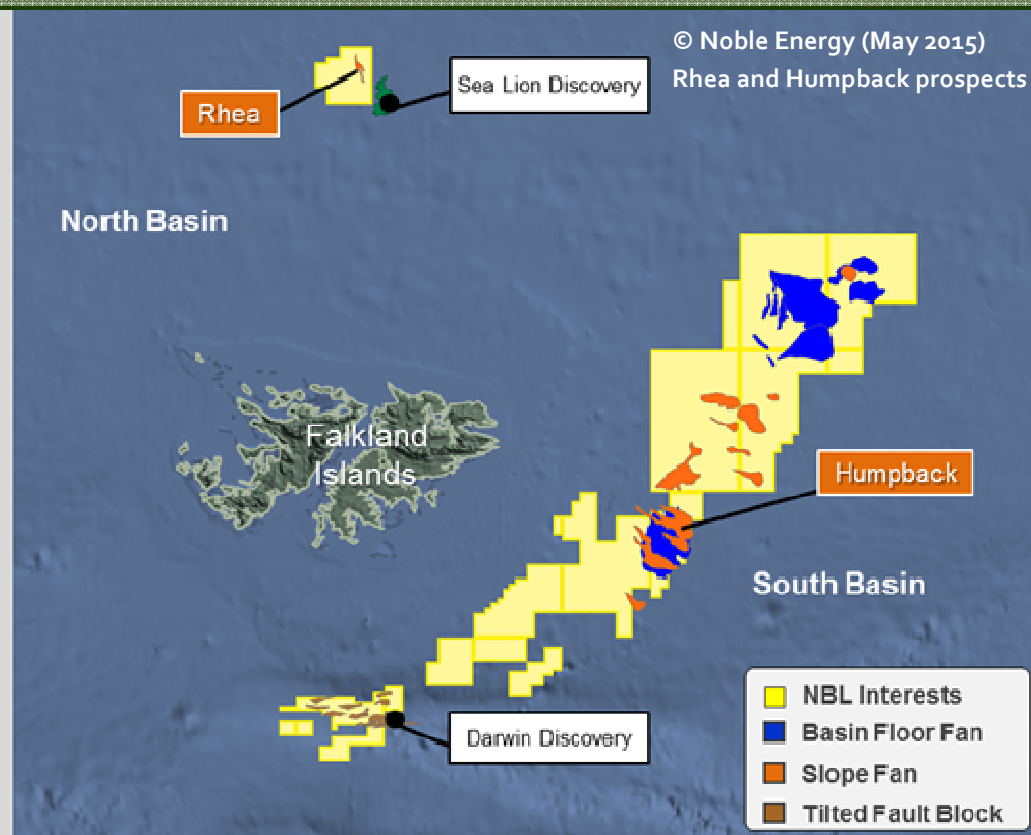


Department of Mineral Resources



Falkland Islands Government Newsletter

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Noble/Argos buy-in

Argos Resources farmed out 100% of their PL001 license in the North Falklands basin to Noble Energy Falklands Ltd (NEFL) (75%) and Edison International (25%). NEFL and Edison will fund all future exploration and production activity at no cost to Argos, who will retain a 5% royalty on any commercial production if successful.

A new map showing the updated license blocks is available online. The Noble map to the left shows PL001 (North West) and the Rhea target in relation to the Sea Lion discovery.

Local Content Update

The relatively new Local Content Register has been made publicly available on the DMR website. As companies and businesses are added, the online register is regularly updated.

Rig moves South following Isobel Deep

Following success at Zebedee (2nd April), Premier Oil announced an oil discovery at their second well of the campaign, Isobel Deep (28th May). Both wells showed similar waxy crude to the Sea Lion oil. Wireline logs were not acquired from Isobel Deep, although the presence of oil bearing sands is very encouraging. Isobel operations have been suspended prior to further drilling and appraisal plans being decided.

Premier handed over the Eirik Raude to Noble Energy Falklands Ltd. on the 8th of June 2015. Noble hold 35% of the license area PL012, 52.5% FOGL and 12.5% Edison. Humpback-1 is currently being drilled in the Falkland Plateau Basin and encountering some challenging winter weather after spudding on 13th June. The deep water (1267m water depth) well is targeting a multiple stacked fan reservoir complex, with an expected total well depth of 5350m.

Noble have submitted documents for an anticipated well in the North Falkland Basin in PL001 since they farmed-in to the Argos acreage. The planned Rhea well requires a full Environmental Impact Statement which was out for public consultation for 42 days. FIG are assessing the full array of drilling submissions for approvals.

Platform supply vessel (PSV) Pacific Legend left the Falklands in early June, and was replaced by Far Scotsman (right). She joins the Pacific Leader and Fastnet Sentinel, respective PSV and emergency response vessels for the Eirik Raude.



© Farstad—Far Scotsman PSV

DMR and BGS attend annual AAPG event

The Association of American Petroleum Geologists, Annual Convention and Exhibition, Denver, Colorado 31st May—3rd June 2015.

Staff from the Department of Mineral Resources, Roddy Cordeiro and Emily Hancox joined British Geological Society colleagues Phil Richards, Thomas Dodd and Kirstin Johnson at AAPG in Denver. The team hosted the Falklands stand at the International Pavilion. Kirstin gave a talk about the petroleum geology of the Falklands and presented some of the latest seismic interpretation. This positive data was backed up by the “Falklands Open for Business” attitude from the rest of the team.



© EH The relay ramp leading up to Delicate Arch

There was a lower turnout than previous years, due to the drop in the oil market and subsequent scaling back on expenditure for many companies and organizations.

Following the conference, Projects Officer Emily Hancox joined a group from the British Geological Survey on a field trip to Utah. A steep learning curve alongside the team of geologists ensued. Beginning just south of Salt Lake City is the Stockton Bar, a barrier bar/spit complex that was part of the shoreline of the ancient Lake Bonneville 10-15,000 years ago. This can be seen as analogous to the North Falklands Basin (NFB) and the eastern margin of the Orca Ridge.

Further southeast we studied road cuttings through the Uinta Green River formation, a lacustrine system which has produced 450m barrels of oil and is similar to the lacustrine source rocks of the NFB. Continuing south we stopped at prograding, stacked beach



©EH Overlooking Dead Horse Point State Park & stratigraphy of the Paradox Basin

and deltaic outcrops that are directly comparable with some of the exploration targets for the NFB, South Foreland Basin and Falkland Plateau Basin.

A hike up to Delicate Arch traverses a relay ramp feature; these allow a point of entry for sediments into basins and are similarly found in both the NFB and the Falklands Plateau Basin. Although the tectonic controls are very different, the graben systems and hanging walls adjacent to relay ramps correlate to the southernmost part of the NFB, i.e. where Isobel Deep was drilled.



©EH Petrified dune system

The field course covered a variety of depositional environments, from fluvial and marine systems, to petrified sand dunes. Each exploration locality took us to a different point in geological time where we were introduced to the stratigraphy and encouraged to discuss the formation of each feature and subsequent faulting, weathering and related petroleum geology.



BOSIET certifications for FIG

Four FIG officers have recently returned from the UK holding BOSIET certification. BOSIET (basic offshore safety induction and emergency training) is a pre-requisite before any personnel visit an offshore rig. Included in the course is helicopter survival, emergency first aid, sea survival, fire fighting, self rescue and lifeboat training. The helicopter module used for the training matches the specifications of the Bristow S92's that are currently in use in the Islands.

UK offshore oil and gas industry standards have become more rigorous and it has become important to have FIG personnel equipped with the basic skills. Roddy Cordeiro (Mineral Resources) and Malcolm Jamieson (Harbourmaster), undertook their training in Aberdeen at Survivex and Petrofac respectively and are now Nominated Inspectors for the offshore industry. The certification will allow them to travel to the rig in the event of an incident to carry out preliminary data collection prior to fully trained inspectors being mobilised to the Islands from the Health & Safety Executive in the UK.

Paul McDade and Tim Wilson (Royal Falkland Islands Police) both attended the Marine Safety Training Centre at Tyneside College.

PC McDade said “I found the training to be quite enjoyable despite hearing all the ‘horror’ stories beforehand; it wasn’t as bad as people make out!”

