

Sosialurin

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Veljarin
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Síða 4

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til veturin

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av borgini

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Fyrsta føroyska oljan

Her er fyrsti boripróvurin við olju í úr brunninum hjá Amerada Hess á føroyska landgrunninum. Á myndini síggja vit oljuna, teir hvítu blettirnir, seyra úr steininum. Myndin er ultraviolett, fyri at fáa oljuna fram og tí eru litirnir misvísandi. Tað var jarðfrøðingurin hjá Amerada Hess, John Smallwood, sum í síni framløgu vísti teimum 300 luttakarunum á oljuráðstevnuni í Norðurlandahúsinum fyrsta prógvið um, at olja er í undirgrundini. Steinurin er tríggar tummar í tvørmáti

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Meira enn 300 feroyingar og útlendingar fyltu stóra salin í Norðurlandahúsinum í gjár, tá Off-shore Faroes 2001 varð sett. Á ráðstevnu var m.a. kjarnroynd, har olja bløðir úr, frá brunninum hjá Hess vist fram fyri fyrstu ferð. Eftir øllum at døma fer Amerada at bora í økinum næsta ár. Talan er í hvussu er um ein brunn bretska megin markið. Við hesum brunninum eigur at bera til at fáa týðandi upplýsingar um fundið, sum gjørt er á landgrunninum.



Frá setanini av oljuráðstevnu í Norðurlandahúsinum

LEITING Á ATLANTSMÓTINUM

Jan Müller

Góða úrslitið hjá Amerada Hess og hinum feløgnum í samtakinum, har feløgin hava funnið týðandi nøgdir av olju, hevur fingið mong at gita, hvat Hess fer at fyrir taka sær næsta ár. Felagið hevur bundið seg til at bora enn ein leitibrunn, men nýttist ikki at gera tað í næsta ár. Men felagið hevur so møguleika at bora ein ella fleiri metingar- og avmarkingarbrunnar fyrri at vita, um verandi fund er lønandi og hvussu langt tað

gongur. Sosialurin hevur frætt, at stóða er ikki til, um slíkir metingarbrunnar verða boraðir á føroyska landgrunninum næsta ár, men hinvegin hava vit fingið vissu fyrri, at Amerada Hess í næsta ár fer at bora ein leitibrunn í bretska økinum. Amerada Hess og hini feløgin í samtakinum hava nevniliga fingið eitt loyvi, sum liggur beint upp at føroyska markinum og stutt frá tí fundi, sum felagið møgulega hevur gjørt á føroyska landgrunninum.

Socialurin skilur, at Amerada Hess fer at bora ein runn í sínum bretska loyvi og at ein slíkur brunnur tá vil vera eitt slag av

metingar- og avmarkingarbrunnir fyrri fundið á føroyska økinum eisini. Tað er nevniliga so, at nóg bendir á, at fundið, sum Amerada hevur gjørt í Gullhorninum gongur yvir í bretska øki og har er Amerada Hess eins og føroyska oljufelagið Atlantskolvetni so mikið heppið at eiga loyvið. Ein brunnur í bretska økinum vil kunna geva týðandi upplýsingar um fundið, sum Hess hevur gjørt á landgrunninum, eitt nú hvussu langt tað gongur eystureftir og hvussu goymslan annars ber seg at. Vil væl við og talan verður um eitt lønandi fund, so kann tað merkja, at fyrsta oljufundið, sum varð gjørt

og sum avgerð verður tikin um at útyggja, er eitt fund, sum hoyrir bæði Føroyum og Bretlandi til, men sum bara tað eina samtakið Faroes Partnership kann útvikla. Í hesum liggja stórar avbjóðingar.

Keldur blaðið hevur tsað við vilja annars vera við, at ein rúmíliga stórt partur av teimum 170 metrunum av sedimentum, sum er funnin í brunninum, inniheldur olju. Hetta eru góð tíðindi, sum eisini Útvarpið visti at siga frá nú um dagarnar. Men enn er ikki greitt, hvussu sjálvt reservoirið tvs. goymslan virkar. Tað ljóðar, men hetta skal takast við fyrivarni, at møgulega er po-

røsiteturin (hvussu tættleikin er) í sandsteininum, har olja er í, lágur og sama við permabilitetinum (merkir, hvussu væl oljan streymar gjøgnum). Um so er so merkir tað vanliga, at oljan kann vera torfór at framleiða og fáa upp. Hinvegin – er tað so at trýstið í goymsluni er høgt – og tað er okkurt, sum bendir á tað, so vígar hetta upp ímóti hinum negativu tingu.

Blaðið hevur biðið Ben Arabo um eina viðmerking men sigur hann, at tað er ov tíðliga at siga nakað, men visir á, at tað sjálvandi bæði eru negativir og positivir faktorarar í teimum fyrbils kanningarúrslitum, sum gjørd eru. Men hetta sigur

so einki um enduárlitið. Tað skilur blaðið kann ganga báðar vegir, hóast tað í løtuni er stórt bjartskygni, at tað er staðfest, at olja og møgulega nóg olja er og at jarðfrøðiliga fyrirreytirnar fyrri at gera ein lønandi fund eru til staðar.

Í Norðurlandahúsinum í gjár vóru fleiri sera áhugaðir fyrilestrar um tær triggjar boringarnar. Niðurstøðan var greið: tað er sera heppið fyrri framtíðar leitlingina, at Amerada Hess hevur funnið olju. Hetta ger, at áhugin fyrri at leita heldur sær og mennist og tað gevur eisini nógvar týðandi upplýsingar til bæði føroyskar myndugleikar at brúka í eini møguligari 2. rundu og til oljufeløgin, sum skulu gera av, hvar tey vilja seta borin í, tá hinir fimm brunnarnir skulu borast og tá farast skal longur vestur inn undir basaltið.

Mynd Jens K Vang

Fyrsta føroyska oljan

Millum mongu áhugaverdu fyrilestrarhaldararnar í gjár var eisini John Smallwood, sum hevur staðið fyrri jarðfrøðiliga partinum av boringini. Fyri fyrstu ferð avdúkaði hann kjarnuprøva frá boringini, har olja sæst seyra úr steininum. Steinurin er kannaður í Bretlandi. Í framløgu síni tsaði hann um góða úrslitið av boringini men nevndi eisini tær avbjóðingar, sum basalsillararnar hava við sær fyrri komandi leiting.

100 mill. kr. í umfar frá oljuleiting

BORING OG UMSETNINGUR

Jan Müller

Góðar 100 mill. eru farnar í umfar – tvs. hevur umsetningurin verið í føroyska samfelagnum frá teimum trimum fyrstu leitiboringunum á landgrunninum í ár. Hetta upplýsti Ben Arabo, stjóri í Amerada Hess í Føroyum á oljuráðstevnu í gjár.

Her er talan um tær uppgávur, sum føroyskar fyrirtøkur hava havt – einsamallar og saman við út-

lendskum fyrirtøkum. Talan er m.a. um virksema knýtt at flúgvini, útgerðarhavnini og skipaflutningur.

Harafrat kemur oljuverju-tiltakið, trygging og Tryggingfelagið Føroyar er sloppið at roynd seg í nýggju vinnuni og hevur verið við til at tryggja teir triggjar brunnarnar. Her er talan um stórar upphæddir, eina millión kr. uppá brunnin. Afturat hesum skal eisini takast við aðrar inntøkur í sambandi við virksema tvs. gisting, flutningur ol. Ein av tyngstu postunum er nokk

flúgvini, og har fer so samstarvsfelagið hjá Atlantskolvetni, Bristow av við tí mesta.

Men eftir tí sum Ben Arabo hevði at siga í fyrilestri sínum, so liggur nóg eftir í føroyska samfelagnum frá hesum fyrstu boringunum. Roynet hevur verið at liva upp til krøvini um føroyska luttøku, har hon er kappingarfør.

Socialurin veit annars at siga frá, at teir triggjar brunnarnir hava kostað oljufeløgnum einar 700 mill. kr. Av hesum er størsti útreiðsluposturin umleið



Tyrluflutningurin er farin við einum stórum parti av umsetningunum í oljuleitingini og her liggur uttan iva nakað eftir hjá føroyska oljufelagnum

Mynd Jan

350 mill. kr. leiga av bori-palli og skipi. Tá útvegan av ymsari útgerð og tænastum, sum bert kann veitast úr útlandinum er farin frá

eru so tær umleið 100 mill. kr. eftir frá avleidda virkseminum í landinum.

Annars hava oljufeløgin bundið seg til at brúka

aðrar 100 mill. kr. til ymskar uppgávur í føroyska samfelagnum yvir 6 ár tvs. einar 17 mill. kr. um árið.

260 fólk á oljuráðstevnu

Malan Johansen hevur verið samskipari í sambandi við oljuráðstevnu, Offshore Faroes 2001.

Mynd: Heri á Rógvi

Tíðindini um at olja goymir seg í undirgrundini hevur fingið áhugan fyri oljuráðstevnu hjá Vinnuhúsinum og oljvinnufelagnum at veksa. 260 fólk vera við hesar tveir dagar sum ráðstevnan tekur, har ein eftirmeting verður gjørd, samstundis sum tað verður hugt frameftir

OLJURÁÐSTEVNA

Heri á Rógvi

Tað er ikki fyrr enn klokkan er ellivu á kvøldi, at tað eydnast okkum at fáa nakrar minuttir frá Maluni Johansen, sum hevur sam-

skipa oljuráðstevnu, Offshore Faroes 2001.

Hon greiðir frá, at 260 fólk vera savnaði í Norðurlandahúsinum hesar báðar dagar, ið stevnan verður. Tað eru flest fýroyingar við á stevnuni, men eisini eru fólk komin úr Stóra Bretlandi, Norra og Danmark.

- Vit hava fingið góða hjálp frá oljufelagnum, sum hava hjálpt okkum m.a. við at finna røðarar, sigur Malan Johansen.

Malan Johansen er oljúsamskipari hjá Vinnuhúsinum. Hon hevur tíkið sær av teimum praktisku viðurskiftunum viðvíkjandi oljuráðstevnu hesaferð.

- Vit hava valt at skipa ráðstevnu sum eina eftirmeting fyrst og fremst, men vit eisini tann seinna dagin til at hyggja fram-



eftir, sigur Malan Johansen.

Eftir hvat skilst so verður tað ein eftirmeting í orðsins rétta týðningi.

Men tað verður ikki bert ein ráðstevna við tungan fakpráti, men tað verður eisini pláss fyri at sosialisera eitt sindur. Fólk á stevnuni fáa høvi til at hittast, og hesin parturin ber orð á sær at vera minst líka produktivur sum hin parturin.

Tað er Føroya arbeiðsgevarafelag, Vinnuhúsið, sum hevur skipað fyri ráðstevnu saman við Oljvinnufelagnum, sum varð stovnað í apríl mánaði í ár.

Oljuráðstevna verður týsdagin og mikudagin. Stevnan er ikki opin fyri almenninginum.

UTTAN ÚR HEIMI

Halda seg hava funnið bin Laden

Norðursamgongan heldur seg vita, hvar Osama bin Laden og Mohammed Omar eru

Uttanríkisráðharrin hjá Norðursamgonguni, Abdullah Abdullah, segði í

gjár, at samgongan heldur seg nú vita, at Osama bin Laden fjalir seg saman við andaliga leiðaranum hjá Taliban, mullah Mohammed Omar.

Ráðharrin legði afturat, at í veruleikanum eru teir báðir kringsettir og sleppa ongan veg.

- Eg haldi, at vit hava

eftirlit við bin Laden og monnum hansara, og at teir ikki fáa gjørt um seg longur, segði ráðharrin.

Allar keldur siga, at Osama bin Laden og Mohammed Omar eru eina-staðni nærhendis býnum Kandahar. Norðursamgongan hevur verið varin við at senda hermenn so

langt suður í landið, og tí hevur USA nú valt at senda hermenn til hermótið við Kandahar, so býurin kann takast.

Amerikanarar siga, at teir ætla at nýta floghavnina í Kandahar sum miðstöð til tað andaliga álopið á býin, sum er hovuðsbergin hjá Taliban-rørsluni. Norður-

samgongan sigur, at teir eru til reiðar at lata nakrar av sínum monnum hjálpa amerikanarum í seinasta álopinum.

(Fartekst)

Ætla at víðka kríggið

USA og Bretland ætla at víðka kríggið ímóti altjóða yvirgangi. Somalia, Jemen og Sudan standa fyri skotum, og tey fyrstu álopin verða væntandi longu í januar

George W. Bush, forseti og Tony Blair, forsætisráðharrin, hava sambært bretska blaðnum Sunday Times lagt ætlanir um at víðka kríggið ímóti altjóða

yvirgangi. Blaðið, sum bar tíðindini sunnudagin, sigur seg hava tey frá vælvitandi keldum í Washington og London.

- Tað gongst væl í lötuni, og tí ætla vit at halda fram, sigur ein fregnartænastukelda við Sunday Times.

USA og Bretland hava fyrr sagt, at Somalia, Jemen og Sudan mugu roknast sum álopsmál í krígnum ímóti yvirganginum og serliga ímóti yvirgangskervinum hjá Osama bin Laden. Tað er alment kent, at bin Laden

hevur nógvar stuðlar í teimum trimum londunum, og at hann búði í Sudan til 1996. Eygleiðarar halda kortini, at amerikanarar og bretar fara at velja Jemen sum tað fyrsta álopsmálið. Fyri einum góðum ári síðani doyðu 17 amerikanskir flotahermenn í einari sjálmorðsátökni at herskipinum "Cole", tá tað lá í Jemen.

Er fyrireikað

Sambært Sunday Times hava amerikanskir og

bretskir njósnarar longu verið í teimum trimum londunum, har tei hava roynt at kanna, hvar Osama bin Laden og Al-Qaeda hava sínar stöðir. Upplýsingarnar eru nú latnar hervaldinum.

Bretska blaðið sigur seg hava frætt, at fæst endi á krígnum í Afghanistan skjótt, er væl hugsandi, at álopin á hini trý londini verða sett í verk í januar.

Ein talsmaður hjá bretska verjumláráðnum segði sunnudagin, at fyribils verður hovuðsdenturin

lagdur á Afghanistan, men at kríggið har er bara ein partur av einum størri kríggi.

- Tað eigur tí ikki at koma óvart á nakran, gera vit av at leypa á mál ádrastaðni, segði talsmaðurin.

(Fartekst)

GÓÐIR BRÚKTIR BILAR

Nissan 1.6
Bilur, 3 hurðar,
Árg. 1997, 150.000 km.
71.000

Nissan 1.6
Bilur, 4 hurðar,
Árg. 1997, 150.000 km.
72.000

Nissan 1.6
Bilur, 5 hurðar,
Árg. 1996, 70.000 km.
66.000

Nissan 1.6
Bilur, 4 hurðar,
Árg. 1996, 52.000 km.
111.000

Nissan 1.6
Bilur, 4 hurðar,
Árg. 1997, 57.000 km.
90.000

Nissan 1.6
Bilur, 4 hurðar,
Árg. 1996, 120.000 km.
71.000

Nissan 1.6
Bilur, 4 hurðar,
Árg. 1996, 102.000 km.
75.000

Nissan 1.6
Bilur, 4 hurðar,
Árg. 1996, 102.000 km.
72.000

Nissan 1.6
Bilur, 3 hurðar,
Árg. 1994, 95.000 km.
92.000

Nissan 1.6
Bilur, 6 hurðar,
Árg. 1997.
1.000

Nissan 1.6
Bilur, 3 hurðar,
Árg. 1996, 82.000 km.
90.000

Nissan 1.6
Bilur, 5 hurðar,
Árg. 1997, 150.000 km.
72.000

Nissan 1.6
Bilur, 3 hurðar,
Árg. 1997, 100.000 km.
71.000

Nissan 1.6
Bilur, 6 hurðar,
Árg. 1996, 29.000 km.
124.000

Nissan 1.6
Bilur, 6 hurðar,
Árg. 1996.
112.000

Nissan 1.6
Bilur, 6 hurðar,
Árg. 1996, 153.000 km.
80.000

Nissan 1.6
Bilur, 6 hurðar,
Árg. 1996, 104.000 km.
80.000

Nissan 1.6
Bilur, 4 hurðar,
Árg. 1996, 80.000 km.
110.000

Nissan 1.6
Bilur, 6 hurðar,
Árg. 1997, 150.000 km.
65.000

Nissan 1.6
Bilur, 6 hurðar,
Árg. 1996, 85.000 km.
72.000

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The Faroes oil affair

A few days ago, a consortium led by Amerada Hess brought the first Faroe Islands offshore drilling campaign to a close with a flourish by announcing a promising oil and gas discovery that augurs well for the future Jeremy Cresswell special correspondent writes

Jeremy Cresswell

There can no longer be any doubt about the success of this year's pioneering offshore drilling campaign, thanks to the determination of Amerada Hess and other members of the Faroes Consortium (BG, DONG and Atlantic Petroleum) that successfully pushed the lucky Marjun Prospect wildcat well to a much greater depth than was originally planned.

With one clear discovery notched up out of three exploration wells drilled, the success rate achieved in the first Faroes campaign is smack on the global average. The trick now is to multiply that success several times over during the next two to three years, convert the discoveries into commercial projects and guarantee the islands a place among the world's oil and gas nations.

Quite how this will be achieved is a question that will occupy many minds this winter as oil company geologists and others closely analyse the results of the three-well programme just completed.

The conclusions drawn will be critical to the intended 2002 schedule, not least because they will significantly influence where the next tranche of wells are drilled. With three ticked off so far, there are another five commitment wells to drill under the four six-year licences awarded in the First Faroe Islands Offshore Licensing Round announced in August 2000. However, while we know that one of the three wells drilled this year was successful, the amount of public domain information



about the early drilling results achieved by Amerada Hess, BP and Statoil, the first operators to drill the Faroe Islands Continental Shelf, remains sketchy. As expected, all focused on an area of the Faroe-Shetland Channel adjacent to the BP-operated Foinaven and Schiehallion oilfields in the UK sector.

It was Statoil that drilled the first well and, while it is regarded as a dry hole, traces of hydrocarbons were found. Likewise, BP's well was declared dry, albeit it too produced evidence of oil and gas. And then it was third time lucky ... for Amerada Hess.

Bretski oljumálaráðharrin John Battle og føroyski starvsfelagin Eyðun Elttør vóru í góðum híri tá teir viðgjördu marknatrætuna á fundi á oljuráðstevnu í Stavanger nøkur ár herfyri. Møguliga var tað hesin fundurin, sum fekk glið á altur samráðingarnar og harvið eina loysn.
Mynd: Jan Müller

while planning Statoil's next commitment well.

Faroese petroleum minister, Eyðun Elttur, said of the first result: »Obviously it is disappointing that Statoil did not find commercial oil. However, identifying traces of hydrocarbons in the first well must be considered encouraging for future work in the area.«

Stakeholders in the Longan well are operator Statoil (35%); Phillips Petroleum (30%), Enterprise Oil (20%) and Veba Oil & Gas (15%). The rig used was the big semi-submersible Sovereign Explorer.

Next off the starting blocks was BP (66.67%), partnered by Shell (33.33%) and working with the super-drillship West Navion. Drilling of well 6004/12-1 started on July 23, some 27km to the northwest of the UK sector Suilven discovery, and was eventually completed on September 19. The well was taken to a total depth of 4,354 metres, again in the Paleocene, and was side-tracked.

Again, it fell to Elttur to break the apparently disappointing news.

»Once again we have to state that the drilling operation did not yield the expected result. The Svinoy exploration well penetrated the objective targets and demonstrated the presence of both oil and gas, although of non-commercial quantities at this location.« he said in a statement.

»Establishing that the Faroe Shelf holds a working petroleum system is however positive and consi-

derably improves our expectations to finding oil in commercial quantities in the future.«

As for the Amerada Hess-operated 6004/16a-1 Marjun prospect wildcat well, there had been speculation for several days that the big semi-submersible Sovereign Explorer was on to something good. The bets were on gas with condensate or gas with oil. In the event, Minister Elttur announced the good news ... it was gas and oil encountered over a gross payzone of 170 metres. However, the well, which was drilled to a total depth of 4246m in 950m of water instead of just 3800m as originally intended, was not tested owing to poor weather conditions.

A cautious Elttur said: »The success of this well is very important for the Faroe Islands as a future oil province, even if we do not at this moment of time know whether the find is commercial. Challenging tasks lie ahead for all license holders on the Faroe Shelf ...«

What the Marjun find achieved more than anything else was to remove all doubt about the existence of a potentially viable petroleum system beneath at least part of the basalt rock layer that has made assessing the Faroese sector so difficult

It is common for traces of hydrocarbons to be found when drilling exploration wells, but that does not mean conditions are anywhere near right for oil or gas to accumulate, hence the note of disappointment

in Elttur's announcements about the BP and Statoil wells. But an immense amount of valuable information was obtained from both ... the kind of data that could make a real difference to the next year's campaign by other consortia, including the Agip and Foroya Kolvetni (FK) partnership.

This is a particularly important time for FK in that, though it is largely owned by Faroese, the company is expected to float on the London Stock Exchange early next year in a bid to raise £10-20million to finance its participation in the great, slow-pace Faroese oil race.

»We're ready to go ... waiting for the right time to do it (float),« said FK's chairman Graham Stewart. »We've decided to wait until the New Year, most likely first quarter.«

Stewart is also finance director of Aberdeen-headquartered Dana Petroleum, which holds an option over 20% of FK's shares and as a strategic partner

Had FK been floated on the LSE as an oil junior ahead of the first drilling campaign, it is possible that its share price would have suffered because of the Statoil and BP disappointments, but then picked up with the Amerada Hess news. Subject to a wholesale collapse in the price of oil this winter, it looks as if FK can look forward to a favourable reception when its shares begin trading ahead of the second drilling campaign.

FK and Agip's two licences - 002 and 005 - span 11



Av einum mistaki kom skeiva versiónin av greinini hjá skotska oljujournalistinum Jeremy Cresswell í oljublaðið. Vit prenta røttu greinina her.

part blocks and the Faroese company has the right to increase its holding to 22% before drilling starts next summer, armed with fresh 3D seismic survey data and information gleaned from this year's pioneer wells.

However, it has been a long haul to get even to the current position. Until this summer, the only known traces of hydrocarbons in the Faroes area were found on land and comprise coal deposits, organic waxes found in basalt, and inconclusive traces of oil mixed with water in the Lopra-1 experimental well drilled in the early 1980s.

Geological mapping of the islands started in 1938 and, among the very earliest surveys known to have been carried out offshore by oil companies, is a little-known seismic campaign by Texaco in the mid 1970s. It is understood some 5,000km of seismic data was acquired, but which proved difficult to read, in part because of the limited capabilities of the 2-D seismic equipment used and due to the basalt layer that is characteristic of the Faroes Shelf.

An offshore borehole was, however, drilled under the Ocean Drilling Programme in the mid-1970s, though this was for scientific purposes and not a quest for hydrocarbons.

The Texaco/ODP work took place before the huge but complex and difficult Clair field was found on the UK side of the Faroe-Shetland Channel in 1977. While that event went unnoticed by the average Faroese, it registered in the corridors of power, both in Thorshavn and Denmark, which still rules the islands.

Information about events from the Clair find through to the '90s is almost non-existent. There are not even references to the period in the 1993 Report of the Faroese Hydrocarbon Planning Commission to the Faroese Government. However, Arni Olafsson, for many years special adviser on Faroe Islands Affairs at the Danish Ministry of Foreign Affairs and member of the Faroese Hydrocarbon Planning Commission in 1993, provides a clue as to how events were being watched at the time.

Referring to the decision by Copenhagen in 1992 to cede mineral resources rights to the Faroese Home Rule government, Olafsson told the first Robert Gordon University/Smith Rea Energy Analysts Conference in Aberdeen (October 1994) that it «came as a rather sudden political culmination of 17 years of difficult negotiations between Thorshavn and Copenhagen».

On September 11, 1992 came the milestone event the Faroese had been awaiting for some time ... the decision by Denmark to surrender all rights to »minerals in the subsoil« to Faroese control, and therefore the right to determine the course of the possible future oil and gas extraction industry.

In December 1992, the Faroese Hydrocarbon Planning Commission comprising Faroese and Danish experts in geology, ecology, petroleum administration, oil industry relations, economics and law was established to research and submit a report which would serve as the basis for initial policy decisions and to draft legislation necessary for the first stages of hydrocarbon development. That report and a draft Bill on preliminary seismic surveys, etc, were ready in June 1993.

The Government put the report and bill before the Logting and, that same year, on December 1, the decision was taken to form the Faroese Petroleum Administration (OFS). By this time, UK Atlantic Frontier (west of Shetland) successes had stoked up oil company interest in the Faroes.

In November 1993, OFS wrote to the oil companies, notifying the intention to commission seismic and gravimetric surveys. Bids were invited from survey companies and Western Geophysical secured both permits and ran 12,000km of survey lines.

World Geoscience conducted aerial surveys in 1995 and 1996. Also, in 1996, the Faroes sector was thrown open to all parties interested in conducting further seismic work, including re-entering and deepening the Lopra-1 well. It was on January 18, 1996 that a consortium of 19 oil companies led by DOPAS of Denmark won permission to re-enter the Lopra-1 well, which they duly did in July 1996.

February 15, 1996 saw the right to issue exploration licences transferred from the government to OFS and, by February 1, 1997, 10 preliminary licences were issued, the allocation of which was influenced by what the oil companies themselves had asked for. A total of 23 oil companies had submitted 13 nominations covering 108 whole and 26 part-blocks. 43 whole and 13 part-blocks were classified as »very interesting«.

Then followed the long grind to get legislation finalised and onto the statute book, the decades-long boundary dispute with the UK settled, and the first licensing round launched.

The last mentioned and, in practical terms, most critical event did not take place until February 1999.

Finally, OFS received 22 licence applications from 17 oil companies and, in August 2000, seven licences were awarded to 12 oil companies. Aside from the four six-year terms granted, three nine-year terms were also issued, with 005 going to Agip with FK; 006 handed to Statoil with Anadarko, Phillips, Enterprise and Veba; and 007 issued to Anadarko alone. Some 70% of the acreage originally offered to the companies was not awarded.

And so the hunt has begun in earnest. But a massive amount of effort over the next few years and some significant discoveries will be required before the long-held dream of the Faroe Islands becoming an oil and gas producing province in their own right can ever be realised, if that ever happens. However, it is far too early to know what the real potential is, though figures like 1 billion barrels of crude have been bandied about ... manna to the Faroese business community whose dream of cashing in on a mini-oil bonanza may no longer be as far-fetched as it once seemed.

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Eyður Elttór setir Offshore Faroes 2001 í Norðurlandahúsinum.

Mynd Jens K Vang

Dialogur altavgerandi

Tað var Eyður Elttór, landsstýrismaður í oljumálum, sum týsdagin setti stóru oljuráðstevnununa í Norðurlandahúsinum fyri ikki minni enn 300 føroyingum og útendingum. Oljvinnufelagið skipar fyri tiltakinum, sum hevur fingið stóra undirtøku eftir at tað færtist, at olja er funnin. Eyður Elttór segði í síni røðu m.a. at dialogurin millum vinnu og myndugleikar er altavgerandi fyri eitt positivt úrslit. Hann segði:

Ladies and gentlemen, One year ago I had the privilege to open the first Offshore Faroes conference, and I am honoured to be invited back this year. Last year we were on the brink of a new industry in the Faroese context. Today we have three exploration wells behind us and a lot of experience which I am looking forward to hearing more of over the next days.

There is another marked change since last year's conference. We have established that our subsoil holds hydrocarbon accumulations in significant volumes and that poses a new challenge for the authorities, the oil companies and the local industry. The large quantities of data which has been collected from the drillings this summer will be

subjected to intense studies over the coming months. If we see hydrocarbon production on the Faroe Shelf in the future, the local industry will also face a new challenge with a marked increase in activity.

According to the Faroese hydrocarbon act, all activities – as you probably know – shall be conducted via the Faroe Islands and that stipulation has meant that the oil companies and their contractors have to turn their focus towards a new market to find out what that particular market has to offer.

This stipulation also commits the local business community which has to be on its feet marketing its products and services as well as meeting the demands of the oil industry.

I know there have been difficulties in this cooperation, and if we are realistic, difficulties were to be expected when you combine the traditional working methods of the oil industry with the stipulations of the hydrocarbon law and the expectations of the local business community. Let me first say that my general impression is that the activities on the whole have been carried out in a satisfactory manner.

However I still think that this conference is a good forum for dialog between the

parties involved, as they from time to time might seem to have opposite interests. I would like to thank the organisers for providing this opportunity to discuss the experience of the last 12 months. It is important that we talk together so we can voice our opinions and experience.

One thing that we have learned from our neighbouring countries is the need for evaluating the activities as we progress. There have been two meetings recently where lessons learned were on the agenda. In addition the Ministry of Petroleum will meet with the oil companies and representatives from the Faroese industry to discuss the issue of local participation in connection with the activities this summer. Evaluation is good but it all comes to nothing if we fail to follow up on the subjects that have been identified in the process - at the Ministry of Petroleum we attach great importance to this work.

I hope that the lessons learned this last year will lay the foundation for a fruitful cooperation and understanding between the authorities, the international oil industry and the local business community.

Thank you.