

An offshore oil rig is silhouetted against a bright orange sunset over the ocean. The sun is low on the horizon, creating a lens flare effect. The rig's structure, including cranes and towers, is clearly visible against the glowing sky. The water in the foreground is dark with some light reflections.

# OFFSHORE

## OVERVIEW

By Jenny Higgins

### Status report on Atlantic Canada's producing fields

Atlantic Canada's offshore oil and gas industry is one of the fastest growing sectors in the country. Propelled by such mega-projects as Hibernia, Sable and White Rose, the industry has pumped billions of dollars into federal and provincial economies and provided jobs for thousands of workers. The region has four major fields currently producing, a fifth (Deep Panuke) scheduled to come online in 2010, and Hebron about eight years later. Ongoing exploratory drilling also holds the promise of future discoveries, such as the additional 60-million barrels of oil Husky Energy found last year in a White Rose extension area. Here's a glimpse of what's going on in one of Canada's most lucrative industries.

## HIBERNIA



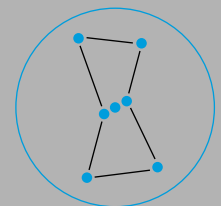
- Hibernia was discovered in 1979 and produced first oil on November 17, 1997. It is Newfoundland and Labrador's oldest and largest producing offshore oilfield.
- Located in the Jeanne d'Arc Basin on the Grand Banks, Hibernia is about 315 km east-southeast of St. John's.

- It is owned jointly by ExxonMobil Canada (33.125 per cent), Chevron Canada Resources (26.875 per cent), Suncor (Petro-Canada) (20 per cent), Canada Hibernia Holding Corporation (8.5 per cent), Murphy Oil (6.5 per cent) and StatoilHydro Canada Ltd. (five per cent).
- Hibernia produces conventional light crude oil.
- It holds an estimated 1.244-billion barrels of oil.
- Workers have recovered 666-million barrels as of December 31, 2009.
- Hibernia produced an average of 125,622 barrels of oil per day in 2009.
- Industry and government officials reached a tentative agreement in June 2009 to develop the Hibernia

Southern Extension. They are now working toward a formal agreement to develop the Southern Extension.

- Hibernia originally had an estimated lifespan of 20 years. The Southern Extension is expected to extend production until about 2033.
- In August 2009, the province approved development of the AA blocks from the existing Hibernia platform. The blocks are part of the main Hibernia field and are estimated to contain more than 48 million barrels of oil.
- Drilling on the AA blocks is currently underway and production is expected to begin during the first quarter of 2010.

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## TERRA NOVA

- The Terra Nova oilfield was discovered in 1984 and produced first oil on January 20, 2002.
- It is located on the Grand Banks in the Jeanne d'Arc Basin, about 350 km east-southeast of St. John's.
- Terra Nova is owned jointly by Suncor (33.99 per cent), ExxonMobil (22 per cent), StatoilHydro (15 per cent), Husky (12.51 per cent), Murphy Oil (12 per cent), Mosbacher Operating (3.5 per cent) and Chevron (one per cent).
- It produces conventional light crude oil.
- Industry officials estimate that 419-million barrels of recoverable oil exist in the Terra Nova field.
- The field has produced 286-million barrels of oil as of December 31, 2009.
- It has an estimated lifespan of 20 years.
- Terra Nova produced an average of 79,534 barrels of oil per day in 2009.
- Terra Nova's production will remain steady during 2010 and Suncor will continue development drilling within the field.

## More than one billion barrels of oil produced.....



- ✓ Over a decade of oil production
- ✓ Three billion barrels of oil and 10 trillion cubic feet of natural gas discovered
- ✓ Six billion barrels of oil and 60 trillion cubic feet of natural gas undiscovered

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## WHITE ROSE

- The White Rose oilfield was discovered in 1984 and produced first oil on November 12, 2005.
- It is situated about 350 km east of St. John's in the Jeanne d'Arc Basin.
- The project is owned by Husky Energy (72.5 per cent) and Suncor (27.5 per cent).
- It produces conventional light crude oil.
- White Rose is believed to hold approximately 305-million barrels of recoverable oil.
- It has produced 137-million barrels of oil as of December 31, 2009.
- White Rose has an estimated lifespan of 20 years; the discovery of additional reserves may extend this.
- It produced an average of 62,457 barrels of oil per day in 2009.
- Exploratory drilling in 2003 and 2006 revealed that White Rose has two satellite pools: West White Rose and the South White Rose Extension.
- North Amethyst will be the first developed; it is expected to start



producing oil during this year's first quarter.

- North Amethyst holds an estimated 130-million barrels of oil, including the 60-million barrels of oil Husky Energy discovered in late 2009.



Anne Squires, Broker  
EXIT Realty on the Rock

## It's been a climb...

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When Exit Realty on the Rock first opened its doors in the fall of 2004, Anne was the lone realtor with 3,000 square feet of office space. Today, it has more than 90 agents and its office space has tripled to 9,000 square feet. And, they're still growing!

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## SABLE OFFSHORE

- The Sable Offshore Energy Project was discovered in 1972 and produced first gas on December 31, 1999.
- It is located near Sable Island, approximately 225 km off Nova Scotia's east coast.
- Five fields within the Sable development currently produce gas: Venture, South Venture, Thebaud, North Triumph and Alma.
- Alma is owned by ExxonMobil (50.8 per cent), Imperial Oil Resources Ltd (9.0 per cent), Mosbacher Operating Ltd. (0.5 per cent), Emera Offshore Inc. (8.4 per cent) and Shell Canada (31.3 per cent).
- The other four fields are owned by ExxonMobil (50.8 per cent), Imperial Oil Resources Ltd (9.0 per cent), Mosbacher Operating Ltd (0.5 per cent), Pengrowth Corporation (8.4 per cent) and Shell Canada (31.3 per cent).
- Sable produces natural gas.
- It contains an estimated 85-billion cubic metres of recoverable gas reserves.
- Sable has produced 41.6-billion cubic metres of gas as of March 31, 2009.
- It has an estimated lifespan of 25 years.
- Sable produced an average of 12.2-million cubic metres of gas per day during the 2008-09 fiscal year.
- Sable will stay the course through 2010 and continue producing from its five existing fields.

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CORE 2010 is a project of Offshore/Onshore Technologies Association of Nova Scotia





## DEEP PANUKE

- Deep Panuke is Nova Scotia's newest offshore project.
- It was discovered in 1998 and is expected to begin production in October 2010.
- Deep Panuke is about 250 km southeast of Halifax on the Scotian Shelf.
- EnCana owns the project.
- The development will produce natural gas.
- It contains approximately 25.1-billion cubic metres of gas.
- The field has an estimated lifespan of 13 years.
- It will operate at a peak production rate of 8.5-million cubic metres of gas per day. 

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