



Press Announcement

The OGA awards 25 licences in 29th Offshore Licensing Round

The Oil and Gas Authority (OGA) has offered for award 25 licences for 111 blocks or part blocks to 17 companies in the 29th Offshore Licensing Award to enable further exploration and production across frontier areas of the UK Continental Shelf (UKCS).

The 29th Licensing Round was the first licensing round in two decades to focus solely on frontier, under-explored areas of the Rockall Basin, Mid-North Sea High, and part of the East Shetland Platform. It attracted applications from 24 companies for 113 blocks when it closed in October 2016.

All areas generated interest, with highlights including: three firm well commitments in the near-medium term, work programmes involving the application of new technology, and three new entrants to the UKCS. Two areas, Rockall and Mid-North Sea High, were the focus of the 2015 UK Government funded seismic acquisition programme which acquired an extensive new geophysical dataset. The OGA subsequently provided an openly available, subsurface data package allowing companies to identify and target a range of opportunities. This was cited by companies as critical to stimulating their applications.

Andy Samuel, OGA Chief Executive, said: “The £20 million investment in new seismic for the Rockall and Mid-North Sea High areas, subsequent release of 40,000 kilometres of new and reprocessed data, combined with the work of the MER UK Exploration Task Force in developing the Innovate Licence, and a stable and competitive fiscal regime has resulted in a number of quality applications in this frontier Licensing Round.

“We are particularly pleased to see firm well commitments, the targeting of new and under-explored plays, and first-time entrants to the basin, alongside a number of established companies, which will help stimulate further activity and value creation.

“While exploration activity has undoubtedly suffered as a result of the difficult market conditions, we are now seeing highly encouraging success rates and finding costs on the UKCS. This is testament to the value of a robust and focused exploration strategy with commitment from industry, government and the OGA.

“The upcoming 30th Offshore Licensing Round will focus on mature areas and is expected to be the most significant offshore round in recent decades. An extensive number of prospects and undeveloped discoveries will be on offer. Ahead of the launch, we will be releasing information packs on a number of these opportunities. The 30th Round is likely to be announced during the latter half of the second quarter of 2017, and will be open for 120 days.”

The OGA’s 2016 Supplementary Round closed for applications on 7 March 2017 and attracted fifteen applications for eleven blocks in all. Consideration will now be given to the applications, with awards to be announced later this year.

ENDS



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Notes to editors:

- The 29th Offshore Licensing Round was launched on 27 July 2016 and closed for applications on the 26 October 2016.
- Further information on OGA Licensing Rounds is available [here](#). This will be updated at 00:01 Thursday 23 March to reflect the 29th Licensing Round.
- Applicants have been screened for financial capacity (as well as technical, safety and environmental capability), and all those recommended for the offer of an award appear to have sufficient financial backing for the commitments they would be taking on.
- It should be noted that the potential 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 2015/2016 UK Government funded seismic acquisition programme acquired 8,896 km of full-fold seismic in the Rockall Trough area, and 10,849 km of full-fold seismic acquired in the Mid-North Sea High. The data were published under the Open Government Licence on 31 March 2016. This was supplemented by additional reprocessed legacy seismic data and conditioned well datasets.
- Data are available to download via Common Data Access (CDA). Common Data Access (CDA) is an operating subsidiary of Oil & Gas UK, set up in 1995 to provide cost-effective data management services to its members and to the UK oil industry in general.
- The 2016/2017 UK Government funded seismic acquisition programme across offshore areas of South West Britain and the East Shetland Platform will inform future frontier licensing rounds. More than 13,500 km of new seismic data plus approximately 20,000 km of reprocessed legacy seismic data is scheduled to be released to industry in Q3/Q4 2017.

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