



# Dong CEO prior to Faroe well drilling: “Good feeling”

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Time is moving fast and oil companies will soon spud another Faroe well. One of these oil companies is Dong, whose exploration manager says he has a good positive feeling about the pending well drilling in Faroe waters.

## Hiring exploration people

Although the large Danish energy conglomerate Dong Energy has experienced a certain degree of problems lately, which have led to redundancies, there are no indications this development will influence their exploration efforts in the Faroes.

Quite the contrary, because at their exploration and production department developments are going in the opposite direction; they are hiring people for new exciting tasks. This development also applies to the exploration in the Atlantic margin area, which includes the Faroes.

Dong was awarded two new exploration licenses not too long ago in the Faroes and already progress is taking place on the survey side of the business.

### **New premises**

Oljan.fo visited Dong headquarters recently at their new address; Nesa Allé 1, Gentofte, just outside of Copenhagen. The company, which was located in Hørsholm for many years, moved to their new headquarters three months ago, with all 2.500 staff, also the app. 70 attached to exploration and production on the Atlantic margin area. The man leading the company exploration division is Mr Jan Terje Edvardsen and he has the title of Senior Vice-President.

### **Focus area**

Oljan.fo met this forthcoming man in his new office. Mr Edvardsen has been part of the Faroe exploration effort almost from the first day Dong arrived in the Faroes, some 15 years ago. Personally, he is very satisfied with the strategy the company has adopted, e.g. to focus upon some few limited core areas in Northern Europe. The focus areas are the so-called mid sector of the North Sea, where Dong operates a production from both Danish and Norwegian waters. Then comes the Atlantic Margin area, including the Faroes, where Dong also has a pending oil and gas production underway and finally the Barents Sea area. Apart from these areas, Dong is also a considerable partner to the large producing Ormen Lange well in mid-Norway.

Instead of targeting countries, Dong prefers to work on so-called basin areas. These basins sometimes straddle several countries borderlines, for example the Atlantic Margin area, which traverses the area west of Shetland and the area east of the Faroes.

### **Positive on the Faroes area**

-“We are not hiding the fact that we are very positive, when it comes to the Faroes area. Therefore we joined in from the very beginning, and we intend to be here so long as the opportunity remains for making a discovery here are present,” says Mr Edvardsen.

Mr Edvardsen points out that they participated in the Marjun prospect well drilling in 2001, the Brugdán 1 well prospect in 2006 and now the pending Súlan/Stelkur prospect drilling in 2014. In addition, the company has been awarded two new licenses, which they are quite excited about. When oljan.fo inquires Mr Edvardsen about how he evaluates the outlook for making a discovery next year, he is very positive, but few in words: -“I have a good positive feeling.”

There can be no doubt that this experienced geologist knows what he is talking about, not least when bearing in mind his knowledge of the subsoil, just a few kilometres from the drill site in the Faroes, as Dong is a partner to the massive Rosebank oilfield in UK waters, together with Chevron, Statoil and OMV.

It is not difficult to imagine the “good feeling” of the Dong CEO derives from his knowledge of the geology in the area, as the Rosebank discovery is so very close in kilometres to the Faroe drill site where Dong will drill next year. It maybe not all that strange he harbours a “good feeling” about the whole Faroe project.

It is also with a good feeling that oljan.fo departs the Dong headquarters and returns to

the Faroes. Upon our return, a large Dong delegation is visiting Jarðfeingi. This visit is in conjunction with their newly awarded licenses and the group is mainly made up of geologists.

The year 2014, will be quite decisive for Dong and exploration activities in the Faroes.

We will hear more about how things are progressing in their new licenses in the south eastern corner of the Faroes - better known as the “Golden Corner” area, where the Marjun well was drilled in its day.

Dong is also a partner in the northern most Faroe license, which is rumoured to harbour a structure larger than all of the Faroes. No decision has yet been taken to drill in the area.

Dong is also the single company holding most exploration licenses west of Shetland and it is also involved in the exploration of Greenland