

## Mineral Resources Committee

### OPEN MINUTES

#### MINUTES OF THE MEETING HELD ON 14 NOVEMBER 2013 - 1300 HRS IN THE DEPARTMENT OF MINERAL RESOURCES

**These minutes are draft minutes until confirmed by resolution at the next meeting of this committee:**

<b>Present:</b>	Honourable J Cheek Honourable M Poole Honourable Keith Padgett Stephen Luxton Ros Cheek	Assembly Member (Chairman) Assembly Member Chief Executive Director of Mineral Resources Head of Legal Services
<b>In Attendance:</b>	Roddy Cordeiro	Senior Projects Officer
<b>Apologies:</b>	Mark Lewis	Attorney General
<b>Minutes:</b>	Val Padgett	Personal Assistant to DMR

#### PART 1

#### ACTION

##### 1. Apologies for Absence

Apologies were received from the Attorney General.

##### 2. Declarations of Interest

None

##### 3. Confirmation of the Open Minutes of the Meeting held on 12 September 2013

The minutes were confirmed as a true and accurate record and signed by the Chairman.

##### 4. Matters Arising from the Minutes of the Meeting held on 12 September 2013

##### 4.1 Environmental Gap Analysis Funding

5.2 DMR said that Falkland Islands Production Licensees Association had indicated that

they are prepared to provide 50% of the funding required to support the project.

## **5. Directors Report**

### **5.1 Combination of Desire Petroleum & Falkland Oil & Gas and related farm-out**

Desire & FOGL announced in October 2013 that they intended to combine into a single company and subsequently farm-out a proportion of the existing Desire Petroleum licence area in the North Falkland Basin to Premier Oil and Rockhopper Exploration. The transactions remain subject to a number of active processes including certain shareholder approvals and certain FIG approvals.

### **5.2 Seismic surveys**

The JV comprising Falkland Oil & Gas, Noble Energy and Edison International have contracted a further 3D seismic survey within the FOGL licence area. The survey is being conducted using the new seismic vessel 'Ramform Titan' launched earlier this year. This vessel visited Stanley briefly at the end of October prior to commencing the survey and is expected to be in the Falkland Islands for several months.

### **5.3 Sea Lion development**

Premier Oil continues planning the Sea Lion development and in August 2013 released an update on the current status of the development. Premier are currently investigating the viability of a tension-leg platform (TLP) as an alternative to the concept of using an FPSO vessel. A decision between these two concepts is anticipated in December 2013. Following this the project will enter a stage known in the oil industry as "FEED" (Front End Engineering Design) with the project reaching the point of final sanction at the end of 2014. Following final sanction, the operator estimates that it will take 3.5 to 4 years from that decision point to commencing first oil production.

### **5.4 Local Content Policy**

Discussions between all parties are nearly complete with one final meeting outstanding after which the policy will be ready for drafting and presented to ExCo in January 2014.

## **6. Date of Next Meeting**

- 6.1** The Director of Mineral Resources advised that the next meeting would be held in January 2014, on a date to be advised however, if anything urgent transpired a meeting for December would be convened.

## **7. Exclusion of Press and Public**

*The public are likely to be excluded from the meeting for these items of business by virtue of paragraph 9 (information about others' financial and business affairs) and paragraph 15 (draft papers for Executive Council) of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

- 7.1** I move that the press and public be now excluded on the ground that the next items of business to be considered are likely to disclose exempt information under paragraph 9 (information about others' financial and business affairs) and paragraph 15 (draft papers for Executive Council) of the Committees (Public Access) Ordinance 2012.

*Two people left the meeting.*

## **PART 2**

### **8. Confirmation of the Exempt Minutes of the meeting held on 12 September 2013**

*Not for publication by virtue of paragraph 9 of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

- 8.1** The minutes were confirmed as a true and accurate record and signed by the Chairman.

### **9. Matters Arising from the Minutes of the Meeting held on 12 September 2013**

*Not for publication by virtue of paragraph 9 (information about others' financial and business affairs) of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

### **10. Update on Oil Company Activities**

*Not for publication by virtue of paragraph 9 (information about others' financial and business affairs) of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

- 10.1** The Director of Mineral Resources provided an update on activities.

### **11. Exploration Licence Application A**

*Not for publication by virtue of paragraph 15 (Draft Executive Council report) of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

- 11.1** The Committee considered the application and agreed the recommendation contained within the paper.

### **12. Exploration Licence Application B**

*Not for publication by virtue of paragraph 9 and paragraph 15 of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

- 12.1** The Committee considered the application and agreed the recommendation contained within the paper.

### **13. Exploration Licence Application C**

*Not for publication by virtue of paragraph 9 and paragraph 15 of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

- 13.1** The Committee considered the application and agreed the recommendation contained within the paper.

### **14. Combination of Desire Petroleum plc and Falkland Oil & Gas Ltd**

*Not for publication by virtue of paragraph 9 and paragraph 15 of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

- 14.1** The Committee agreed the recommendations contained within the paper.

**15. Desire Petroleum: Production Licences**

*Not for publication by virtue of paragraph 9 and paragraph 15 of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

**15.1** The Committee agreed the recommendations contained within the paper.

**16. Regulations for use of oil-based fluids and disposal of associated cuttings**

*Not for publication by virtue of paragraph 15 of Schedule 3 of the Committees (Public Access) Ordinance 2012.*

**16.1** The Committee agreed the recommendations contained within the paper.

**Minutes confirmed this ..... day of ..... 2013/14**

**Chairman..... Clerk .....**

(Date of Issue: 2013