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## Foreign oil company applies for exploration and production license

A foreign oil company is recognising opportunities in the area where the Marjun well was drilled some ten years ago and subsequently has applied for an exploration and production license accordingly. Very positive -It is very positive to see a new, for the Faroes area, foreign oil company taking an interest in the Faroes, says the Government Cabinet Minister for Hydrocarbon affairs, Mr Johan Dahl, after it has emerged that a foreign oil company has applied for a license to explore and produce hydrocarbons in the Faroes area. The area in question is located in the old so-called Golden Corner towards the border, where Amerada Hess drilled the widely publicised Marjun well prospect, which actually was a discovery, but according to the technology and knowledge of the day was not considered a commercial discovery. Since then an American consultancy company has conducted a new analysis of the discovery and has discovered that the geological conditions may be somewhat different and better suited to contain commercial quantities of hydrocarbons, than originally estimated some ten years ago. Mr Dahl thinks it is very interesting that oil companies are now renewing their interest in an area previously drilled and other associated areas close by. The Government minister says it is also very promising that other oil companies, than the ones present, are showing an interest for the Faroes area and regard it a future oil province. This situation will no doubt deliver Faroe oil exploration efforts a massive step forward in the right direction. Mr Dahl is also very pleased that the Faroes political establishment some time ago decided to initiate new legislation, i.e. the so-called Open Door policy, which makes it considerably easier for the Faroe Petroleum authorities to allow new oil companies into the Faroes area to explore for hydrocarbons. The regulations state that if an application is

received, as is the case now, the area must be advertised as available for all. If no other application is received within a 90-day period, the existing applicant is free to begin operations. Licensed Faroe acreage depicting the Marjun well