



Nuuk, January 2005

PRESS RELEASE

Exploration for oil and gas in West Greenland West Greenland licence policy

The Disko-Nuussuaq region offshore West Greenland is being prepared for public call for licences

The former open-door onshore and offshore areas in the Disko-Nuussuaq region between 68°N and 71°N (see map) are closed for applications for exclusive hydrocarbon licences from 1. January 2005 until 31. December 2006.

However, the areas are still open for applications for non-exclusive prospecting licences and applications for prospecting licence activities will be approved after the standard rules.

The closing of the area follows the oil and gas exploration strategy for Greenland approved by the Greenlandic and the Danish governments in 2003. The strategy also included the 2004 Licence Round offshore West Greenland between c. 63°N and c. 68°N, which will result in a new exclusive licence, that will be awarded in January 2005.

New geophysical data, including gravity data and seismic surveys, showing deep basins and some major structures in the region not far from hydrocarbon seeps of the Disko-Nuussuaq area, add significant new knowledge about the hydrocarbon potential.

The Government of Greenland has in accordance with the strategy implemented an overall plan of action, with the purpose before 2006 terminates to decide the future licence policy for the Disko-Nuussuaq area. The licence policy will also include selected areas of the recent licence rounds further south.

The period will be used for a geological evaluation of the prospectivity and an evaluation of terms and conditions in order to decide possible changes in the status of the area (sub areas designated for a) future licensing rounds, b) an open-door policy and c) special procedures).

Acquisition of seismic data is planned for the summer 2005. Thus, it is expected, that 1500 km to 2000 km seismic data offshore Disko-Nuussuaq will be acquired. These data will be processed in early 2006 and will, after interpretation and evaluation, be included in an overall up-to-date evaluation of the exploration possibilities, which will be presented to the oil industry in the summer 2006.

Furthermore, an Environmental Impact Assessment (EIA) of the area will be performed in advance of re-opening the area. The EIA will focus on possible consequences of hydrocarbon

activities for the environment. Such assessments is international standard today and are performed before opening of environmentally sensitive areas for hydrocarbon exploration, such as in the Barents Sea and Lofoten in Norway.

Jørgen Wæver Johansen, Minister for Minerals and Petroleum, states:

The inclusion of the Disko-Nuussuaq area in the future licence policy marks a very exciting development of the hydrocarbon exploration offshore West Greenland. Thus, it is naturally, that the Bureau of Minerals and Petroleum and GEUS jointly perform a number of projects with the purpose to analyse and substantiate the results so far, and not least to analyse the recently collected samples of the oil seeps from the Disko-Nuussuaq area. Furthermore, it is an important step, that we now are able to provide a more detailed documentation with further seismic acquisition in the summer 2005, of the previously discovered deep basins and major structures in the region.

Further questions concerning licence terms or the licensing policy may be directed to Mr. Jørn Skov Nielsen, Head of Department, Bureau of Minerals and Petroleum (phone +299 34 68 06; e-mail: jsn@gh.gl). Information is also available on our web-site www.bmp.gl.



The orange area (68°N-71°N) is closed for applications for exclusive licences until 31. December 2006. The 2004 licence areas are also marked.