



NORWEGIAN PETROLEUM
DIRECTORATE

THE SHELF IN 2017

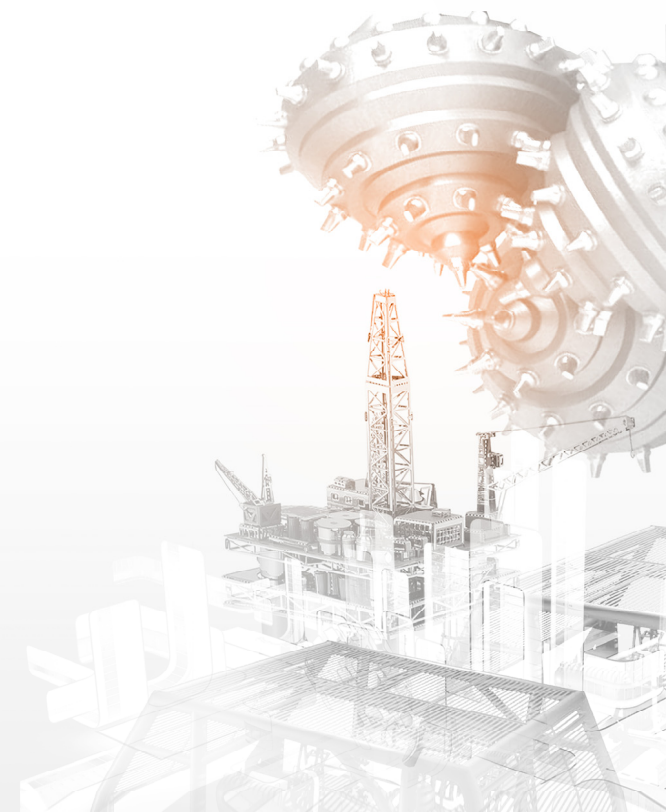
Director General Bente Nyland

11 january 2018



Main trends in 2017

- Record-high Norwegian gas sales
- Increase in total oil and gas production
- Significant cost cuts
- Record number of development plans
- Too few exploration wells and small discoveries



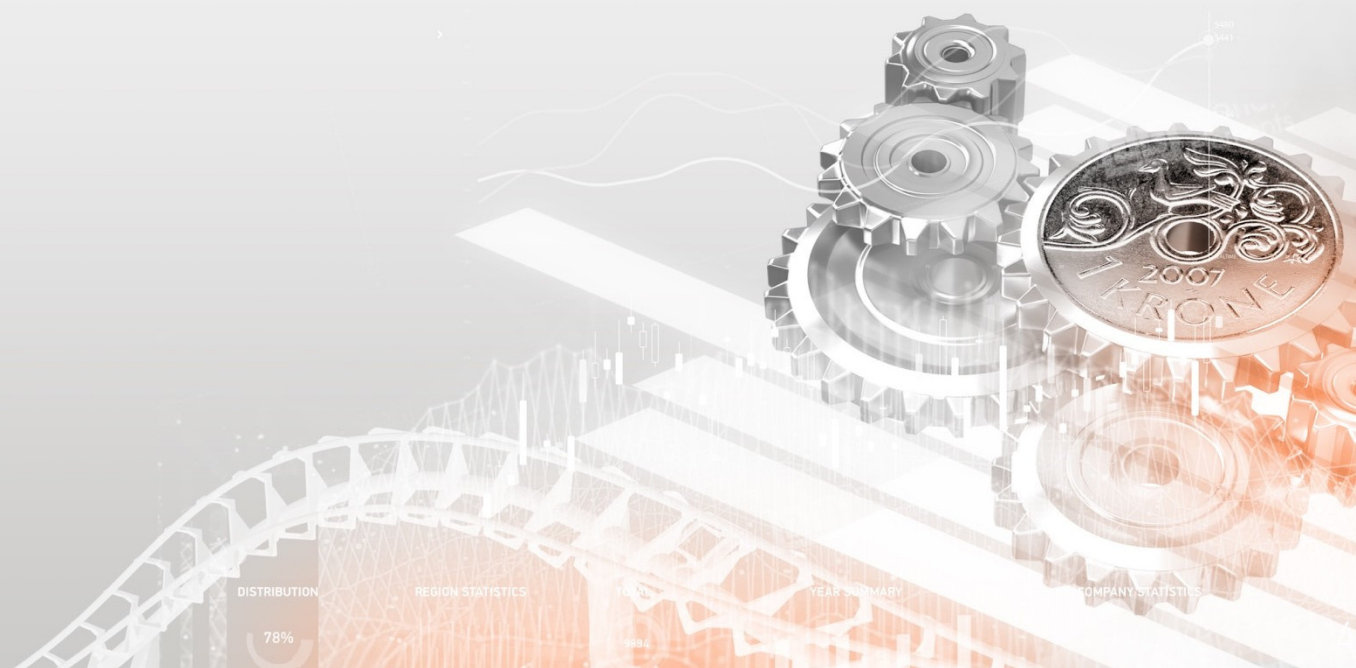
Oil price has doubled over the last two years



Source: EIF, spot, FOB

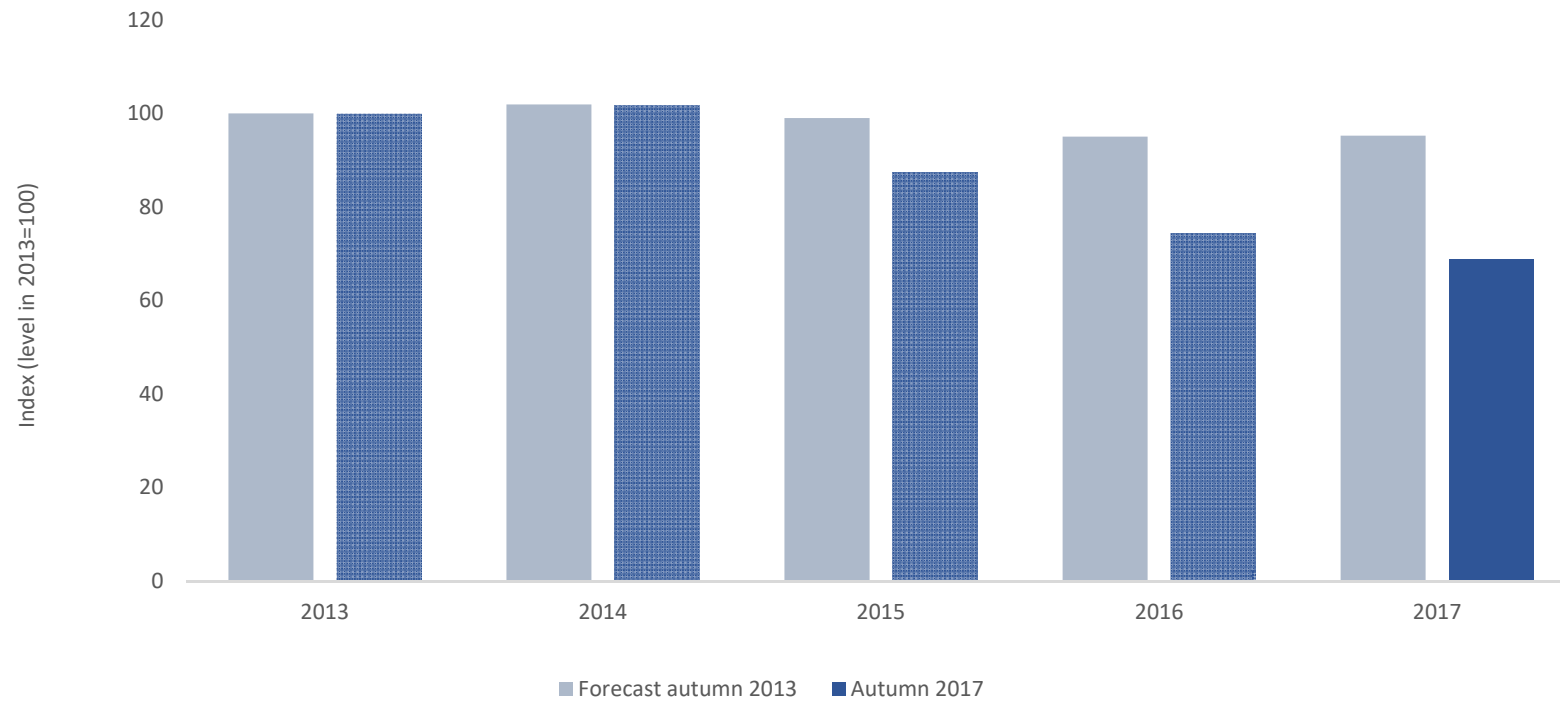


COSTS

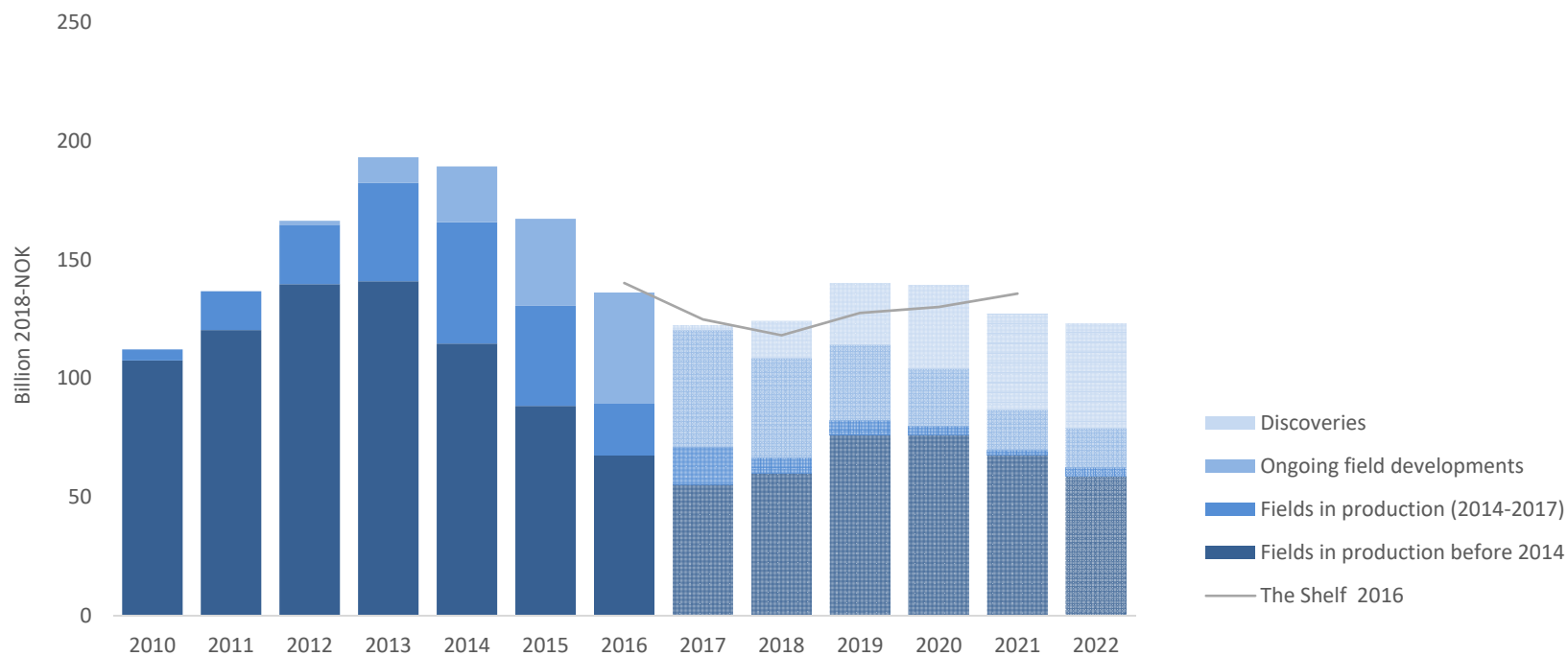


Cheaper to produce

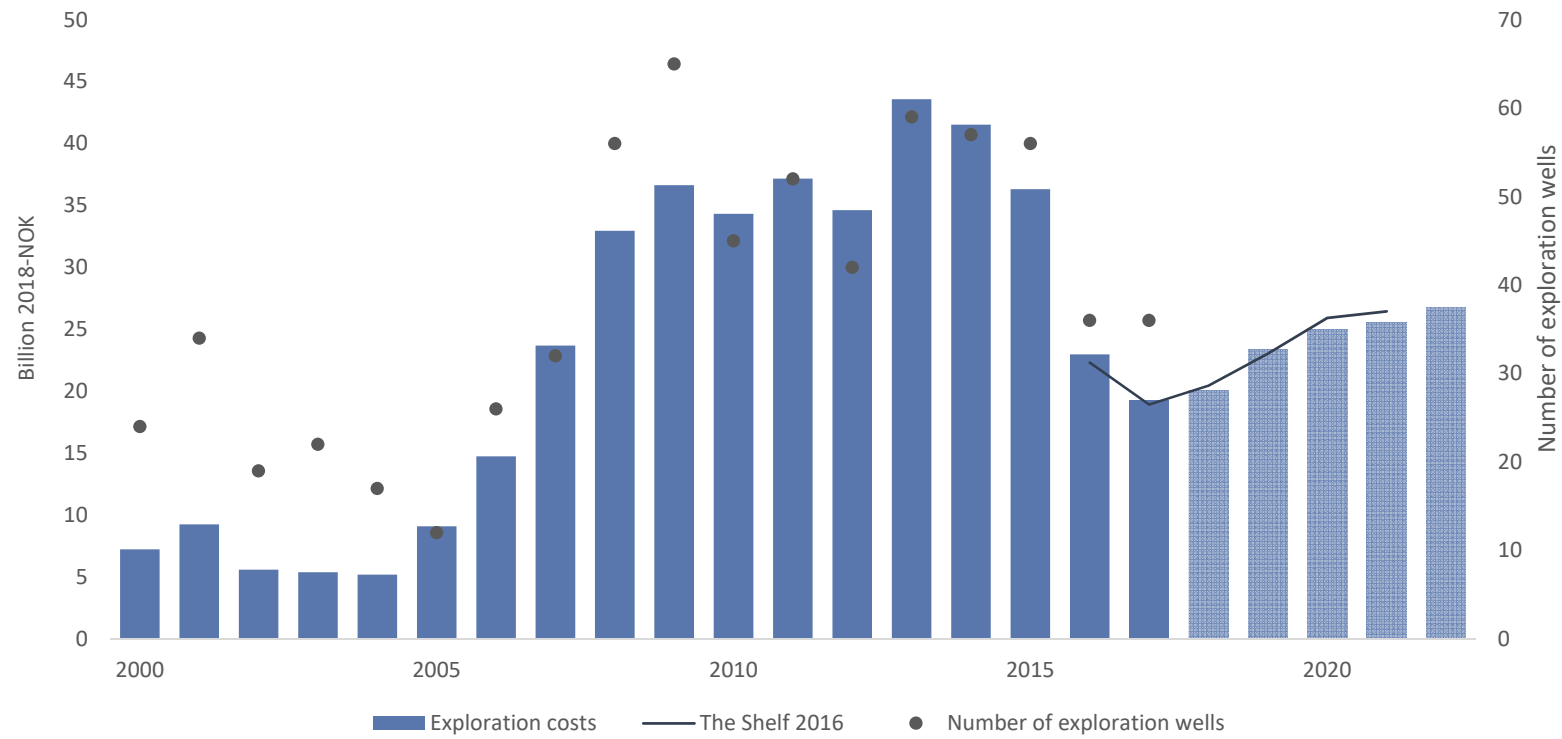
Operating costs down by 30 per cent



High activity and stable investment level



Stable exploration activities

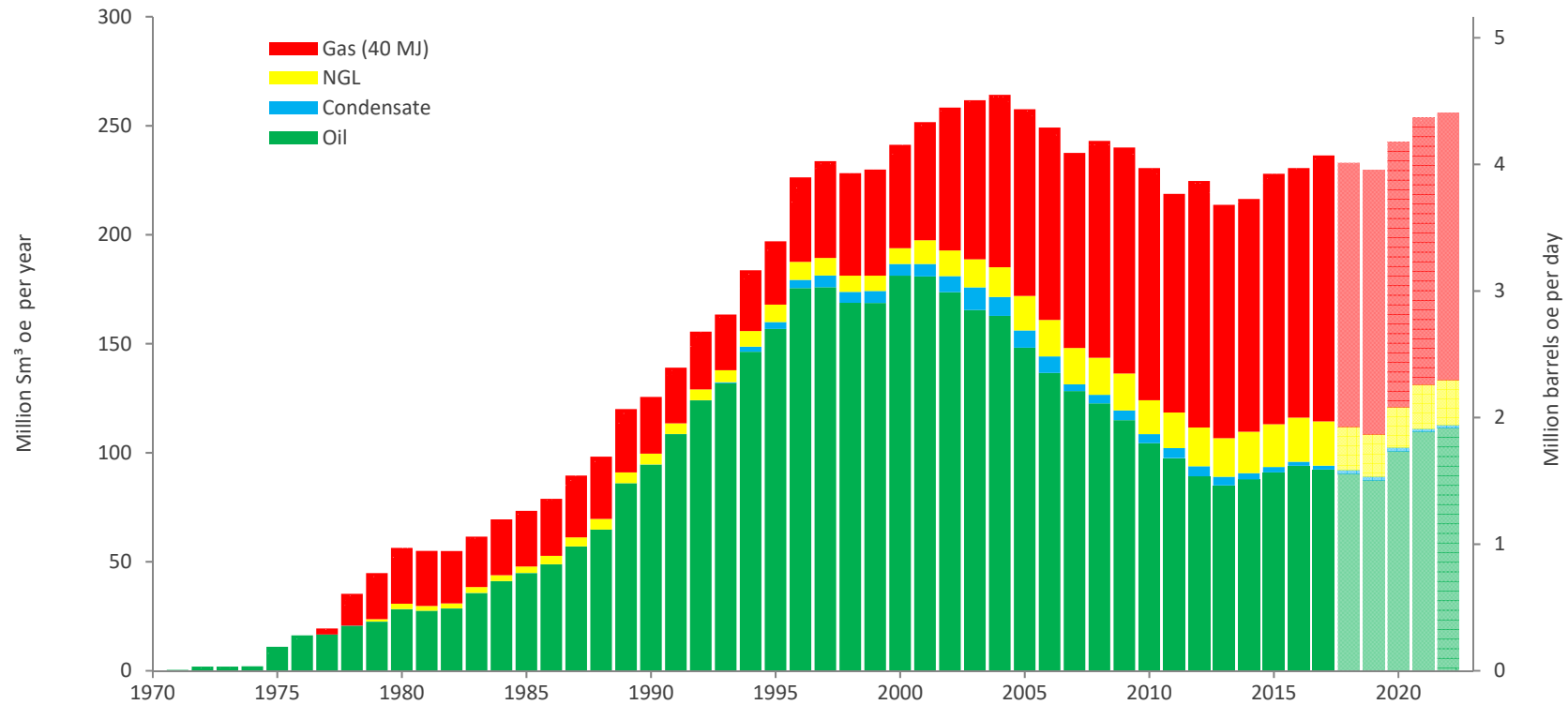




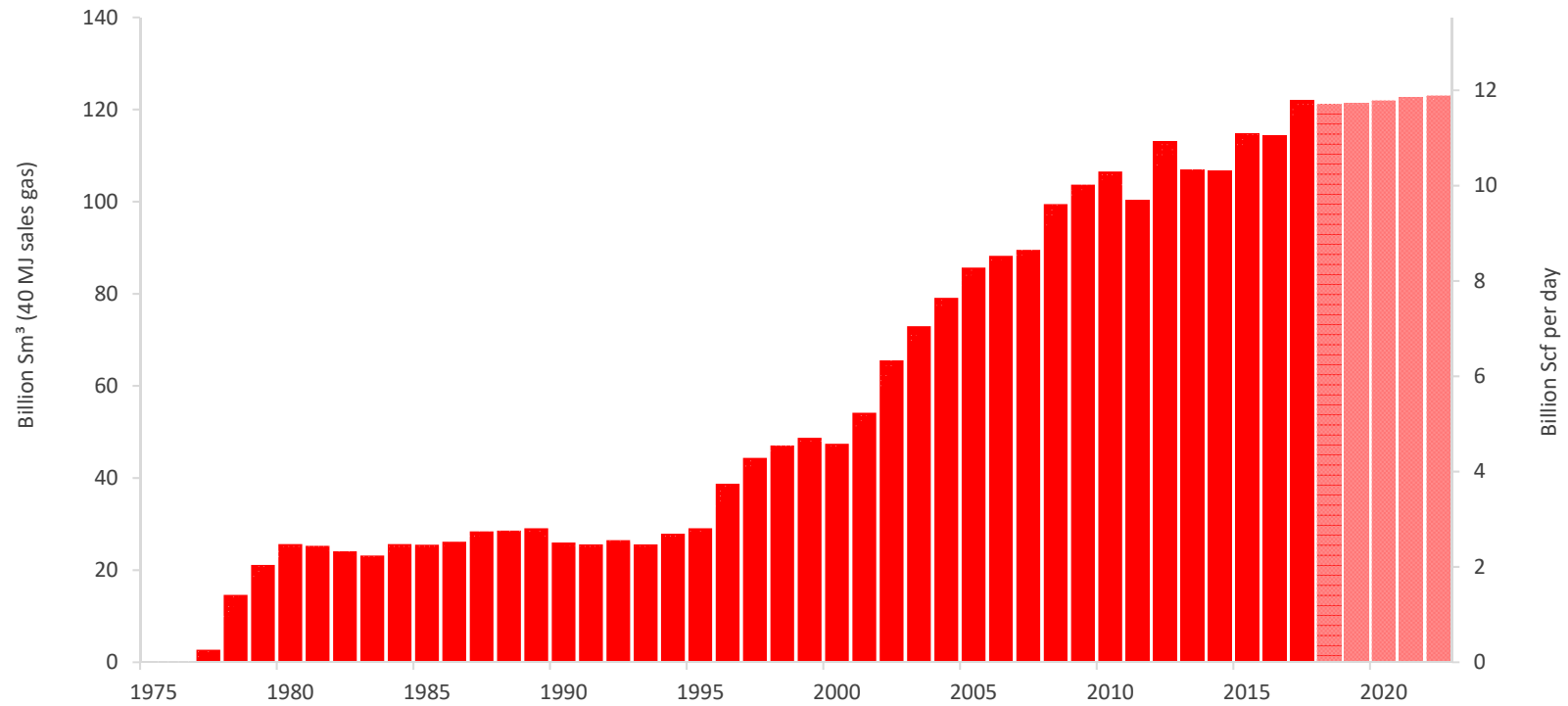
PRODUCTION



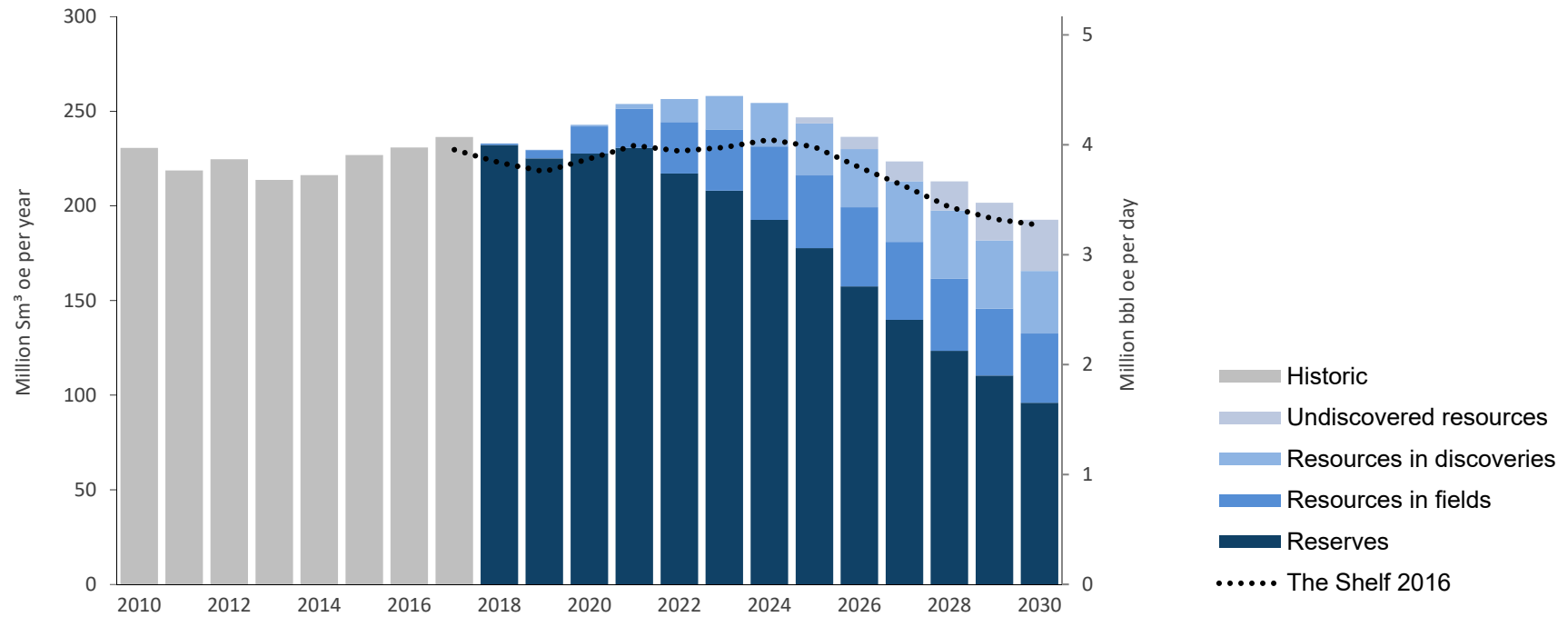
Increasing oil and gas production



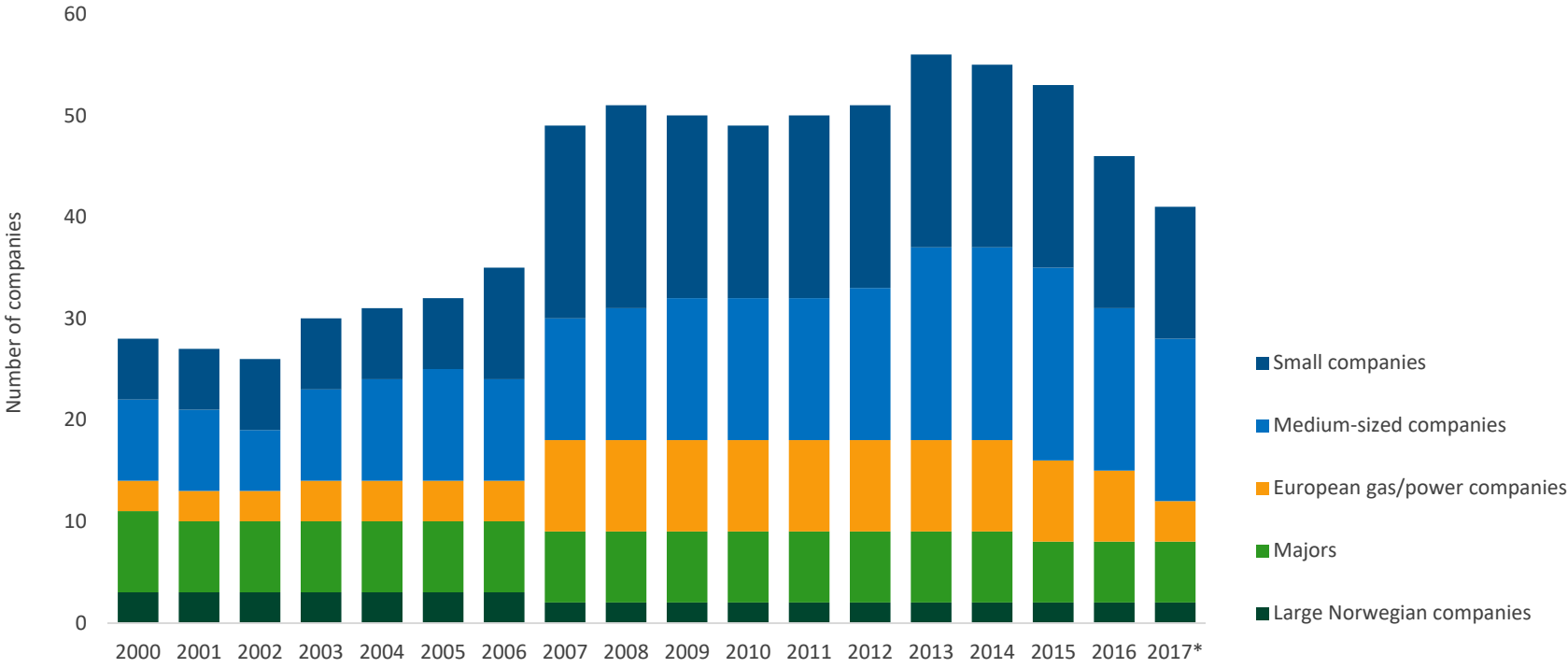
Record-high Norwegian gas sales



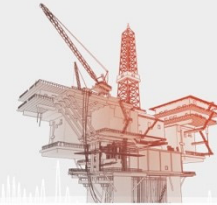
Long-term production at a high level



Medium-sized oil companies becoming more important



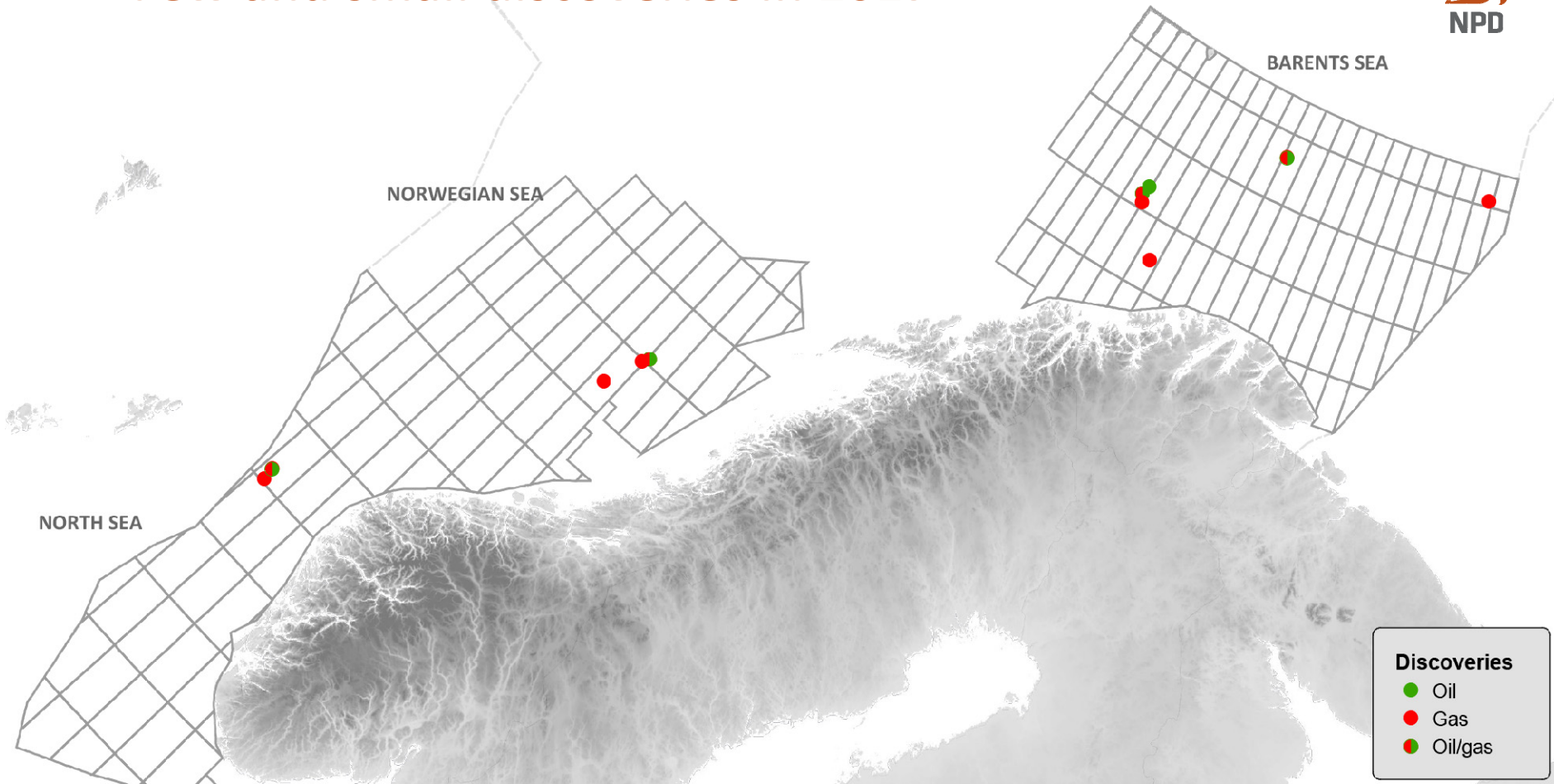
*incl. ongoing changes/mergers



EXPLORATION



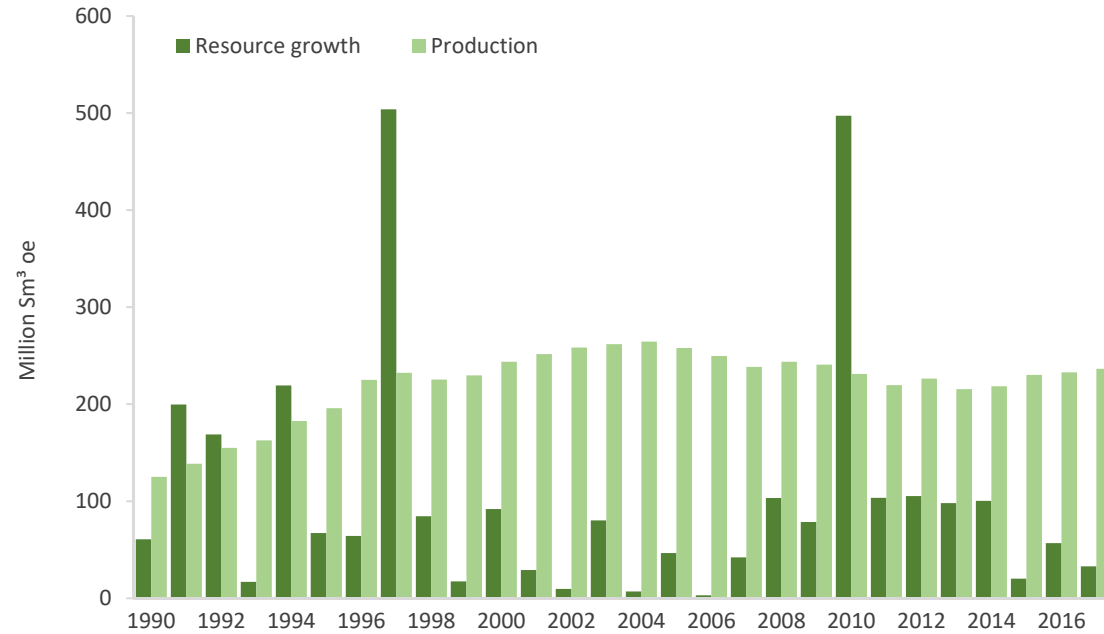
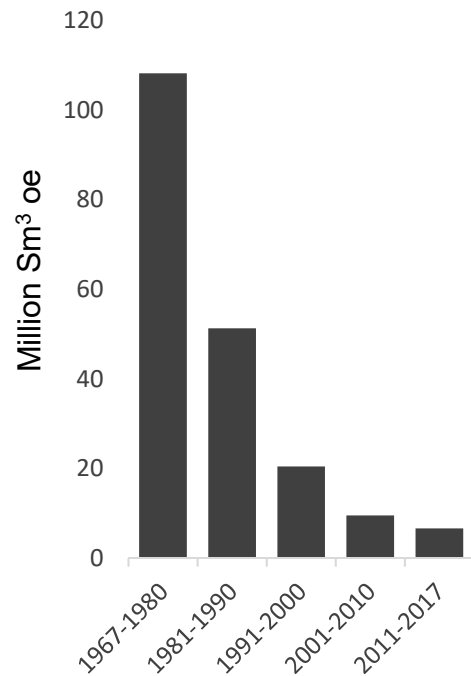
Few and small discoveries in 2017



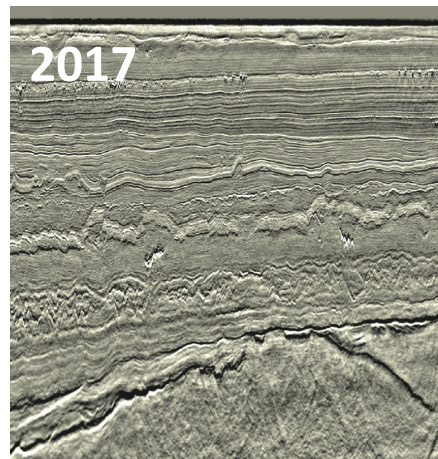
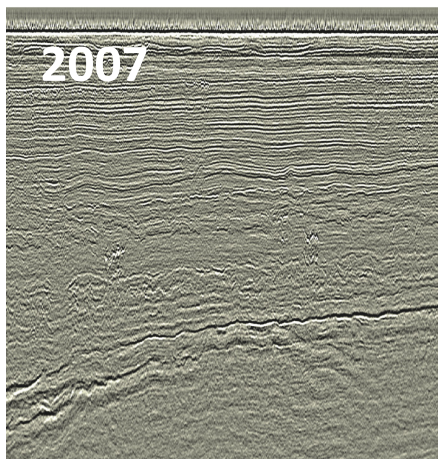
Discoveries do not replace production



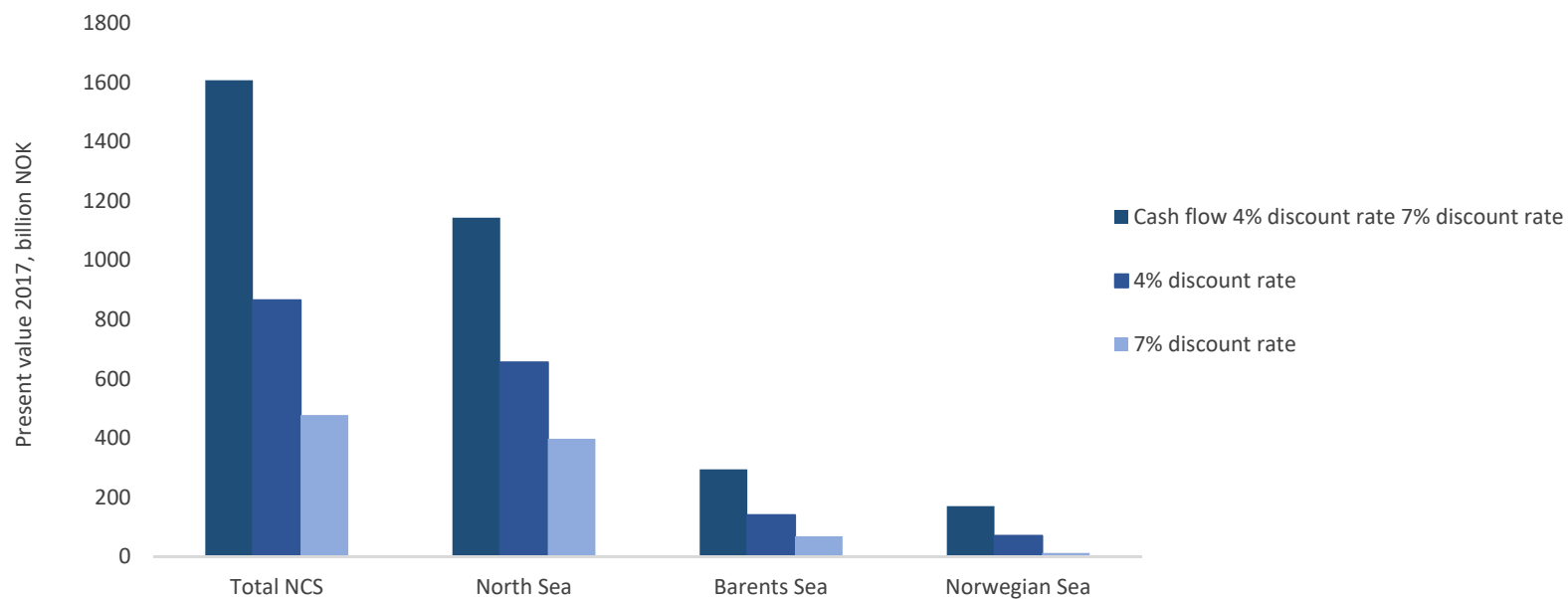
■ Average size of discoveries



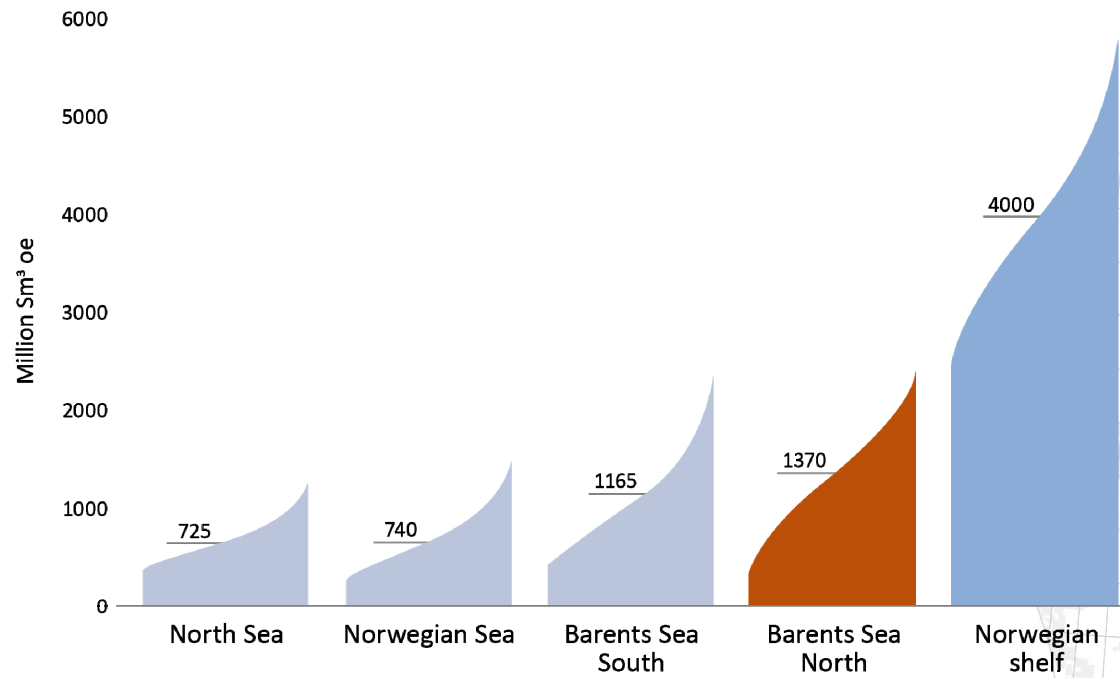
New seismic technology provides new opportunities in “old acreage”



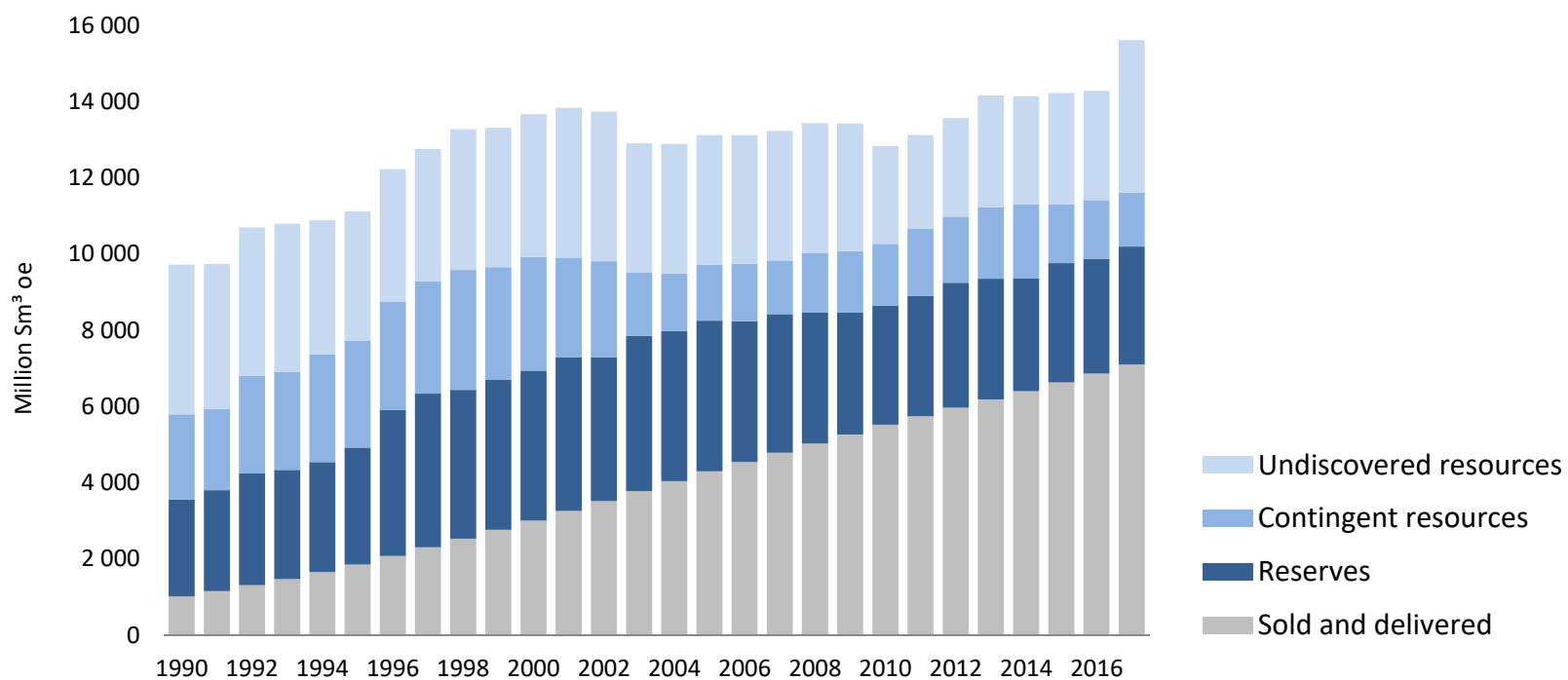
Exploration is profitable 2007-2016



Much left to discover – most of it in the North



Resource growth after 1990

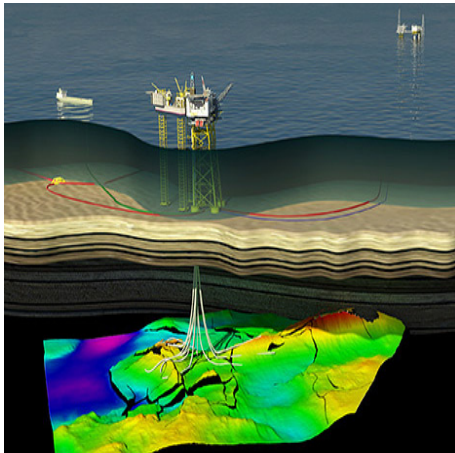




FIELDS AND NEW DEVELOPMENTS

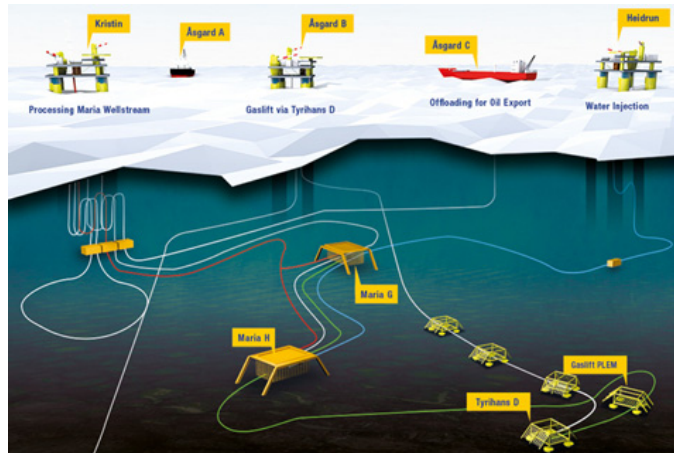


Five new fields on stream in 2017



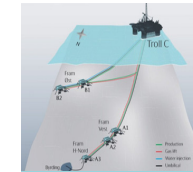
Gina Krog

Source: Aker BP ASA



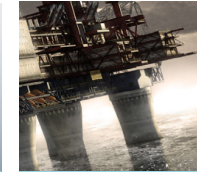
Maria

Source: Wintershall



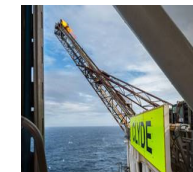
Byrding

Source: Statoil



Sindre

Source: XVISION A/S 2010



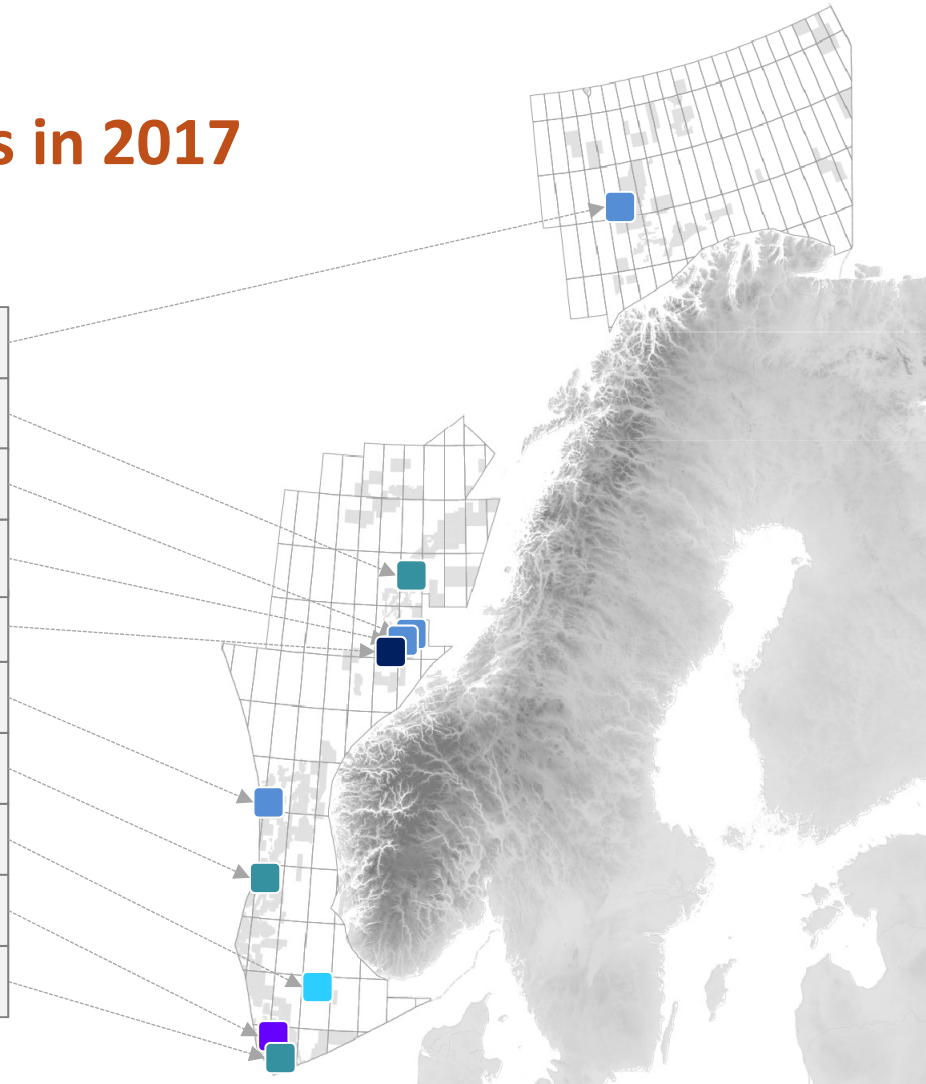
Flyndre

Source: Offshore Magazine

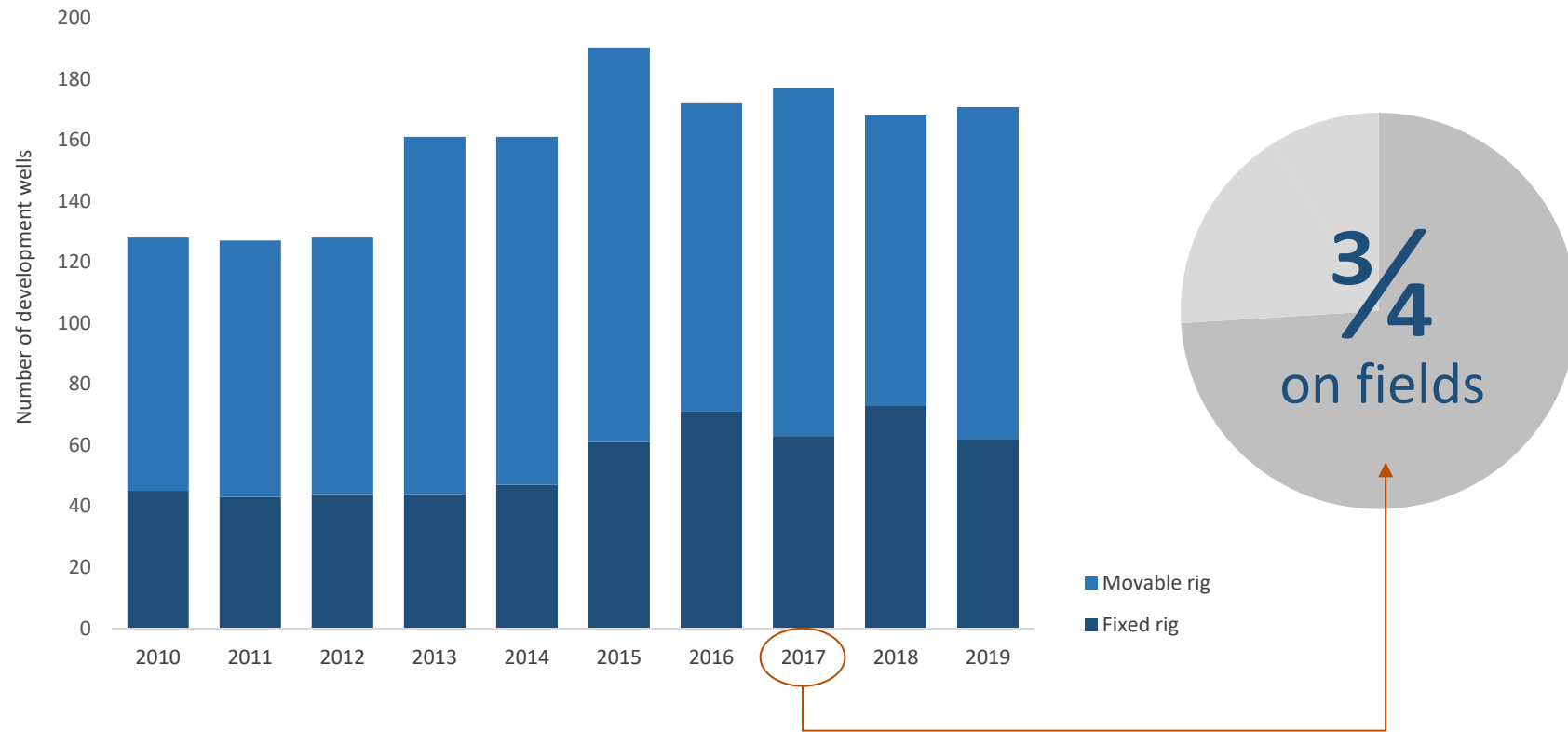
10 development plans in 2017



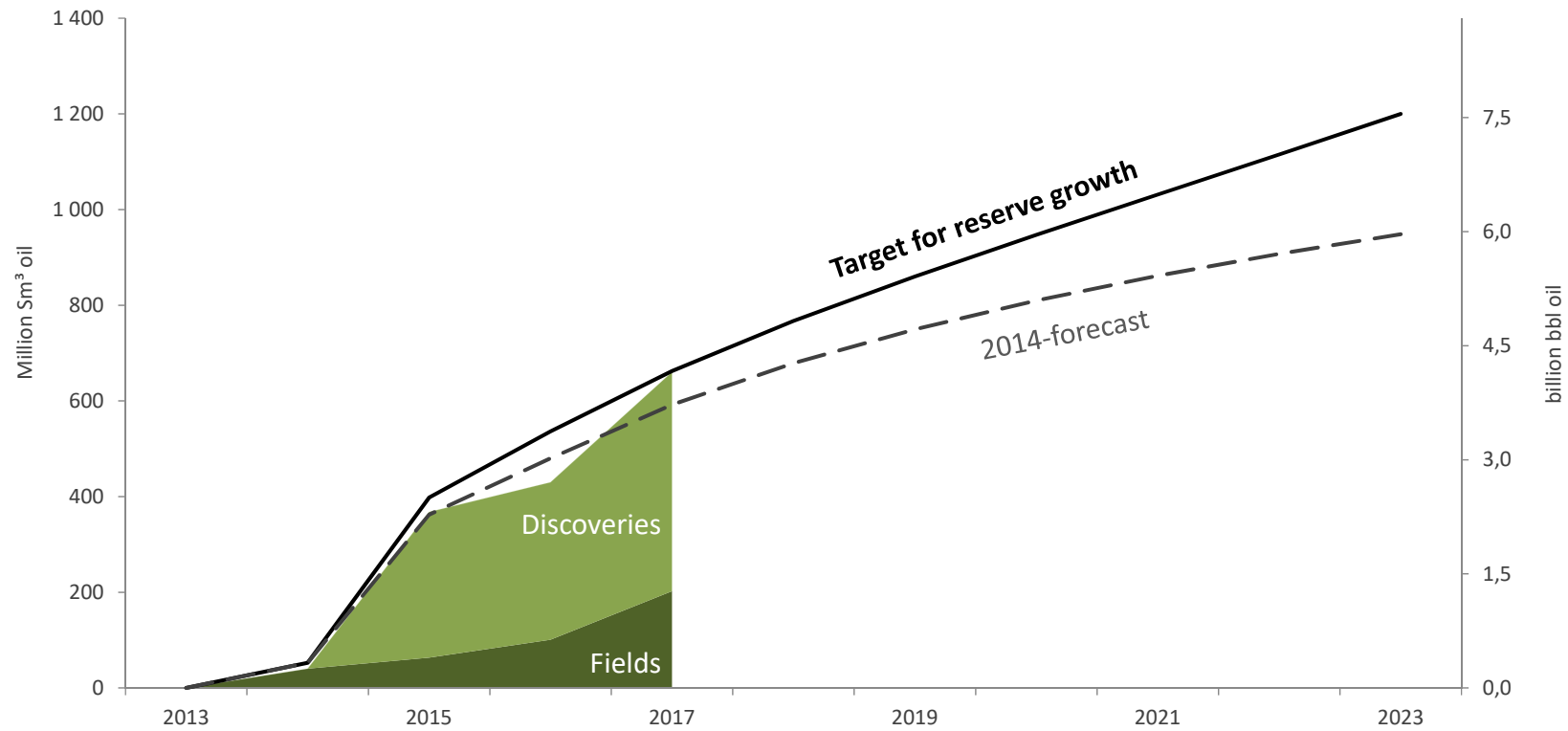
Johan Castberg Statoil	■
Ærfugl Aker BP	■
Bauge Statoil	■
Njord (Njord future) Statoil	■
Fenja VNG	■
Snorre (SEP) Statoil	■
Skogul Aker BP	■
Yme (New development) Repsol	■
Ekofisk Sør (2/4 VC) ConocoPhillips	■
Valhall flanke vest Aker BP	■



Many development wells – even in challenging times



High reserve growth in 2017



THE SHELF IN 2017

- High production in the years to come
- Gas record
- Significant cost cuts
- Many new field developments
- Need for more exploration
- Great opportunities in the North