as well as technical capability and environmental matters).
- Assessments of Environmental and Safety aspects of the applications were carried out by the Competent Authority, in accordance with the Offshore Petroleum Licensing (Offshore Safety Directive) Regulations 2015. Where appropriate, the Offshore Petroleum Regulator Environment and Decommissioning (OPRED) unit within the



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Department of Business, Energy and Industrial Strategy (BEIS) also undertook further Appropriate Assessment of 41 Blocks to comply with obligations under the Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001 (as amended). The Appropriate Assessments were subject to public consultation between 7th February and 21st March 2019. The consultation response was issued on 24th May 2019.

- It should be noted that the licences do not convey permission for development activities including drilling: these require further consents from the OGA.
- Drilling activity, or subsequent development, will be subject to activity specific Environmental Impact Assessment (EIA). The Offshore Petroleum Production and Pipe-lines (Assessment of Environmental Effects) Regulations 1999 (as amended) and the Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001 (as amended) variously require that all activities undertaken in connection with UK offshore hydrocarbon exploration and production are subject to an environmental assessment prior to consent.
- On 1 October 2016, the OGA became an independent government company. As a result, decisions previously held by ministers, including exploration and production decisions and approvals, are now held by the OGA Chief Executive, Andy Samuel.
- The results of the 31st Offshore Supplementary Round will be announced in due course.

Ends

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