

Guidelines for status report in connection with surrender, lapse or expiry of a production licence

Introduction

The purpose of this guideline is to ensure that the authorities receive information with the correct content and format in connection with the status report (also called relinquishment report).

According to the Resource Management Regulations section 27 first paragraph the licensee shall submit a status report to the Norwegian Petroleum Directorate within three months after a production licence is surrendered, lapses or expires. The status report requirement applies to production licences awarded from APA 2006 and for production licences awarded from the 22nd round (in 2012).

The status report shall summarise any acquired data, completed studies and results thereof, as well as an overview of potential prospects in the production licence. The status report shall provide an overview of all geo-technical materials and where they are stored, along with information about storage format.

Status report requirement

A status report must be submitted in the following cases:

- **Surrender**
If the licensee no longer wants to keep the production licence, it must be surrendered in its entirety. This is governed by Section 3-15 of the Petroleum Act. Surrender can take place with three months' notice. As regards to production licences in the extension period, surrender can only take place at the end of each calendar year. The Ministry will usually require that the obligations stipulated according to the production licence and the conditions on which it has been granted to be fulfilled prior to surrender.
- **Lapse**
If the licensee does not make decisions or makes negative decisions in accordance with the work commitment, the production licence will lapse. This is governed by Item 4 in each production licence. Such decisions are the decision to drill, concretisation decision (BOK), decision to continue (BOV) and decision to implement (BOG), i.e. submission of Plan for Development and Operation (PDO) or Plan for Installation and Operation (PIO). Such decisions must be made within the deadlines stipulated in the work commitment, otherwise the production licence will automatically lapse from the date that the decision should have been made, or from a specific date stipulated in the production licence.
- **Expiry**
A production licence expires when the award period ceases and it is not extended. This means at the end of the initial period, extended initial period, the extension period or extended extension period.

It is not necessary to submit a status report in the following cases:

- **Relinquishment**

Relinquishment of parts of the area covered by the production licence is governed by Section 3-14 of the Petroleum Act. Relinquishment can take place with three months' notice. As regards to production licences in the extension period, relinquishment can only take place at the end of each calendar year. The Ministry will usually require that the obligations stipulated according to the production licence and the conditions on which it has been granted to be fulfilled prior to relinquishment.

Content of the status report

The status report must contain:

- 1. History of the production licence**
- 2. Database overviews**
- 3. Results from geological and geophysical studies**
- 4. Prospect update report**
- 5. Technical evaluation**
- 6. Conclusion**

The status report must also contain:

- Map showing seismic used in the production licence
- Map showing the production licence and outer boundaries of potential prospects and/or discoveries
- Structural map and interpretation map showing cross-section of prospect and/or discovery

To the extent the authorities have received information pursuant to Section 25 of the Resource Management Regulations that is identical to the information that must be provided in the status report, this can be referenced in the status report.

1. History of the production licence (maximum 1 page)

- Date of award
- Licensees and operator
- Work commitments with stipulated time limits
- Applications and decisions to extend the stipulated time limits
- Overview of meetings held
- Brief explanation of grounds for surrender /lapse/expiry

2. Database overviews (maximum 1 page)

2.1. Seismic data

- Map and list of all seismic datasets (acquired, reprocessed or procured) that were used and whether they are available to the market
- As regards to seismic datasets, the survey name and associated NPDID must be listed on the seismic datasets that have been procured, acquired (shot), reprocessed or merged
- As regards to merged datasets, the surveys/datasets, with associated NPDID, that this consists of must be indicated. Merged datasets do not receive a separate NPDID

2.2. Well data

- Listing of wellbores incl. NPDID for well results that are included in this status report

3. Results of geological and geophysical studies (maximum 2 pages)

- List of performed studies on evaluation of the prospectivity in the production licence (mapping, processing, modelling, analyses, decomposition, etc.)
- Results of performed studies
- Any significant change in understanding and expectation based on new data and evaluation compared with original application for award

4. Prospect update report (maximum 3 pages)

- Assessment of prospect and/or leads that were originally discussed in the application for award
- Assessment of prospect after new interpretation/mapping and after each drilling
- Assessment of changes in resource volume and probability estimates
- Revised prospect data (Table 5) shall be included if relevant, updated data must be indicated in the table

5. Technical evaluation (maximum 1 page)

- Completed technical evaluations with a conclusion regarding possible development of discovery or remaining prospects

6. Conclusion (maximum 1 page)

- Comments concerning remaining resource potential in the area
- Grounds for surrender /lapse/expiry

The report must be sent to postboks@npd.no. If the attachment exceeds 7MB, the following must be used <http://services.npd.no/droppone/default.aspx>