



**NORWEGIAN PETROLEUM
DIRECTORATE**

**Guidelines
for completing the
reporting file**

RNB 2012

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1 INTRODUCTION

1.1 The purpose of the reporting

Pursuant to Section 50a of the Regulations to the Petroleum Act, operating companies shall submit data for use in the revised national budget (RNB). "Reporting shall include corporate financial data, projects, resource volumes and forecasts for production, costs and environmental discharges/emissions as specified by the recipient." Each autumn, all operating companies submit data and forecasts for their respective operated fields, discoveries, transport- and land facilities.

The reporting to the RNB comprises part of the basis for the Government's oil and environmental policies, the fiscal and national budget. The petroleum activities account for a substantial percentage of Norway's gross domestic product and total exports. These forecasts are important, and great emphasis is therefore placed on ensuring that high-quality reporting is provided within the stated deadlines.

The Norwegian Petroleum Directorate (NPD) quality-assures and organizes the data reported by the companies. The NPD also prepares its own estimates and classifies the resources based on its own assumptions. Based on this, the NPD updates the resource accounts for the Norwegian shelf and prepares overall forecasts. The forecasts are sent to the Ministry of Petroleum and Energy (MPE) and to the Ministry of Finance (FIN). The basis of figures from the forecasts and the resource accounts are incorporated in a number of analyses and various publications, such as the "The petroleum resources on the Norwegian continental shelf" and "Facts – the Norwegian Petroleum Sector".

Please make use of the comment spaces; this will benefit to our understanding of changes in the prognosis per project and the NCS in total. This will also make the quality control of the data sets more efficient.

1.2 Schedule, reporting format and contact persons

Schedule

The NPD will make the following available to the operators by 1 September:

- Dispatch letter
- Reporting file
- Guidelines for completing the reporting file for RNB2012
- Project list

The project list with comments and proposed changes, if any, shall be returned to the NPD **by 16 September**. The operators' deadline for submitting the reporting file to the NPD is **15 October**.

The guidelines are provided both in English and Norwegian. The reporting file is in English, but contains some Norwegian phrases. There are technical reasons for this; there are no explanations to English phrases in the reporting file. If this is a problem, please contact the NPD.

Changes in relation to the reporting that follow from budget consideration in management committees in the production licences after 15 October shall be submitted to the NPD as soon as they are available, and no later than 15 December.

Reporting format

Data shall be reported electronically in accordance with the format given in the reporting file (Microsoft Office Excel 2003). No changes shall be made in the layout of the spreadsheets, nor can there be any links to other spreadsheets in the file submitted to the NPD.

A name must be assigned to the reporting file in accordance with the rules stated in Chapter 4.2 Saving the reporting file.

Contacts

In the event of questions concerning the reporting, contact persons in the NPD are stated in the reporting file and in Chapter 11 of these guidelines. The operator must also state contact person with e-mail address and telephone number in each reporting file.

1.3 Changes from last year's reporting

For recoverable resources of NGL, high, basis (expected value) and low estimate should be reported. This refers to the table under 2b in the reporting file, sheet "Generell info og kommentarer" and in the profile sheets, top table "Project overview incl. recoverable resources".

Blow-down of gas caps should be reported in a separate profile collection.

It should be reported how the demand for power related to projects in RK3-5 shall be met. This should be reported under the attributes in the table on top in the profile sheets, drop-down list in column AD, for more information see chapter 6.9.

To systematize the files reported and be able to compare with earlier reports, a consistent naming of the files is very important. This year the operators are asked to add the reporting year to the file name to identify the year of the RNB-reporting. Please name the files according to the examples shown below:

- "statfjord_rnb2012.xls"
- "2-12-1 mjølner_rnb2012.xls"
- "gassled A_rnb2012.xls"

1.4 Quality Assurance

It is important that the operator has carried out an internal check to ensure good quality of the data before submission to the NPD. If the NPD finds errors, lack of information or ambiguities in the received report, the file will be returned with comments entered on the spreadsheet marked "Tilbakemeldingsskjema". The operator must submit a new, corrected report or response to the comments.

The reporting file also contains a number of functions for quality assurance. For more information, see chapter 9 – Quality Assurance.

2 WHAT IS TO BE REPORTED

2.1 Main categories: Field, Discovery, Pipeline etc.

The reporting distinguishes between field, discovery and pipeline etc. The table below gives a definition of the categories.

Category	Description
Field	One discovery, or several discoveries combined, which the licensees have decided to develop and for which the authorities have approved, or granted exemption for, a Plan for Development and Operation (PDO).
Discovery	A petroleum deposit, or several petroleum deposits combined, discovered in the same well, and which through testing, sampling or logging have shown a probability of containing mobile petroleum. The definition covers both commercial and technical discoveries. In RNB-context, only discoveries which are not already part of a field are included.
Pipelines	Pipelines, transport systems inclusive terminals

Designation of fields, discoveries and pipelines etc. shall be according to the NPD project list, see Chapter 2.3 - Project list. A drop down list is available in the reporting file, see Chapter 5 – Completing the Reporting File “General info and comments”.

2.2 Projects in fields, discoveries and pipelines etc.

Fields, discoveries and pipelines etc. contain one or several projects. Project is a basic definition in the NPD resource classification of petroleum volumes.

All recoverable petroleum volumes must be assigned to a so-called project. A project represents the connection between a petroleum volume and the decision process, including budget allocation. Generally speaking, a project will represent a specific level of maturity when a decision is made as to whether or not to proceed (i.e. to spend money). A project has an associated volume of petroleum with a range of uncertainty. For example, a project in a field or a discovery can represent development of a single deposit, or it can represent a specific **measure** on a field. The term is also used for pipelines. A project in a pipeline can for example be a new pipeline or a new compressor.

Each project should be placed in resource categories based on the maturity of the project, see chapter 3.1 - The NPDs resource classification. Several projects can be included in one profile collection, but only if the projects are in the same resource category. For more information, see chapter 6 “Completion of the spreadsheet” – profile 1-9 (= profile collections)

For mutually exclusive projects, only the most probable project should be reported.

2.3 Project list

Before the reporting, the NPD will send a project list to each operator. The projects for which the NPD expects reporting are listed in the project list, which is based on last year's reports. The operator must review the project list and return it to the NPD with comments and any proposed changes by 17 September. Changes may include e.g. changes in project names or resource category, new projects or new discoveries not included in the enclosed list, or projects that should be removed from the list.

3 REPORTING STRUCTURE

3.1 The NPDs Resource classification

Reporting of projects shall be in accordance with the NPD's resource classification, which is available on [NPDs Resource classification](#).

For recovery projects, both volumes in place and recoverable volumes must be reported. Low, base and high estimates shall be reported for the petroleum volumes. For projects with Attribute A, no in-place volumes need to be reported.

Projects connected to pipelines and terminals are classified according to decision status (planned, decided, approved), similar to classification of recoverable volumes.

The table below show the NPD resource classification.

	Status	Resource class (RC)	Project status category		
			Resource category	Description	
Total recoverable resources	Discovered resources	Historical Production	0		Sold and delivered petroleum
			1		Reserves in production
		Reserves	2	F A	Reserves with an approved plan for development and operation
			3	F A	Reserves which the licensees have decided to recover
			4	F A	Resources in the planning phase
		Contingent resources	5	F A	Resources where recovery is likely, but not clarified
			6		Resources where recovery is not very likely
	7		F A	Resources which have not been evaluated	
	8			Resources in prospects	
	Undiscovered resources	Undiscovered resources	9		Resources in leads, and unmapped resources

The resource categories are further divided according to Attributes "F" and "A".

First oil/gas (F): Recoverable petroleum resources are given the attribute (F) First when these are related to current estimate of in-place petroleum quantities. (F) First is used for RC 2, 3, 4, 5 and 7. Additional resources in fields are also classified as (F) First.

Additional oil/gas (A): Petroleum resources are given the attribute A if connected with improved recovery compared to current estimate (F) for recoverable resources. (A) resources are normally positive, but can also be negative, for example where improved recovery requires use of gas, or where the aim of improved recovery is to accelerate production or to reduce production costs without any negative effects on the recoverable resources. Additional (A) is used in RCs 2, 3, 4, 5 and 7.

Below is a short description of the resource categories (RC). If there is any confusion related to the short description, the definitions in the NPD's resource classification will apply.

Historical production

RC 0 includes petroleum quantities that have been produced (sold and delivered).

Reserves

RC 1-3 represent petroleum quantities associated with projects in fields in production, projects which have an approved plan for development and operation, or projects where the licensees have decided to recover the petroleum. Projects containing gas, where a production schedule has not been decided, but where the gas may be produced and sold later without major investments, should be reported in RC 3. This presupposes that downstream infrastructure is available.

Contingent resources

RC 4, 5 and 7 represent petroleum quantities in projects where a development decision has not yet been made. Recoverable resources in new discoveries where the discovery evaluation report has not yet been submitted to the authorities and thus have only a preliminary resource estimate, should be reported in RC 7. A project should be reported in RC 5 until a decision on concretization has been made. When the decision on concretization has been made, the project should be moved to RC 4.

RC 6 comprises resources where recovery is not very likely. The category should not be used for improved recovery on fields.

Undiscovered resources

RC 8 comprises undiscovered petroleum quantities in mapped prospects. The total risk-weighted recoverable resources in prospects that lie partly or completely within the field's/the discovery's licensed area shall be reported.

The term RC 0+1 has been established to show total recoverable quantities from a project based on the current understanding of the size of these quantities. The quantities in projects which are in production should be reported in RC 0+1.

Expected resource category as of 31.12 of the current year shall be used as a basis. If, however, a decision is expected by the end of the current year (31.12) for the project that will entail a change in the project's resource category, the project shall be reported in the category that results from such decision. An example of this is a decision to submit a Plan for Development and Operation (PDO) to the authorities before the end of the year. This will change the classification of the project, normally in RC 4 (F or A), to RC 3 (F or A).

3.2 Problem areas

3.2.1 Fields with additional volumes in contingent resources

The following conditions must normally be met before a project can be reported as contingent resources in a field, instead of being included in the reserves of the field:

- **Projects must deviate from the normal optimization** within the current recovery strategy,
 - "More of the same" shall normally be reported as reserves
 - An exception to this is made if wells are drilled and the field does not have a functioning drilling facility and must obtain a drilling rig or upgrade the drilling facility. In cases of uncertainty with regard to the need for upgrading, a continuation of today's functionality shall be reported as reserves, while improvements beyond this shall be reported in a higher resource category, as contingent resources (RC 4 or RC 5).
- **Costs must be associated to the project**, and the investments must be significant for the field/discovery
 - For example, projects such as "improved reservoir management, improved sweep" shall be reported as reserves.
- **The project must undergo a defined decision process** with milestones/decision gates

- Quantities resulting from decisions regarding new wells, etc. expected to be made during the normal annual budget process in the future shall be reported as reserves. Exception for measures that will result in significantly longer lifetime for the field

According to these requirements, projects with contingent resources in fields can include:

1. **New recovery method or significant expansion** of existing recovery method that will yield extra reserves and a higher recovery factor if implemented (RC Attribute A), or
2. **New segment/ part of the reservoir** not currently in production/PDO-approved and which will yield increased STOOIP/GIIP (RC Attribute F), or
3. **Change to new form of operation** /new/modified facility that will yield higher/accelerated production and possibly also lower costs.

Examples of projects that are normally to be included in the reserves:

- ◆ Well maintenance (assumed to be necessary optimization)
- ◆ 4D seismic
- ◆ Improved "sweep" with optimized drainage (assumed to be necessary optimization, unless new technology must be developed)
- ◆ New wells to be drilled using available technology
- ◆ Integrated operations
- ◆ Make production facilities more robust/remove bottlenecks

Quantities from all projects with wells mentioned below shall be reported as reserves in a resource category. If the operator wishes, quantities from well projects classified as reserves can be reported in separate consistent profiles, as follows;

- ◆ RC 0+1: Quantities from projects with wells in production
- ◆ RC 2: Quantities from projects with wells with approved budget
- ◆ RC 3: Quantities from projects with wells that with great probability will be drilled. Shown in the long range plan for the production licence as basis for future activity and to be drilled from a drilling facility which is available for the production licence.

3.2.2 RC 6 - fields and discoveries

Improved recovery measures on fields (Attribute A) which have been evaluated and found to be unprofitable, shall not be reported in RC 6. If the measure may become profitable after a new evaluation or with new technology, it can be included in RC 7A.

RC 6 is used for deposits which, even in the long-term, probably cannot be recovered profitably, and resources in minor, non-tested discoveries where recovery is not very likely. If the deposit is a supplementary resource to a field, it is reported under the field. Stand-alone discoveries are to be reported separately.

3.2.3 Undiscovered resources in/nearby fields and discoveries

Undiscovered recoverable resources in or nearby fields and discoveries will either be tied to prospects or undrilled segments in the field/discovery, which for different reasons are not defined as a prospect. The main rule is that undiscovered, recoverable risked volumes should be reported in RC 8. Risked volumes are calculated by multiplying expected recoverable petroleum quantities, given a discovery, by the probability of making a discovery. The total of risked volumes that lie completely or partly within own licensed area and which, given discovery, can be recovered in connection with the field/discovery shall be reported. Prospects that extend over the borders of the production licence, or into adjoining production licences are to be reported as total risked volumes. Please ensure that the prospect is not also reported by the same operator in connection with other fields or discoveries. In some cases where the discovery probability is high and the volumes are included in the base of a development solution, undiscovered resources may, in agreement with the NPD, be categorised differently.

4 THE REPORTING FILE

The reporting file has been prepared in Microsoft Office Excel 2003. The file contains several built-in macros.

Therefore, no changes shall be made in the layout of the spreadsheets, with the exception of entering data in the white cells.

Emphasis has been placed on validation of data in the reporting file. This takes place in two ways:

- by controlling the entries in cells using list boxes/drop-down menus.
- consistency checks of the data after entry

The consistency checks can result in various messages. Possible errors must be checked and corrected, or comments regarding the cause of the message must be provided.

4.1 Opening the reporting file

The table below shows the spreadsheets in the reporting file. Not all of them are visible when opening the reporting file for the first time.

Heading	Purpose	Comments	Chapter
Introduction	Information to the report issuer	No data to be filled in	
General info and comments	Basis information on fields, discoveries, pipelines etc. For fields and discoveries, resource information and information on exploration activity should also be included.	New Profile collections (Profilsamlinger) can be opened from this file.	5
Tariff income	Give an overview of income from use of facilities by others.	Should not be used for discoveries	7
Cost Control	Quality assurance.	Provide some data/comments	9
Profile collections (Profile 1 – 9)	Yearly data, resource information and information on projects that has not been decided and production start. ("Project attributes") Consistency checks.	To be opened by the report issuer, should not be used for RC 6 and 7.	6
ProfileTotal	Sum of all profile collections Total overview – field reporting.	No data should be entered. To be opened by the report issuer.	
Monthly Data	Monthly values for the next calendar year.		8
Resource Overview	Summary of data from the sheets - General info and comments and Profile collections.	No data to be entered.	
Gassco	Provide information to Gassco	This is only the front page to the Gassco report. Other spreadsheets can be opened from this spreadsheet.	See separate guidelines from Gassco.

The spreadsheet colour codes:

- White cells shall/may be completed by the operator. Some cells will generate an error message if invalid values are entered.
- Grey and light blue cells either contain information obtained elsewhere in the reporting file, or data calculated from submitted data. Some cells are shaded grey depending on resource category or project type. Shaded cells shall not be completed by the operator.

4.2 Saving the reporting file

The reporting file can be downloaded from www.npd.no

The file shall be named in the following manner: "field name/discovery well and name/name of pipeline+year of rnb.xls", for example:

- "statfjord_rnb2012.xls"
- "2-12-1 mjølner_rnb2012.xls"
- "gassled A_rnb2012.xls"

File names must not contain dates or any other information.

4.3 General information on completing the reporting file

Recommended sequence for entering data.

Start completing the file at the top of the spreadsheet "General info and comments" by completing the area "1) General information". For fields and discoveries, then proceed to the tables under "2) Resource overview" to enter (2a) resources in place for all resource categories and (2b) recoverable resources in RC 6-8. Recoverable resources and reserves in categories lower than 6 must be stated directly in the relevant profile collection. Profile collections are opened as needed.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	Reporting of petroleum resources, production, cost and environmental data to RNB2012														
2															
3															
4	RNB2012 Exempt Section 5a														
5	1) General information:														
6															
7	Name of field/discovery/pipeline, etc.:	<input type="text"/>				Area:	<input type="text"/>				Type:	<input type="text"/>			
8	Discovery well (for field):	<input type="text"/>													
9															
10															
11															
12	Norwegian percentage:	<input type="text" value="100.00"/> %													
13	Operator:	<input type="text"/>				Report issuer:	<input type="text"/>								
14	Date:	<input type="text" value="dd.mm.yyyy"/>													
15	Contact, NPD:	<input type="text"/>				Contact, operator:	<input type="text"/>								
16	Telephone:	<input type="text"/>				Telephone:	<input type="text"/>								
17	E-mail address:	<input type="text"/>				E-mail address:	<input type="text"/>								
18															
19															

During completion, enter the data cell by cell or paste in the data from other sources. Note that the paste function is limited. There are some hidden rows and columns in the spreadsheets which make it impossible to paste in larger areas, try pasting lesser amounts of data at a time.

Note: When pasting in data, the function "Edit – Paste Special - Values" must be used. Using the command "Ctrl-V" for pasting data into the spreadsheets may cause problems.

5 COMPLETING THE SPREADSHEET “GENERAL INFO AND COMMENTS”

5.1 Completing ”General information:” (”Generelle opplysninger:”)

First, enter **the name of the field/discovery/pipeline, etc.** Pick a name from the drop-down menu in cell D7. It contains official names for fields and discoveries as well as designations for pipelines and facilities. When a name is selected, many of the cells in this area will be filled in automatically, e.g. information about the contact in the NPD. If the correct name is not in the drop-down menu, contact the NPD.

Then complete:

- **Norwegian part (%)**: The Norwegian percentage (normally 100 per cent) of the resources shall be stated. For those cases where the resources extend into another country’s continental shelf, use the latest official allocation of resources between Norway and the other country.
- **Report issuer**: When the spreadsheet is completed by the operator, the report issuer will normally be identical to the stated operator. However, there may be cases where the report issuer is not the same as the operator. Select a name from the drop-down list.
- **Date**: The date of completion of the reporting file should be entered in the format dd.mm.yyyy. The date must conform to the latest entry date.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
19																
20		2) Resource overview										Risk distribution. State probability that the outcome will be greater than or equal to the low/high value:		Low (%)	Base	High (%)
21		Recoverable resources and reserves in categories lower than 6 shall be reported directly in the applicable profile collection. A total overview of the reported resources can be found in the "Resource Overview" spreadsheet										Resource Overview				
22		2a) Originally in place:														
23		Name of deposit (Select from list or enter new)	Discovery well for deposit (Select from list)	Description of deposit	Oil (million Sm ³)			Associated liquid (NGL/condensate) (million Sm ³)			Associated gas (billion Sm ³)			Free gas (billion Sm ³)		
24					Low	Base	High	Low	Base	High	Low	Base	High	Low	Base	High
25																
26																
27																
28																
29																
30																
31																
32																
33																
34																
35																
36																
37																
38																
39																
40																
41																
42																
43																
44																
45		Total :				0,0		0,0		0,0		0,0		0,0		
46																

5.2 Completing the "Resource Overview" (”Ressursoversikt”)

The resource overview shall be completed for all fields and discoveries, unless otherwise agreed with the NPD. Fields and discoveries often have projects in higher resource categories with associated resources. Projects with resources/reserves in categories 0-5 shall be reported directly in the applicable profile collection.

- Expected **resource category as of 31 December** of the current year shall be used as a basis for the reporting.
- Only the **Norwegian percentage** of the resources is stated according to the distribution provided under "General information".
- Figures shall be reported **for the entire lifetime** of a field or discovery, including resources that can be recovered after the expiry of the licence period.
- Fields that consist of several discoveries shall report resources for each individual discovery.

Hydrocarbons originally in place shall be reported for each deposit. Deposit names are to be selected from a list. Enter the discovery well for the deposit in Column C. Give a brief characterization/description of the deposit in Column D. Note that the name of the deposit used in Column B forms the basis for specifying the deposit in the various profile collections. The

hydrocarbons are divided between oil, associated liquid (condensate and/or NGL), associated gas and/or free gas. Gas volumes shall be reported at the actual calorific value. All estimates shall be given with uncertainty, i.e. high, low and base estimate (expected value). Information about risk spread, i.e. the probability that the outcome will be greater than, or equal to the low/high value shall be given at the top right of the table.

Recoverable resources shall be stated for all discoveries and fields. The resources should be divided between the sales products oil, NGL, condensate and gas. For all fields and discoveries high, base (expected value) and low estimates shall be reported for recoverable resources, see Chapter 6.2 Profiles for petroleum - production, sale, transport and injection.

Gas comprises quantities which are sold and physically delivered or planned to be delivered. Gas bought from other fields for injection purposes and which later will be exported, shall not be included in the resource base. Gas received without payment shall be included in the recoverable resources. This can be gas received as payment for services rendered. Gas used for flare and fuel shall not be included in the resource base.

Sales products, oil, NGL and condensate shall be reported in the same way as they will be reported to Petrobank later on. This means, amongst others that associated liquid from gas fields shall be reported as oil if the liquid is sold as oil. When products are delivered to other fields as payment for services, the volume should be shown in the resource overview.

Recoverable resources in Categories 0 – 5 shall be stated in the relevant profile collection. The profile collection is displayed by clicking on one of the buttons marked "View Profil_x". The profile collections can be displayed and then hidden as needed, without changing the way the file is set up.

There should be consistency between profiles and the stated total recoverable resources, unless special reasons indicate otherwise.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
19	2) Resource overview													Risk distribution. State probability that the outcome will be greater than or equal to the low/high value:		
20														Low (%)	Base	High (%)
21																
22	Recoverable resources and reserves in categories lower than 6 shall be reported directly in the applicable profile collection. A total overview of the reported resources can be found															
23	in the "Resource Overview" spreadsheet Resource Overview															
24																
25	2a) Originally in place:															
26	Name of deposit (Select from list or enter new)	Discovery well for deposit (Select from list)	Description of deposit	Oil (million Sm ³)			Associated liquid (NGL/condensate) (million Sm ³)			Associated gas (billion Sm ³)			Free gas (billion Sm ³)			
27				Low	Base	High	Low	Base	High	Low	Base	High	Low	Base	High	
28																
29																
30																
31																
32																
33																
34																
35																
36																
37																
38																
39																
40																
41																
42																
43																
44																
45	Total :				0.0		0.0		0.0		0.0		0.0			
46																

One profile collection (minimum) shall be prepared for each resource category in which a project is reported.

Recoverable resources RC 6 and 7:

For projects in RC 6 and 7, the necessary information is provided in the "General info and comments" spreadsheet. Column B gives the name of the project as it appears on the project list. The resource category is obtained from the drop-down list in Column C. Attribute "A" or "F" is selected for RC7 from the drop-down list in Column D. The deposit from which the project obtains its resources is selected from the drop-down list in Column F. Information about evaluations that have been performed and further plans for the project are provided in the comments space below the table. In this year's report we also ask for low and high estimates of NGL.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
59	Recoverable resources in Categories 6 and 7																		
60																			
61	Name of project	Resource Category	Resource Category Attribute 1	Serial Number	Deposit	Year for the decision to initialize (feasibility studies) (yyyy)	Oil (million Sm ³)			NGL (million tonnes)			Gas (net deliverable) (billion Sm ³)			Condensate (million Sm ³)			
62							Low	Base	High	Low	Base	High	Low	Base	High	Low	Base	High	
63																			
64																			
65																			
66																			
67																			
68																			
69																			
70																			
71																			
72																			
73																			
74																			
75																			
76																			
77																			
78	TOTAL RC6							0.0			0.0			0.0			0.0		
79	TOTAL RC7							0.0			0.0			0.0			0.0		0.0
80																			

Reporting of RC 7A:

For projects in RC 7A, the resource estimate should reflect a long-term expectation of the final recovery factor for the field/discovery as a consequence of anticipated technological development. The low estimate should reflect a long-term expectation of the final recovery factor for the field/discovery as a consequence of moderate technological development. The high estimate should reflect a more optimistic, long-term objective for the final recovery factor for the field/discovery as a consequence of expansive technological development.

Reporting of RC 8:

Estimates shall be given for recoverable resources in prospects in separate production licences/unitized fields that, given discovery, will very likely be tied in to the field/discovery they are reported in. Prospects that extend into adjacent production licences are to be reported with the total volumes. It must be ensured that the prospect is not reported simultaneously by other fields/discoveries. The resource estimate must be risk-weighted and should reflect the estimated volumes multiplied by the probability of making a discovery.. Information must also be provided regarding exploration drilling and resource growth for the past year, as well as plans for use of mobile facilities.

Explanation of changes and comments:

Space has been reserved for **explanation of changes and comments** at the bottom of the spreadsheet, paragraph 2c. Explanations of changes in the resource estimates compared with the previous RNB reporting shall be entered here. Changes in resource estimates of more than 5% are considered to be significant and must be explained.

If gas is delivered to another field/discovery for injection or other use, please name the field/discovery in question. State if the gas is given away as a payment for a service or if the gas is sold.

6 COMPLETION OF THE SPREADSHEET – PROFILE 1-9 (=PROFILE COLLECTIONS)

6.1 Definitions, reporting requirements and the need for comments

6.1.1 Definitions and reporting requirements

Profile: All yearly or monthly data under one heading in the spreadsheet is a Profile.

Profile collection: All data in the spreadsheets, Profile 1, Profile 2 etc are a Profile collection.

Time horizon: The operator should report profiles for the whole lifetime of the projects, that is, if applicable, also beyond the expiry of the licence. With regard to the operating costs after the expiry of the licence period, for instance a yearly amount should be estimated, as an example, the level before the expiry of the licence period. This may also apply to environmental data.

Norwegian part: If the ownership of a field or discovery is shared with another country, only the Norwegian part shall be reported in the profiles, except for environmental data which shall be reported 100 % if the emissions take place in Norway.

NOK-values: Costs and income for the previous calendar year shall be reported in current NOK values. All future costs and income shall be reported in fixed NOK. Year of reference for fixed NOK shall be current calendar year.

Conformity with budgets, RC 0-3: For projects in RC 0-3 costs and income for decided projects shall as a basis be in accordance with the budget and the accounts for the licence. The operators proposed budget per 1.10 should be the basis for the reporting per 15.10. Any discrepancies between expected estimate and the operator's proposed budget shall be commented in the spreadsheet – see chapter 9.3 Spreadsheet Cost Control.

6.1.2 Type of profiles – overview

For fields, discoveries and pipelines etc in RC 0, 0+1, 1, 2, 3, 4 and 5, data on a yearly basis should be reported.

Monthly data for 2011 for actual profiles shall be reported in a separate spreadsheet, see Chapter 8 – Completion of the spreadsheet “Måneddata”

Types of data included in the profile collections:

- Project overview incl. recoverable resources and project attributes
- Uncertainty on production start should be reported
- Production and injection data
- Sale of petroleum and other revenues
- Physical rich gas/dry gas deliveries
- Costs, (investments, operating costs, tariffs and other costs)
- Environmental data (does not apply to RC 5)

The scope of the reporting depends on the type of project (field versus pipeline/land facility) and resource category.

There is an area under each profile collection for consistency check of data entered in the profile collection, see 9.2 Consistency checks.

Profil_1		Hide Profil_1		RNB2012															
Project overview incl. recoverable resources				Gas resources/reserves shall be stated with actual gross calorific value excluding fuel and flare gas.															
Name of project	Category	Category		Oil (million Sm ³)			NGL (million tonnes)			Gas (net deliverable) (billion Sm ³)			Condensate (million Sm ³)			Deposits (choose from drop-down menu)			
		Attribute 1	Serial Number	Low	Base	High	Low	Base	High	Low	Base	High	Low	Base	High				

6.1.3 Comment boxes – explanation of changes from last year’s reporting

Each profile collection includes comment boxes placed above the production and sales data, investment data, operating costs and environmental data. These boxes shall be used to provide brief information about the profiles.

If there are significant changes compared with the previous RNB reporting, the reasons for these changes must be explained in the comment boxes.

Definition of significant changes:

- Changes of more than 5% in the resource estimates are considered significant, and must be explained. Similarly, changes in one (or more) years in the next ten-year period that are greater than 10% or more than 1 million Sm³ o.e must be explained.
- As regards investments, changes of more than 5% are considered to be significant and must be explained. Changes of more than NOK 300 million in a single year must also be explained.

If future operating costs have changed by more than NOK 200 million per year, the changes are considered to be significant and must therefore be explained. As regards Disposal costs and Other income, changes in the total estimate that are greater than NOK 300 million must be explained.

If gas is bought for injection, please state the source field in the information cell "Please name sources of gas purchase".

6.2 Profiles for petroleum – production, sale, transport and injection

6.2.1 Production and injection data

The profiles under the heading "Production and injection data" relate to volumes that are produced and injected in the reservoir in the same field, not injection in other fields.

The following profiles are to be reported:

- Water injection (million m³) in own field
- Water production (million m³) from own field
- Gross gas production (billion Sm³)

Gross gas production shall be equivalent to the lifting of gas from the reservoir in the relevant field/discovery. Gross gas production shall not include gas from other fields/discoveries that is merely transported via the field/discovery that is the subject of the report. Nor should this profile include gas lift rates. For fields that are in production, gross gas production shall be reported in volumes equivalent to those reported to the NPD, in connection with the monthly production reporting. The measuring point is otherwise left to the discretion of the individual operator (state applicable assumptions).

- Natural gas injection in own field excluding gas lift and CO₂ (billion Sm³)
- Gas for gas lift (billion Sm³)
- CO₂ injection (billion Sm³)

6.2.2 Profiles for sale of oil, NGL and condensate

It is important to note that reporting is requested for the sales product. It is relatively common for condensate to be sold as oil, and shall thus be reported as oil. If the plan is to develop a deposit into a field with oil as the sales product, the sales profile should reflect this.

Negative rates can occur in some years (for example, a profile for a project that entails acceleration of the production).

Estimates should be reported for oil, including uncertainty estimates for RC 1-4. For NGL and condensate, only annual expected estimates are to be reported.

The uncertainty estimate shall be described with an expectation estimate (mean) and an associated high and low estimate.

As regards oil, estimates must also be reported for both accumulated sales and annual sales volume, as the uncertainty estimates for these are not necessarily equal. Note, however, that accumulated values shall be reported first since the annual expectation profile is calculated automatically based on the accumulated expectation value.

Uncertainties for accumulated production shall be given for the entire production period, while uncertainties for annual production shall only be given for the next five years.

High and low estimates for annual production indicate the current view of the possible outcome for the year in question, while high and low estimates for accumulated sales volumes take into account what happens throughout the entire production period, up to the specified year.

The uncertainty estimate in the accumulated production profile's final year will thus coincide with the uncertainty estimate for ultimate recoverable resources belonging to the same projects.

The total of the low estimates for the first five years should be less than the low estimate for accumulated sales volume for the 5th year. The reason for the difference is that the uncertainty in the annual sales volume shall include uncertainties that are not correlated from year to year (for example regularity). That is, it is not very likely that the low estimate will prove correct for all of the five first years. A similar difference is expected for the high estimates.

The uncertainty in the start-up date is reported in a separate space on the spreadsheet directly above the profiles, by stating an early, expected and late date.

For technical reasons, the low and high estimates in the profiles must reflect a start date that coincides with the expected start date for the production. The difference between them shall reflect the uncertainty in the production escalation as a consequence of the progress in drilling wells, the productivity of the wells, general reservoir uncertainty, production capacity in process facilities, etc.

State any important assumptions, if applicable, on the "General info and comments" spreadsheet.

The comments should include a brief indication of what will determine the annual sales volume for the next five years (the reservoir, capacities, etc.) as well as any other important assumptions. References can also be made to other documentation.

6.2.3 Transport, sale and purchase of gas

Transport and sale of gas shall be reported independently of the given production permit. If the expectation is higher than the production permit, this must be stated.

Note that some of the gas data is to be reported according to calendar year (1 January – 31 December) while other data is to be reported according to gas years. The gas year runs from 1 October in year n to 1 October in year n+1. If it is difficult to convert between gas year and calendar year, please contact the NPD.

The reporting cooperation with Gassco continues. Therefore, copies of the forms that operators use to report to the Gassco shipping plan / transport plan are included in the reporting file. The RNB data is transferred into the "Gassco form" with the aid of formulas. Operators shall also send the "Gassco forms" to Gassco, in accordance with a separate order from Gassco.

Transport of gas:

The profile entitled, "Physical dry gas deliveries from fields/discoveries per gas year Actual calorific value" shall be completed for all fields and discoveries that deliver gas. If the field/discovery do not physically deliver dry gas from the installation, but only rich gas, a dry gas volume should still be reported. This is the expected dry gas volume delivered at the sales point.

The data shall be reported with actual calorific value per gas year. This profile is also used in the enclosed Gassco forms in the RNB file. For fields/discoveries that are expected to deliver dry gas to Gassled, the gas is reported to Gassled Area D (dry gas) ("Entry point" = Gassco Area D). All gas that the licensees may seek transport rights for in Gassled, shall be included in the Gassco part of the reporting.

Physical rich gas deliveries from fields/discoveries per gas year are only reported for fields and discoveries that deliver rich gas. The profile is stated per gas year with actual calorific value. The profile is also used in the enclosed Gassco forms in the RNB file.

For fields/discoveries that are expected to deliver rich gas to Gassled, the gas is reported to Gassled Area A (Statpipe), Area B (Åsgard) and/or Area E (Kollsnes) (Gassco: "Entry points"). All gas that the licensees may seek transport rights for in Gassled, shall be included in the Gassco part of the reporting.

Sale of gas:

The profile "Saleable gas per gas year 40 MJ/Sm³", is derived from the profile "Physical dry gas deliveries from fields/discoveries per gas year actual calorific value". These profiles shall be identical when correcting for calorific value.

The profile "Saleable gas per calendar year 40 MJ/Sm³" is derived from the profile "Saleable gas per gas year 40 MJ/Sm³". These profiles should be identical, converted into calendar years.

The profile "Gas purchases 40 MJ/Sm³", includes both historical and future expected purchases. Gas received as compensation for services (such as storage, treatment and transport), is not defined as purchase.

Sale of gas – low and high estimates:

High and low estimates must also be reported for gas for RC 1-4. However, low, expected and high estimates are only reported for accumulated dry gas volumes.

The same principles as for oil shall be used as a basis. The profile to be used is "Physical dry gas deliveries from fields/discoveries per gas year actual calorific value" but accumulated per calendar year. In other words, annual accumulated shall be entered in the same manner as for oil.

- The figures for Low, Expected and High estimates show derived annual values
- Value year n = accumulated year n – accumulated year (n-1).

Unless special reasons indicate otherwise, accumulated figures for the last year shall concur with the Recoverable resources, see Chapter 5 Completing the spreadsheet "General info and comments".

6.2.4 Reporting of gas blow-down

Blow-down of gas caps on the fields shall be reported with a separate profile collection. This will apply to projects that describe a change in production strategy for gas (compression, blow-down, etc.).

The reason for this is that it is uncertain when these projects will start. It is therefore desirable to receive separate profiles so that this can be taken into account when NPDs aggregated prognosis are prepared.

The consequence is that the blow-down projects included in RC 0 +1, and previously included in the main profile, must be reported separately.

For these projects it is desirable to get gas and associated liquid profiles and investment profiles in a separate profile collection. Operating costs and environmental profiles can still be reported in the main project, unless the project involves new power-generating equipment.

6.3 Costs and income – reporting format / the Joint Operating Agreement and exceptions therefrom

The reporting shall be in accordance with the cost structure (the items) in the Joint Operating Agreement between the licensees on the shelf, with the following exceptions:

- Item 5.1 Development investments in the Joint Operating Agreement shall be reported in more detail.
- Item 5.3 Production drilling in the Joint Operating Agreement shall be allocated to investments in development wells for mobile and permanently placed facilities, as well as investments in development drilling that cannot be attributed to wells.
- NPD uses the term Development wells instead of Production wells (and Development Drilling not Production drilling)

The text of the Joint Operating Agreement is quoted in the following, with supplements where necessary.

6.4 Operating income, Concept studies (Joint Operating Agreement (items 7 and 4), Price increases

Operating income (Item 7), Concept studies (Item 4), Price increases

The table below shows the reporting requirements for Operating income, General price increases and Concept studies.

	AE	AF	AG	AH
	Tariff income -JOA 7 part	Other income (explain in commentary field) -JOA 7 part	General price increase	Concept studies -JOA 4
34				
35	million NOK	million NOK	%	million NOK

Operating income (Item 7)

Joint Operating Agreement: "Tariff income, processing and any other income."

Tariff income shall be reported in a separate spreadsheet. See Chapter 7 Completing the spreadsheet "Tariff income and tariff costs". Tariffs from this separate spreadsheet are linked up to Profile 1 and Profile 1 only.

"Other income" shall include the joint venture's income from insurance settlements or disputes. Insurance settlements and settlements in disputes shall thus not reduce the estimates for investments or operating costs. Income from the sale of facilities shall also be included here. Sale of facilities may include e.g. sale of a mobile facility in connection with shutdown of production, or to an investor group. It may also include sale of equipment on a facility.

General price increase

"General price increase" is the operator's general assumption when converting between current and fixed NOK. For example, figures for 2012 apply to the general price increase from 2011 to 2012. This price increase must be used when converting the budget figures in current NOK to the reference year in fixed NOK, ref. above. By definition, we expect the same general price increase (for instance the consumer price index) to be used for all project one operator reports. Please note that general price increase from RNB2011 should be reported in the "Cost control" and not in the profile sheet (1-9).

Concept studies (Item 4)

The concept phase begins at choice of concept.

The Joint Operating Agreement: "Costs related to concept development in relation to a possible project from and including a decision on continuation in the planning phase. It is presupposed that the decision point for choice of concept has been passed and that the development of a specific concept continues. Normally containing both internal and external activities (studies, pre-engineering, Front End Engineering Design, PDO work, etc)."

6.5 Investments (The Joint Operating Agreement, Item 5)

Investments begin when a decision on implementation of a development project has been made.

The following table shows the reporting requirements for development and operating investments, ref. Items 5.1 and 5.2 of the Joint Operating Agreement.

	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW
33	Investments														
	Investments in new subsea facilities -JOA 5.1 part	Investments in new mobile facilities -JOA 5.1 part	Investments in new fixed facilities -JOA 5.1 part	Other Development investments -JOA 5.1 part	Operating investments (modifications) -JOA 5.2	Total investments in facilities -JOA 5.1-2	Dev. wells from permanently placed drilling facilities	Dev. wells from mobile drilling facilities	Investments in dev. wells from permanently placed drilling facilities -JOA 5.3 part	Investments in dev. wells from mobile drilling facilities -JOA 5.3 part	Investments related to production drilling not distributed by well -JOA 5.3 part	Investments in pipelines -JOA 5.1 part	Investments in land facilities -JOA 5.1 part	Total investments in pipelines and land facilities -JOA 5.1 part	Total investments -JOA 5
34															
35	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK	Quantity	Quantity	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK
37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38						0									0
39						0									0
40						0									0
41						0									0
42						0									0

6.5.1 Development investments (Item 5.1)

The Joint Operating Agreement: "Development investments concern the development of new resources. There will always be concept studies before such an investment is made. The budget for the project is sanctioned by an approved PDO/PIO. Some projects are exempt from the PDO requirement."

Development investments shall be reported separately for:

- Subsea facilities
- Mobile facilities
- Fixed facilities (excluding subsea facilities / pipelines)
- Pipelines and land facilities
- Other development investments

"Other development investments" shall include all investments on existing facilities not regarded as Operating investments (Joint operating agreement item 5.2).

Please control the accordance between type of development investment and development solution reported in the project attribute area for RC 3-5 projects.

The following definitions apply (as previously):

Subsea facilities are facilities on the seabed. They are to be reported excluding pipelines.

Mobile facilities comprise all facilities that do not rest on the seabed, such as semi-submersible platforms, tension leg platforms (TLP) and production ships and facilities that can relatively easily be moved to a new place of operation, including jack-up rigs. If in doubt, contact the Norwegian Petroleum Directorate.

Fixed facilities comprise all facilities that rest on the seabed (excluding subsea facilities and pipelines) and that cannot easily be moved to a new place of operation (GBS, jacket, etc.).

Pipelines shall comprise investments in the pipeline system. Internal pipeline costs for fields and discoveries shall be included here, in addition to export pipelines. Costs related to umbilicals are preferably included with pipelines.

The pipeline system includes the actual pipeline downstream of the connection point on the production facility and upstream of the connection point for;

- receiving production or process facility
- receiving pipeline with different ownership than the joint venture/equivalent or
- receiver on land

The pipeline system also includes any intermediate compressor and pumping stations, as well as receiver terminals, including separation and cleaning facilities.

Land facilities include land facilities owned by the joint venture or equivalent that are located on land downstream of the pipeline. Investments on land that are transferred free of charge to another joint venture shall also be included in the investment estimate.

Other development investments

Other development investments comprise development investments that would not naturally be included in the other categories, including special modifications or additional equipment on existing facilities.

6.5.2 Operating investments (Item 5.2)

The Joint Operating Agreement:”Operating investments are permanent investments that:

- increase the production capacity
- substantially increase the quality and thus the value of the products
- substantially improve the production process and thereby substantially lower the level of other production costs
- measures that enhance safety and prevent/reduce future pollution of the environment
- extensions of the plant and/or new functions

This will normally be investments in operating equipment that have been put to use (after the project investment was made) and that are not classified as maintenance.”

6.5.3 Development wells (Item 5.3) – investments and number of wells

Development wells (Item 5.3)

The reporting regarding number of development wells must differentiate between fixed and mobile facilities.

Note: NPD uses the term Development wells instead of Production wells (and Development Drilling, not Production drilling)

The table below shows reporting requirements for investments in development wells, ref. Item 5.3 in the Joint Operating Agreement.

	AO	AP	AQ	AR	AS
	Dev. wells from permanently placed drilling facilities	Dev. wells from mobile drilling facilities	Investments in dev. wells from permanently placed drilling facilities -JOA 5.3 part	Investments in dev. wells from mobile drilling facilities -JOA 5.3 part	Investments related to production drilling not distributed by well -JOA 5.3 part
34					
35	Quantity	Quantity	million NOK	million NOK	million NOK
37	0	0	0	0	0
38					
39					
40					
41					

The Joint Operating Agreement: "Production drilling is all activities related to the drilling and completion of production and injection wells after a decision on project implementation, and/or a decision on new wells or drilling targets in the production phase have been made. All associated/indirect activities with the objective of production drilling (e.g. well planning, mob/demob rig, modification rig, etc.)."

Investments in development drilling that cannot be attributed to wells, such as seismic and associated activities mentioned above, shall be kept separate and reported separately.

Number of development wells

The number of development wells includes new wellbores that form the basis for the investment estimate. New wells include all wells that receive their own designation in accordance with the NPD's rules for naming wells. Wells are included regardless of the well's purpose (production, injection, observation, disposal). Rules for naming wells may be found in ["NPD guidelines for designation of well and wellbores"](#). Consequently, a sidetrack shall count as a separate wellbore.

Exploration wells (wildcat and appraisal wells) shall NOT be included.

The number of development wells from mobile and permanently placed facilities shall be reported. Mobile drilling facility means a drilling facility that is intended to be used on multiple fields. The division is thus not determined by whether or not the facility can physically be moved. Consequently, wells drilled from floating facilities such as Njord and Visund are considered to be drilled from a permanently placed facility. A permanently placed drilling facility with processing equipment (e.g. Volve) should be counted as a permanently placed drilling facility.

The number of wells from mobile drilling facilities and the costs associated with development wells shall correspond per year, as is also the case for development wells drilled from fixed drilling facilities. The number of wells may be reported as a decimal figure (e.g. 3.2).

As part of the quality assurance, a graph in the spreadsheet "Cost Control" shows yearly investments per well, distributed on different drilling facilities, calculated from the spreadsheet "Profil_Total".

6.6 Operating costs, (the Joint Operating Agreement, Item 6)

The table below shows our requirements concerning operating costs, cf Item 6, exclusive 6.4 in the Joint Operating Agreement (JOA).

	AX	AY	AZ	BA	BB	BC	BD	BE	BF	BG	BH
33	Operating costs										
34	Operational preparations -JOA 6.1	Ordinary operating costs -JOA 6.2.1	Maintenance excl. wells -JOA 6.2.2	Well maintenance -JOA 6.2.3	Modifications -JOA 6.2.4	Other operational support -JOA 6.2.5-10	Total operations and support Total AY-BC -JOA 6.2	Logistics costs- JOA 6.3	Other operating costs -JOA 6.5 part	Cost purchase of gas -JOA 6.5 part	Total operating costs, incl. operations preparation excl. Tariffs -JOA 6 (-6.4)
35	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK
37	0	0	0	0	0	0	0	0	0	0	0
38							0				0
39							0				0
40							0				0
41							0				0
42							0				0

As part of the quality assurance, a graph in the spreadsheet “Cost Control” shows yearly unit costs calculated from the spreadsheet “Profil_Total”.

Item 6.1 Operating preparations

”Activities related to recruiting, training and preparing the operating organization for taking over the plant and perform the operation. Start-up activities related to the testing of a facility are not included as part of preparations for operation.”

Item 6.2 Operating costs and support activities

6.2.1 Operation, 6.2.2 Maintenance, 6.2.3 Well maintenance and 6.2.4 Modifications shall be reported according to the JOA. The rest of 6.2 shall be reported as “Other operational support -JOA 6.2.5-10.”

The Joint Operating Agreement

Specified items;

Item 6.2.1 Operation

”All work that is directly attributable to production and operation of a facility. This mainly comprises operating activities on the offshore/onshore facilities, as well as costs such as support activities from land and production chemicals.”

Notice: It has not been clear where rents for significant facilities are to be booked. If rent of significant facilities (such as production ships) are NOT included in 6.2.1, please state where these rents are to be entered in the accounts (JOA Item).

Item 6.2.2 Maintenance

“All maintenance activities related to an offshore facility, land plant and associated pipes. These mainly comprise inspection, status check, preventive and corrective maintenance, surface maintenance, maintenance drilling module as well as maintenance support.”

Item 6.2.3 Well maintenance

“All costs related to down-hole work up to the choke, and which do not form part of a drilling project.”

Item 6.2.4 Modifications

“Activities related to extension or modification of existing equipment and facilities requiring amended technical documentation. Change projects and reconstruction that are neither maintenance nor an operating investment are included. “

Items 6.2.5-10 Other operational support

This includes JOA

Item 6.2.5 Subsea operations and maintenance

“All operating and maintenance activities related to subsea facilities, including inspection and contingency costs for the subsea facilities.”

Item 6.2.6 Platform services

“Costs related to the accommodation/catering on the platform and any other support services on the platform, as appropriate. “

Item 6.2.7 Administration

“Costs related to management, direct and indirect administration of operative organization, e.g. field manager, economy, personnel and IT.”

Item 6.2.8 HSE

“Activities related to HSE work as well as licence specific HSE projects.”

Item 6.2.9 Reservoir management and development

“Costs in connection with long-term planning, quality assurance, reservoir management, production optimizing, modelling and enhanced oil recovery. “

Item 6.2.10 Business development

“Commercial activities in connection with evaluating business opportunities for a licence in operation.”

Item 6.3 Logistics

This includes JOA items; 6.3.1 Maritime operations, 6.3.2 Air Transport, 6.3.3 Supply bases, 6.3.4 Preparedness

Item 6.3.1 Maritime operations

“Operating activities related to vessel operations, with the exception of standby vessels which are attributed to item 6.3.4. Vessel costs included in the report will comprise supply vessels, storage vessels, special assignment/support vessels and anchor handling, as well as consequential costs and administration of vessels.”

Item 6.3.2 Air Transport

“Transport services between helicopter bases and the installation as well as shuttling between facilities on the fields. Costs relating to SAR (Research and Rescue) and ambulance transport are attributed to item 6.3.4.”

Item 6.3.3 Supply bases

“Costs related to the operation of bases such as area, rents, personnel, etc., as well as any transport to and from bases. “

Item 6.3.4 Preparedness

“Vessel and helicopter costs related to operative preparedness on the fields. Installation specific standby vessels, any share of area standby vessels and consequential costs related to such vessels. SAR helicopter (Research and Rescue) and ambulance transport.”

Item 6.4 Tariff costs

The Joint Operating Agreement;

” Costs related to field external processing and transportation of oil and gas between fields. “

This is discussed in chapter 7 – Completion of the spreadsheet “Tariff income and Tariff costs”

Item 6.5 Other operating costs

” Costs that cannot be attributed to other operative items, e.g. write-down of stocks, obsolete stocks, previous years’ costs, excess field times, gas purchases in connection with injection, insurance/guarantee matters related to operations, etc.”

Other operating costs shall be reported excluding costs for Gas purchase in connection with injections, which shall be reported separately.

6.7 Shut-down and removal (Item 8) and General costs (Item 9)

The table below shows reporting requirements for Other costs, ref. Items 8 and 9 in the Joint Operating Agreement.

	BO	BP	BQ	BR	BS
33	Other costs				
	Shut-down costs -JOA 8.1	Final disposal (removal) -JOA 8.2	Area fees -JOA 9.2	Environmental taxes -JOA 9.3	Other general costs -JOA 9.1 +9.4-9
34					
35	million NOK	million NOK	million NOK	million NOK	million NOK
37	0	0	0	0	0
38					
39					
40					
41					

Joint Operating Agreement (JAO)

Shut-down and final disposal costs

Costs associated with shutdown and final disposal shall be reported. The time schedule for the activity must be practically possible to carry out. In a supplementary project that can extend the lifetime of the same field, costs related to shutdown and removal/disposal may be postponed. Shutdown- and final disposal costs are then subtracted from the profile sheet for the supplementary project and added to the year(s) the removal/disposal of facility is taking place. An example is given below.

A project in RC 1 is shown in the left table. The right table illustrates a supplementary project in RC5 that can extend the lifetime of the field, thereby delaying shutdown and final disposal costs.

Other costs		
År	Shut-down costs -JOA 8.1	Final disposal (removal) -JOA 8.2
	million NOK	million NOK
	1400	1000
2021	700	500
2022	700	500
2023		
2024		
...		
2031		
2032		
2033		

Other costs		
År	Shut-down costs -JOA 8.1	Final disposal (removal) -JOA 8.2
	million NOK	million NOK
	1400	1000
2021	-700	-500
2022	-700	-500
2023		
2024		
...		
2031	700	500
2032	700	500
2033		

Item 8 Shutdown and removal

Costs associated with shutdown and removal/disposal shall be reported.

Item 8.1 Shutdown

“Preparation for abandonment and removal, plugging and abandonment of wells and other abandonment of facilities.”

Item 8.2 Final disposal (removal)

”Physical removal of facilities.”

Other shutdown and removal cost must also be reported here.

Item 9 General costs

9.2 Area fee and 9.3 Environment taxes shall be reported as in the JOA. Other items are included in Other general costs-JOA 9.1 +9.4-9.9.

Item 9.2 Area fee

Fees to be paid annually to public authorities based on the area comprised by the licence.

Item 9.3 Environment taxes

Costs related to the emission of defined substances harmful to the environment, e.g. CO₂ and NO_x.

Item 9.1 + Items 9.4-9.9 Other general costs

Items that should be reported under other general costs;

Item 9.1 Licence administration

”Costs related to the Operator's responsibilities in connection with the administration of the joint venture, e.g. licence coordination.”

Item 9.4 Other taxes and duties

”Other taxes and duties that are not defined by other items, e.g. property tax.“

Item 9.5 Research and development (R&D)

”Costs related to research and development projects performed by or under the auspices of the Operator and which are relevant for upstream activities.”

Item 9.6 General management

”Costs related to the Operator's general management”

Item 9.7 Business and industry and special interest organizations

”Costs related to business and industry and special interest organizations such as e.g. OLF and NOFO“

Item 9.8 Financial costs

”Financial costs such as exchange gains and losses and Interest”

Item 9.9 Restructuring costs

”Costs related to workforce reductions and severance pay in connection with reorganization processes in the company“

6.8 Environmental data and assumptions for discharges/emissions

The environmental forecasts comprise the physical volumes that are flowing in the production facilities on the respective fields, both from and to own fields and connected fields, and entailing emissions to air and/or discharges to sea.

For reserves, RC 1-3, the forecasts shall reflect emissions/discharges based on use of current technology and the effect of emission/discharge reduction measures adopted by the license.

For resource category 4 (resources in the planning phase), the operating companies shall base their forecasts on the current plans for development, operation and environment. Measures under consideration that could lead to emission/discharge reductions, beyond that which can be achieved using current technology, shall be described in the comments space for environmental data.

Environmental data shall not be reported for RC 5-8.

Main principle:

- For reserves, RC 1-3, environmental data are reported for fields, transport systems and land facilities where the emissions/discharges physically occur. This means that some fields (such as fields that only have seabed installations) do not need to report environmental data.
- A different principle is employed for resource category 4. Environmental emissions/discharges, as well as the assumptions used, are to be reported for the respective field/discovery, regardless of where the emissions/discharges will take place. If it is assumed that an existing field will be used, this must be stated in the comments space. This also applies to land facilities that are to be used.
- The border fields/discoveries whose facilities are placed entirely on the Norwegian shelf, shall report emissions/discharges.

	BT	BU	BV	BW	BX	BY	BZ	CA
31	Please name the fields that enter into the assumptions below							
32								
33	Assumptions for environmental emissions/discharges and other data							
34	Receipt of gas	Deliveries of gas from main field and associated fields with ship-loading point on the facility	Deliveries of oil/NGL/condensate from main field and associated fields with ship-loading point on the facility	Injected natural gas in main field and associated fields as well as any deposit excl. gas lift	Total gas lift in main field and associated fields	Injected CO2 in main field and associated fields as well as deposit	Discharge of produced water from main field and associated fields	Injected water in main field and associated fields
35	billion Sm3	billion Sm3	million Sm3 oe	billion Sm3	billion Sm3	billion Sm3	million m3	million m3
37	0	0	0	0	0	0	0	0
38								
39								
40								

Assumptions for environmental data

Associated fields that are included in the assumptions for environmental emissions should be listed in the cell above.

Gas received shall include all gas received or purchased for fuel, injection, resale or storage. It is insignificant whether the gas is actually used for this purpose, or whether it substitutes for gas produced from the reporting field/discovery.

Deliveries of gas are stated at actual calorific value (gross gas volume). The column shall contain all gas, including gas from associated fields, that is treated for further transport, as well as any NGL volumes that following the gas stream. The volumes shall be referred to the metering point (fiscal) for shipping/export of gas on the facility. Gas directly injected from associated fields shall not be included in this profile.

Deliveries of oil/NGL/condensate are sales of oil/NGL/condensate (including oil/NGL/condensate that is treated from associated fields) converted into Sm³ oil equivalents (1 tonne NGL = 1.9 Sm³ oil).

NGL that follows the oil stream shall be reported here. The volumes shall be referred to the metering point (fiscal) for shipping/export of gas on the facility.

Injected natural gas is the total volume of compressed hydrocarbon gas for injection for pressure support and/or disposal in own or third-party fields. The gas is reported at actual calorific value. Gas volumes for use in gas lift shall not be included in this column, nor CO₂ gas for disposal or pressure support.

Gas lift is the volume of gas compressed on the field for use as gas lift in own or associated fields.

Injected CO₂ gas is the volume of CO₂ that is injected from the field for improved recovery or for disposal in own or associated fields.

Discharge of produced water is the total volume of produced water discharged from the field, i.e. the water that comes from own field and other associated fields.

Injected water is the total volume of water (seawater and/or produced water) injected for pressure support or disposal. If a field delivers water to an installation on another field, the injection is to be reported where the pumping work actually takes place.

Natural gas for fuel is gas consumption to generate power.

Natural gas for flaring is the gas volume that is flared.

Diesel is diesel consumption from permanently placed facilities and mobile facilities that are tied in to a permanently placed facility in production (activity that is subject to the CO₂ tax).

Diesel consumption that is not subject to the CO₂ tax under the CO₂ Tax Act shall be reported in a separate column and shall include mainly diesel consumption on mobile facilities that are involved in petroleum activity.

Emissions of CO₂ and NO_x from fuel gas, flaring and diesel include emissions from permanent facilities, mobile facilities linked to a permanent facility in production (activities subject to the CO₂ tax) and facilities that are not covered under the CO₂ Tax Act.

Emissions of CO₂ as a consequence of e.g. venting from CO₂ separation plants shall be reported under the column "CO₂ contribution flare", and shall also be addressed under comments. In some cases, this will lead to a lack of consistency between the columns "natural gas to flare" and "CO₂ contribution flare". This must be explained in the comments box.

For reserves (RC 1-3), the total CO₂ and NO_x emissions shall be divided between the contributions from fuel gas, flaring, diesel and activity from mobile facilities.

For RC4 it is required to report the total prognosis for emissions of CO₂ and NO_x, respectively. When possible please specify these emissions according to contributions from fuel, flare, diesel and activity from mobile facilities.

Activity related to exploration wells shall not be reported.

Emissions of nmVOC and CH₄

Total emissions of nmVOC and CH₄ from diffuse emission sources and cold venting in connection with loading shall be reported. Emissions of natural gas from all systems that handle hydrocarbons shall be included.

The sources of these emissions will be facility-specific.

Emissions associated with storing and loading of oil/NGL/condensate shall be reported in accordance with adopted measures or as the operator has planned to act (in those cases where a final decision has not yet been made) to fulfill the SFT's (Norwegian Pollution Control Authority's) orders regarding recovery of nmVOC.

For facilities that carry out storage and loading for other fields, these volumes and their associated emissions shall also be included (applies to reserves).

Energy demand for power from shore

Use of power from shore in the petroleum industry will have consequences for the whole power system onshore. Information regarding both energy requirements and power demand (GWh and MW) from the sector of the petroleum industry that gets power from shore is necessary both to secure an effective operation of the power system onshore, and to help plan for prudent development over time.

It is important when planning to have the best possible overview and knowledge of both energy consumption and power demand. Power demand from the onshore grid, measured as maximum load during the course of a year, from the installations that get power from shore will vary over time. This applies to both facilities that receive power from shore via subsea cables and land facilities that are directly connected to the domestic power grid. It's the power demand that regulates the dimensioning requirement of the transmission capacity in the power grid.

Report;

1. Forecasts for power (electrical?) consumption in GWh/year in column CW
2. Maximum peak load/effect in MW that is expected during each year in column CX

6.9 Project attributes

For all projects/discoveries in RC 3-5, project-specific information shall be provided under the collective heading "project attributes" in the table at the top of each profile collection in the reporting file.

This information will be used in various analyses the authorities perform regarding the offshore activity. In order to ensure a uniform basis for the analysis, the project attributes are based on lists with pre-defined selections (pull-down menus). Therefore, only one value can be selected in each cell. The selections shall be reflected the profile collection below. For instance, if development solution is subsea development, investments are expected (as a minimum) to be found in the columns AI, AL and AP in the profile collection.

	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	
3	Project attributes												
4	List5	List10	List12	List4	List17	List6	List15	List16					
5	Project type: Projects with resources in RC 3-5 shall be identified with project type	Development solution: Complete when the category "Development" under the attribute "Project type" is chosen	Need for new power generation: Indicate how the project will get supply of power	Project stopper: Most important cause of the project not being realised now	Technology usage: Is the project based on conventional methods or will new technology be used or developed?	Technology areas: Within which areas will new technology be used or developed?	Technology status: What is the status as regards technological development for projects which are conditional upon new	Time criticality: Is the realisation of the project time critical, and, if so, what kind of time-criticality?	Year for the decision to initialize (feasibility studies)	Year for the decision to concretize (concept studies)	Year for the decision to continuation (concept choice, preliminary engineering phase)	Year for the decision to implement (detailed engineering PDO if relevant)	
6									(yyyy)	(yyyy)	(yyyy)	(yyyy)	
7													
8													
9													
10													
11													

For pipelines and land facilities the name of the various projects must be entered in H7 in the profile collection.

When none of the options fit

In many cases, none of the options in the respective lists will be appropriate for the specific project. The parameter that comes closest shall nevertheless be selected. An explanation can be entered in the comments space to the right in the project attributes, or a more suitable parameter can be given. The same applies if several of the choices are equally relevant; select one parameter and, if applicable, note the others in the comments space.

The comments space can also be used to provide information e.g. that realization of the project is contingent on specific assumptions, more detailed information about the use of new technology or technology development needs and explanations for the decision plan.

Project type

Projects with resources in RC 4-5 shall be identified with the type of project. The following types can be selected:

- **Reservoir (Reservoar)**
This means projects that relate to improved recovery, including for example:
 - Improved recovery through the injection of water and/or gas, including VAG, traditional methods
 - Improved recovery through advanced methods FAWAG / GEL / CO₂, microbial, etc.
 - Blowdown, additional volumes from changed drainage strategy through depressurization of the reservoir.

- **Wells (Brønn)**
This includes:
 - Additional wells, new wells/infill drilling with traditional technology, to undrained reservoirs which yields accelerated production or increased injection without an increase in resources in place on the field.
 - New drilling or well technology, in part/not developed/qualified. The potential presumes new technology within drilling/wells that yields reduced costs and/or triggers new drilling targets.

- **Operations (Drift)**
This includes:
 - Changes in process facilities for increased production, e.g. reduced inlet pressure, multi-phase pumps, sand management.
 - Expanding capacity / third party use
 - Modifications, major modifications / streamlining / rebuilding, e.g. remote control of facilities.
 - Tail production, extended lifetime as a result of other measures.

- **Development (Utbygg)**
This includes:
 - Development of discoveries.
 - Recovery of additional resources that will be included in existing fields in the same production licence /unit, for example new formation or new segment, so that resources in place on the field increase.
 - New facility on existing field, or new pipeline for oil or gas.

- **Other (Annet)**
 - Used for other specified or unspecified that does not fall under other categories. To be specified in the comments space to the right of the attribute lists.

Development solution – applies when selecting the category "Development" under the attribute "Project type".

For projects of the "Development" type – select the most likely development solution from the list. More detailed information about the assumed development concept can also be described using free text in the comments space in cell H28. These are the available options:

- Mobile, stand-alone production facility. (Flyttbar selvstendig innr.)
 - Production ship with process facility, FPSO
- New fixed stand-alone production facility. (Ny selvstendig, bunnfast innretn.)
 - Integrated platform with process facility, e.g. jacket, semisub, TLP.
- Wellhead platform tied to existing facility. (Brønnhodeplattf. mot eksisterende innretn.) - Without process facility
- Subsea development tied to existing facility. (Havbunnsutbygg. mot eksisterende innretn.)
- Well(s) from existing facility. (Brønn(er) fra eksisterende innretn.)
- Other. (Annet)
 - Used for other specified or unspecified that does not fall under other categories. To be specified in the comments space to the right of the attribute lists.

Power solution

Many projects will be of such a character that there will be no need to install new power intensive equipment, installed capacity to be used. This applies to both projects at the fields and development projects. In the environmental part, independent data should be reported. We ask you to state what will be the most likely requirement at project implementation. These choices are possible;

- New energy-intensive equipment
- Use of existing equipment;
 - There will be no need to install new energy-intensive equipment on the field/ host field/ power plant
- Power from land

Project stoppers

For projects with resources in RC 3-5, select the most important cause for not realizing the project at this time. These are the available options:

- Uncertainty in resource volume (Usikkerhet i ressursvolumer).
 - There is substantial uncertainty associated with the resource estimate, or more information is needed about the size of the deposit before making a decision about realization.
- Reservoir properties (Reservoarforhold).
 - Low reservoir productivity, expected acidification/H₂S, sand production, pressure drop, etc.
- Technology is lacking (Mangler teknologi).
 - Realization requires development of new technology.
- Lack of infrastructure in the area (Manglende infrastruktur i området).
 - Realization requires tie-in to facilities that are not yet in place, e.g. pipelines.
- No gas solution (Manglende gassløsning).
 - Realization requires a solution for handling produced gas, but no profitable gas disposal is available.
- Lack of capacity in existing systems (Manglende kapasitet i eksisterende systemer).
 - Realization assumes tie-in to facilities (process facilities, pipelines, land facilities) which do not have available capacity.
- No commercial agreement (Mangler kommersiell avtale).
 - Realization assumes agreements with third parties, and this may be difficult to achieve.
- Rig availability (Riggtilgjengelighet).
 - No mobile drilling rigs available in the market.
- Environmental requirements (Miljøkrav).
 - Realization can entail unacceptable environmental emissions/discharges that cannot be removed in a profitable manner.

- HSE requirements (HMS-krav).
 - Realization can entail unacceptable HSE conditions that cannot be resolved in a profitable manner.
- Other (Annet - se kommentar).
 - Specify in the comments space.

Technology

Is the project based on conventional methods or will new technology be used or developed? These are the available options:

- Conventional methods (Konvensjonelle metoder).
 - Used and commercially available for several years.
- New available technology (Ny tilgjengelig teknologi).
 - The project entails use of, or is a result of, new technology/methods that are currently available commercially/ are fully qualified / recently developed, but not previously put to use.
- Requires development of technology (Betinge teknologiutvikling).
 - Realization of the resources in the project is contingent on the development of technology/methods that are not available commercially today.
- Other (Annet - se kommentar).
 - Specify in the comments space.

Technology areas

Within which areas will new technology be used or developed? Provide detailed comments in the comments space, e.g. if the project includes technology development within several areas. These are the available options:

- Seismic/resource mapping (Seismikk/res. kartlegging).
 - Advanced seismic methods, 4D, geo-modelling, geo-management, reservoir simulation, etc.
- Drilling/well technology (Bore/brønntechnologi).
 - The drilling process, reduced drilling costs, well interventions, completion, etc.
- Reservoir technology (Reservoarteknologi).
 - Injection media, residual oil saturation, reservoir chemistry, etc.
- Production control (Produksjonsstyring).
 - Zone control, sand control, water production, etc.
- Facility/process (Innretning/prosess).
 - Process facility, power supply, environment, integrated operations, subsea facilities/equipment, etc.
- Other (Annet - se kommentar).
 - Specify in the comments space.

Technology status

What is the status regarding technology development for projects that are contingent on new technology? These are the available options:

- Commercially available (Kommersielt tilgjengelig).
 - No need for development of technology, available technology will be used.
- Not started (Ikke startet).
 - A need for technology has been defined, but no steps have been taken to start research / development.
- Undergoing engineering (Under prosjektering).
 - The owners are aware of/are financing research/development.
- Undergoing qualification (Under kvalifisering).
 - Technology has been developed, but has not been qualified / is not ready for use.
- Undergoing field testing (Under felttest).
 - The technology is available, but further use depends on the results of pilot tests.
- Other (Annet - se kommentar).
 - Specify in the comments space.

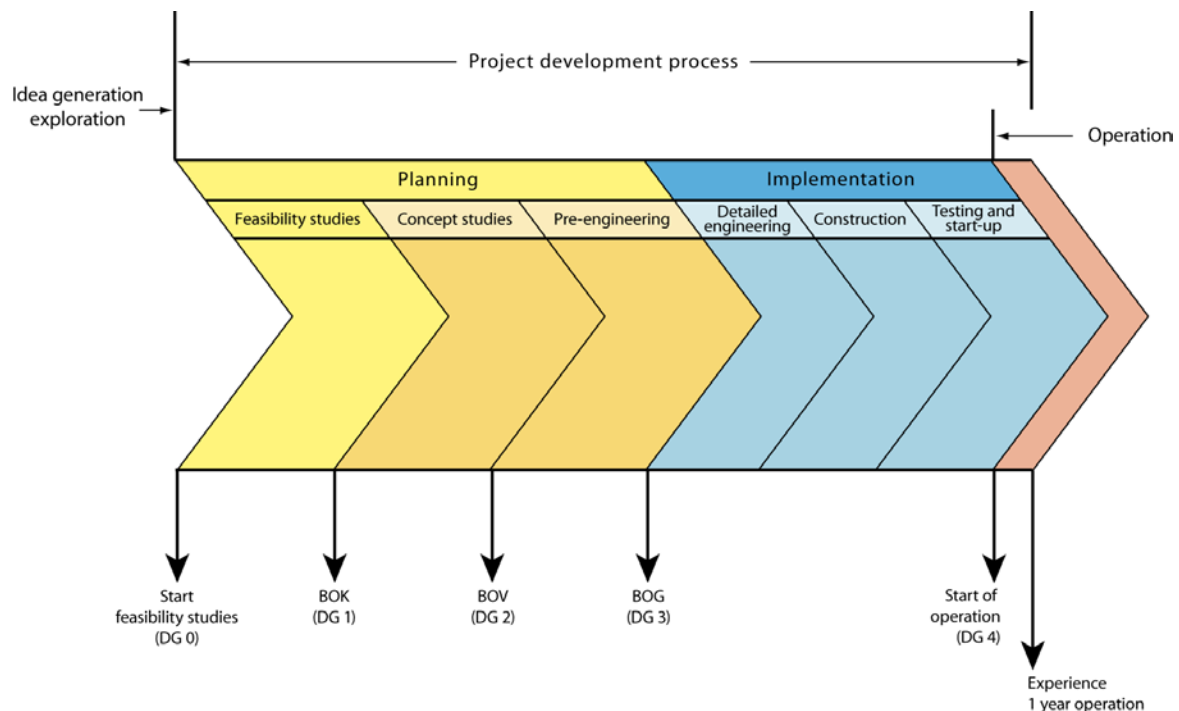
Time-critical aspect

Is realization of the project time-critical, and if so, what is the time-criticality. These are the available options:

- Not time-critical (Ikke tidskritisk).
- Contingent on infrastructure (Infrastrukturbetinget).
 - Time-critical due to limited technical or economic lifetime of facility or time-limited window for process/transport capacity.
- Contingent on reservoir (Reservoarbetinget).
 - Time-critical due to planned gas export and/or accelerated pressure reduction (blowdown) or expected natural depressurization, e.g. in connection with production from adjacent fields (regional pressure drop) which can lead to the loss of resources.

Decision plan

To ensure that the maturation of projects and discoveries can be followed, the authorities want an overview of the expected project decisions in the production licences. What kinds of decisions will be made next in the project indicates how far the project has progressed in terms of studies/evaluations. The figure below illustrates the decision model used by the authorities for larger projects and developments, and which represents some of the possible selections on the list.



General project development model

OD 0808001

Decision year

The expected/planned years for future decisions must be indicated. Even if, for example, initiation of the project lies quite far into the future, the operator must nevertheless indicate a year that represents the best estimate. The year selected should be realistic, and not just an ambition. Decision milestones that have already been passed shall also be stated, including the year.

- Decision on project initiation. (DG 0)
 - Equivalent to start-up of feasibility studies. The project is a potential but evaluation has not yet been started.
- Decision on concretization. (DG 1)
 - Equivalent to start-up of concept studies. The project is initiated and feasibility studies are underway. Work is proceeding towards a reduced list of concept options. The following

activities are normally carried out in the feasibility study phase up to a decision on concretization:

- The concept or resource base for the project is reviewed, evaluated and described.
 - The market for the proposed products is evaluated.
 - Based on technical studies, potential feasible technical solutions are outlined for the field development, transport system, treatment facility, etc.
 - HSE consequences are evaluated.
 - A cost estimate is prepared for the project; this will normally satisfy +/- 40%.
 - The probable profitability of the business concept will be documented.
 - An evaluation is made of the uncertainty associated with the project, including resource base, market, technical solution, HSE, feasibility, supplier market, cost estimate and profitability.
- Decision to continue. (DG 2)
 - Equivalent to start-up of pre-engineering and concept selection. A cost estimate with reduced uncertainty will be prepared.
 - Decision to implement. (DG 3)
 - The project is in the engineering phase and final approval by the licensees and submission of PDO (if applicable) is planned. The year will mark when the resources are expected to become reserves. This applies regardless of whether the final decision is submission of a PDO, or whether the decision is made in some other manner. The selected year should be realistic, and not merely reflect ambition. Even if the project is in an early study phase, a year must be entered as the best estimate, given certain assumptions. For discoveries/projects that will be phased in to a (parent) facility when capacity becomes available, this field can remain blank if necessary, but a notation should be made in the comments space.

7 COMPLETING THE SPREADSHEET "TARIFF INCOME" ("TARIFFINTEKTER") AND TARIFF COSTS

Tariff income and tariff costs shall be stated, assuming that they entail a payment obligation. Income/costs for the current year and the last completed calendar year shall be stated in current NOK. All future income/costs shall be stated in fixed NOK. The reference year for fixed NOK shall be the the current calendar year, i.e. 2011-NOK.

Tariffs per field

Tariffs shall be equivalent to 100% of the field (or 100% of the Norwegian share). If all licensees do not receive the same tariffs/have the same tariff costs, an estimate must be calculated, e.g. calculated as the operator's tariffs / the operator's share in the joint venture.

Reporting period

Tariff income/tariff costs shall, as for the profile collection, be reported for the entire licence period for the project, or for as long as income/costs are expected to occur for the project (longest period).

Tariff income

Tariff income shall only be reported for projects in RC 1 - 2 that have such income.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	
1	Reporting for Revised National Budget 2012						Yearly income (mill NOK) should be stated for each field etc, paying cash for services.									
2	Tariff income / rebates						Field names should be selected from the drop list in row 7. Type of tariff should be selected from									
3	(million NOK)						the drop list in row 8. Free text should be added in the cells in row 9. The cells are small, but will									
4	Project ID :						handle text limited to 256 characters.									
5	Operator :															
6	Norwegian fields, etc. that pay for services in the form of money - state name of field at the top of the column.															
7	Field name :															
8	Tariff type:															
9	Free text:															
10	Year	C=D+AC	D-TOT(E,AB)	E	F	G	H	I	J	K	L	M	N	O		
11	2010	0	0													
12	2011	0	0													
13	2012	0	0													

The fields that pay for services in the form of money shall be indicated in Rows 7 and 9. The income flows are to be stated in separate columns. At the top of the column (Row 7), select the name of the field that purchases services from the drop-down list. Free text can be added in Row 9, if needed. Space has also been allocated for more free text below the table. In Row 8, the type of tariff is selected from the drop-down list.

Delimitation

Tariff income shall include all payments for services that are performed for another field or outside the Norwegian shelf in connection with treatment, transport, storage, modulation, etc. of petroleum. Tariff income shall also include any reimbursement of operating costs that the relevant project may have covered by other parties as a consequence of agreements for treatment and/or transport of petroleum.

Total tariff income is automatically retrieved in Profil 1, from the data entered in the "Tariff income" spreadsheet.

Tariff costs

Tariff costs are found on the profile spreadsheets, and shall only be reported for projects in RC 3-4 that have such costs. Tariff costs in RC 0-2 shall not be reported. The tariff costs associated with the projects in RC 0-2 will be accounted for when the fields report income from third-party processing, and pipelines and terminals provide estimates of their income. The NPD incorporates and allocates this income as costs for the relevant fields as part of the comparison of the figures associated with National Budget Reporting.

	BI	BJ	BK	BL	BM	BN
30	For discoveries in RC3 or RC4:					
31	Please state where services are assumed to be provided					
32						
33	Tariffs					
34	Import of tariff services -JOA 6.4 part	Tariff costs oil transport -JOA 6.4 part	Tariff costs gas transport -JOA 6.4 part	Tariff costs processing/ treatment -JOA 6.4 part	Tariff costs land-based -JOA 6.4 part	Total tariff costs -JOA 6.4
35	million NOK	million NOK	million NOK	million NOK	million NOK	million NOK
37	0	0	0	0	0	0
38						0
39						0
40						0
41						0

The types of data are divided between import of tariff services, oil transport, gas transport, processing/treatment and land facilities and are summarized for each project. Indicate the intended location where the service is to be performed in the comments space above each data type. The total column will be completed and calculated automatically.

Definition and delimitation

- Tariff costs shall include all payments for services that are performed by another field on the Norwegian shelf in connection with treatment, transport, storage, modulation, etc. of petroleum.
- Oil transport – Costs associated with oil transport before the norm price point, i.e. transport costs that are deductible in relation to petroleum tax.
- Gas transport – Costs associated with gas transport up to the sales location, i.e. transport costs that are deductible in relation to petroleum tax.
- Processing/treatment – Costs associated with processing and treatment on third party facilities, including storage, modulation, etc. of petroleum, i.e. processing and treatment costs that are deductible in relation to petroleum tax.
- Land – Costs associated with processing and treatment including storage, modulation, etc. of petroleum that takes place in terminals on land, i.e. processing and treatment costs in land facilities that are deductible in relation to petroleum tax.

Note that import of tariff services, i.e. costs associated with the use of transport or processing facilities that are either geographically or in terms of the Petroleum Act outside of the Norwegian shelf area, but that nevertheless are deductible in relation to petroleum tax, shall still be reported in a separate column (BH) in the profile collection for the project in question. This applies both to fields in RC 0 - 2 as well as projects in RC 3 - 4.

As an alternative to paying tariffs in some projects, it may be relevant to pay for processing or transport capacity on third party facilities that are transferred free of charge to these. Such investments

shall be reported together with the project's other investments. Reference is made to details regarding this in the discussion of investments provided in the guidelines.

Tariff costs shall also include any reimbursement of operating costs that the relevant project receives from others as a consequence of agreements entered into for treatment and/or transport of petroleum.

For the purposes of this reporting, import of tariff services comprises payments for use of the Brae pipeline, the British Frigg facility, as well as the Brent oil and gas pipeline (Flags) and any other foreign installations. The NPD receives a calculation basis for Norpipe UK and Norseia Pipeline. Tariffs to Norpipe UK and Norseia Pipeline are therefore not included.

Any tariff costs after expiration of the licence period for the project can be reported as an estimated annual amount, e.g. the level before the licence period expired.

Only the Norwegian part of the tariffs shall be reported.

If there are other significant operating costs other than tariffs/rebates that are not covered by the joint venture or equivalent budgets, information must be provided regarding such circumstances. Amounts are considered to be significant if they exceed NOK 50 million per year, or NOK 300 million in total over the next ten years. Amounts must be provided in a separate appendix, if applicable.

8 COMPLETING THE SPREAD SHEET "MONTHLY DATA" ("MÅNEDSDATA")

Monthly data for the year to come shall be reported on a separate spreadsheet. The expected value is to be reported for all profiles.

	B	C	D	E	F
8	Profile_1				
9		Monthly sales oil Base estimate	Monthly sales NGL Base estimate	Monthly sales condensate Base estimate	Saleable gas per calendar year distributed per month 40 MJ/Sm3
11		million Sm3	million tonnes	million Sm3	billion Sm3
12	jan. 12				
13	feb. 12				
14	mar. 12				
15	apr. 12				
16	mai. 12				
17	jun. 12				
18	jul. 12				
19	aug. 12				
20	sep. 12				
21	okt. 12				
22	nov. 12				
23	des. 12				
24	TOTAL	0,00	0,00	0,00	0,00

9 QUALITY ASSURANCE

9.1 The operator's responsibility

The person responsible for the operator's reporting shall ensure:

- that there is a complete overview of all the projects the operator is to report on
- that a correct profile collection is linked to the various projects
- that correct reporting is submitted to the authorities by the deadline stated in the dispatch letter

The person responsible for the operator's reporting shall ensure consistency between the various types of data, as well as make sure that the contributions from the respective disciplines are quality-assured.

Quality implies that the reporting is in accordance with the requirements listed in the General Guidelines and in the Reporting file.

9.2 Consistency checks

As part of the quality control, several consistency checks are included in the spreadsheet, below the profile collection. Mainly these checks control the consistency between figures reported various places in the spreadsheets. When a consistency check gives a result there are two alternatives:

1. Change the input so that it is consistent
2. Explain why the data is still correct

To help secure that this is accomplished, a check is incorporated in the reporting file. After 1.10.2011 a warning will show up if there are unresolved consistency checks when closing the file. The warning will tell you which profile sheet(s) to check.

Description of the checks:

Check 1, 3, 5 and 7:

Control that the same quantity is reported in the sheet "Månedsdata", as in the actual profile collection, as sale in 2012. A small margin is granted for rounding off numbers, it is important that these numbers are correct, since they should be consistent with the production application.

Check 2, 4, 6 and 8:

Control that the resources reported in the profile collection equals the numbers reported in the project overview in the profile collection. A deviation of 2% is allowed.

Check 9 and 10:

Control that the different contributions to CO₂- and NO_x-emissions respectively, add up to the total emissions reported.

Check 11 and 12:

Control that there are CO₂- and NO_x-emissions every year with production. These checks are not active for profile collections containing reserves in fields without emission of fuel and flare, and for profile collections in resource category 5.

Check 13:

Control that final disposal (removal) –costs, if reported, are reported after end of production.

Check 14 and 15:

Control that annual cash flow and remaining net present value are positive. The intention is to check sales data versus cost data to reveal significant errors (for instance in units) in the report. In this connection, firm prices have been assumed for all petroleum products:

- Oil: NOK 3500 per Sm³
- Gas: NOK 2500 per 1000 Sm³
- NGL: NOK 3500 per tonne
- Light oil/condensate: NOK 3500 per Sm³

Consistency Check No. 15 includes assumption of a 7 % discount rate.

It is emphasized that these assumptions do not reflect the authorities' assumptions when evaluating individual projects, but are merely intended for use to reveal significant reporting errors.

Check 16 and 17:

Control gas balances for projects. Check that gas flow in and out of fields is in balance. Check 16 also includes use of gas on the field. These checks are not performed for profile collections containing reserves in fields without fuel and flare, and also for profile collections in resource category 5.

Check 18 and 19:

Control if comment boxes are used. It will be more useful to make comments in the text boxes prepared for this, than to comment in the space next to the response from the consistency check.

Check 20:

Control the consistency between sum of sales gas profiles per calendar year and gas year.

Check 21-24:

Control of drilling costs. Will give a result when unit cost per well or unallocated well costs are outside the stated thresholds.

Check 25:

Control that operation costs are reported in the profile collection for the same period as for income. .

Check 26:

Control that removal and cessation costs are reported for projects in operation or projects containing investments in new infrastructure. The check is not performed for profile collections with relatively small recoverable resources.

9.3 The spreadsheet Cost control

The input in this sheet is the operator's assumptions for general price increase. The sheet also contains a control area to check if reported costs and income data are in accordance with the budget and the accounts for the license. In addition, the sheet contains two visual consistency checks linked to the sheet "Profil_Total", which give a total of all the profile collections. If no approved projects are reported, there is no need to check reported data against budget.

General price increase should be the operator's general assumption when converting current NOK to fixed NOK. For example, figures for 2012 apply to the general price increase from 2011 to 2012. This price increase must be used when converting the budget figures in current NOK to the reference year in fixed NOK. By definition, we expect the same general price increase (for instance the consumer price index) to be used for all project one operator reports. We recommend that the data is entered into the spreadsheet by a coordinator before internal distribution.

The table shows reported investments distributed in line with the Joint Operating Agreement definitions in current kroner. Thus, the figures should be easy to compare with the current budget proposal in the license.

For comparison, budget data can be entered into the column "Investments Budget Total investments-JOA 5".

If any discrepancies between the reported numbers and the operators budget proposal, please comment in the text box "Comments on discrepancies (if any)"

The visual consistency checks below give a sum across all profile collections. Calculated net cash flow and costs per well are plotted against year. Any profile collections containing data outside a defined threshold value will be listed. Any comments, if the data is considered valid, should be made in the consistency check table for the relevant profile collections, checks 21-25.

10 ERROR MESSAGES

The reporting file has been developed in Microsoft Office Excel 2003. The programming language "Visual Basic" has been used to program the macros. The reporting file should also function in earlier versions of Excel. Contact the NPD if problems or error messages occur that are not described here.

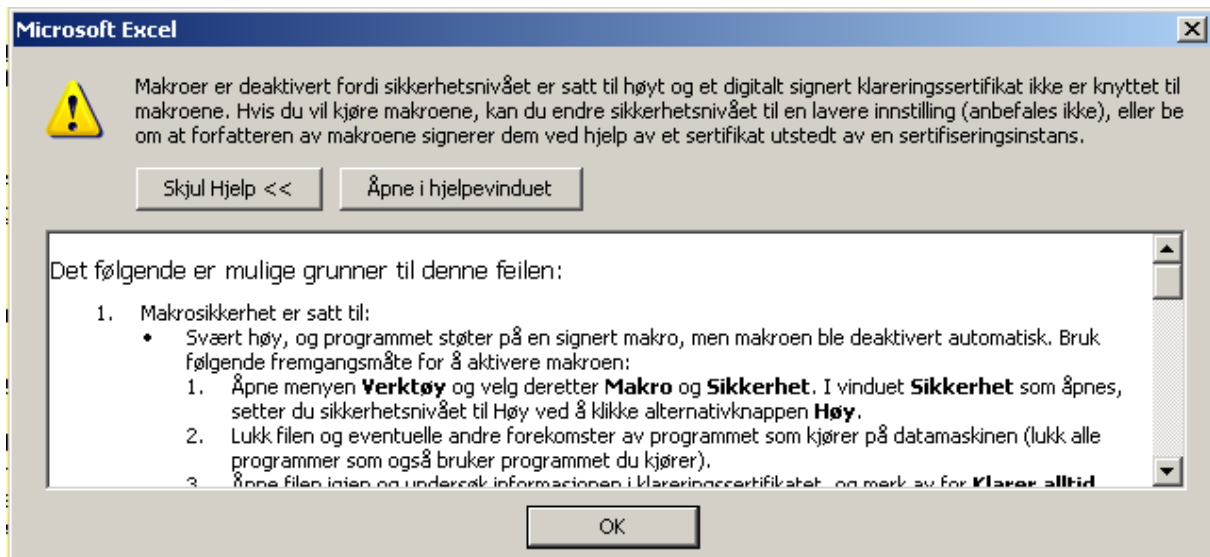
Error Message 1)

"This document was opened with Macros disabled....."

If the macros were not activated (if "Disable macros" was clicked) when the reporting file was opened, the following error message will appear:

Error! Objects cannot be made by edited field codes. Click "OK", close the reporting file and then re-open it. Click on "Enable Macros" when the dialogue box appears.

This error message, or the one shown below, will also appear if the security settings in Excel are set at "High". To change the security settings, open the menu "Tools / Options / Security" and select "Macro security". Here you can select the "Medium" level. Every time you attempt to open an Excel file with built-in macros, a box will be displayed asking whether you want to activate the macros.



Opening the reporting file without activating the macros will cause several of the spreadsheet functions not to work.

Error message 2)

"The cell or chart you are trying to change is protected"

If you attempt to paste in or enter data in protected cells, the following message will appear:

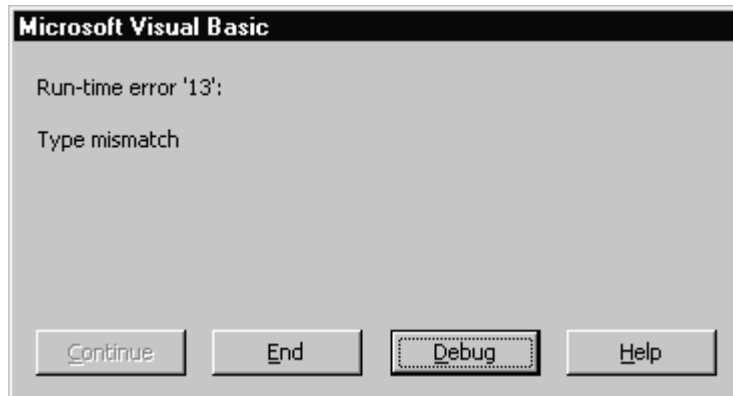


This can often occur, in particular in connection with pasting in large areas in the profile collections. There are several columns here in which no data can be entered; and some of these are hidden to the user. Click "OK" on the message box and check whether there are protected cells in the entry area. Try to divide the paste area into smaller sections. Remember – you are only allowed to change white cells.

Error message 3)

"Run-time error '13':"

If you attempt to enter text in cells where numbers are required, the following error message will appear:



To continue, click on the "End" button, correct the error and continue to enter data.

11 CONTACTS IN THE NPD

In the reporting file in the spreadsheet entitled "General info and comments", the names of contact persons in the Norwegian Petroleum Directorate for the respective fields or facilities will appear after the name of the field, discovery or facility is entered. If you have project-specific questions in connection with completing the reporting file, contact the specified persons.

Area	Contact	Telephone	e-mail
General questions	Tom Andersen	+47 51 87 62 75	rnb2012@npd.no
Submission of data, LiveLink	Kjersti Mæland	+47 51 87 63 06	rnb2012@npd.no