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## **Faroese oil has been found drilling and technology are now the keys**

It was at the FIEC (Faroe Islands Exploration Conference) in early May that Mr Heri Ziska from Jarðfeingi presented new surveys from the Marjun well. This was also reported by oljan.fo at the time. Recently, a very interesting interview was conducted with Mr Ziska on the radio wherein it emerged that although there is large uncertainty it is estimated the Marjun well could contain between 100 million to 600 million barrels of oil. Therefore Jarðfeingi is in the process of marketing the Marjun well once again, says Mr Ziska. -We are not sure about how much oil the Marjun well contains, as the geological trap is not fully understood. It has been determined exactly however, how large a column of oil-bearing sands is present in the well. It is not possible to determine by seismic how large the discovery is. It will be necessary to drill before we can say anything about the amount of oil present, but what we do know at the moment is that there are between 200 300 million barrels of oil. The question is when will it be extracted, says Mr Ziska. He adds - -If the Marjun just contains 100 million barrels, this is not much to go after, but if it proves that there are possibly 600 million barrels present, it is just a question of technology to produce it. Technology will contribute towards Marjun becoming a viable production project. Marjun will become productive soon or later. He only hopes it is sooner. -The latest surveys carried out by the Americans prove the oil is more permeable than first thought and it looks like the Marjun is better than first estimated. If it is good enough to merit a drilling or we will have to wait longer, we do not know yet, says Mr Ziska. Mr Ziska concluded by saying that he estimated oil will be found and that a production will occur. Trade & Industry dept. encouraging drilling Since this interview, the Ministry for Trade & Industry has issued a paper wherein it is offering the Marjun well up for drilling once again, although it originally was

returned to the authorities. Quote - -The oil in the Marjun well is more permeable than hitherto estimated. This is very positive for the option of producing hydrocarbons from the well, and it continues - In 2001 the well 6004/16-1z was drilled by Amerada Hess as the operating company. The drilling penetrated a 170 metre thick column of hydrocarbon bearing sediments containing light oil. This was an exciting result, but after drilling an appraisal well in UK territory and inspected in detail the core results and measurements, the license holders decided not to pursue their findings and returned the license to the authorities. Technology and survey procedures have since advanced and an American consultancy company has after a request from Jarðfeingi, re-evaluated the drilling results and they have concluded that the oil reservoir is more permeable than originally estimated. This in itself is very positive for a production, but several other factors remain to be investigated before a decision can be made regarding the feasibility of a production. The Faroe Hydrocarbon Legislation Act states it is possible for an oil company/ies to apply for a license for this area. Prior to the issuing of such a license however, it must be announced publicly that an application has been received by the Government Cabinet Minister. Other possible interested oil companies then have a 90 day deadline period to apply for the same license area. Photo - Heri Ziska from Jarðfeingi and Dave Ellis from Statoil at FIEC conference í Tórshavn in mai. Picture - oljan.fo/Jan Müller