



For Release on Tuesday, May 5, 1998

Halifax, N.S. - The Canada-Nova Scotia Offshore Petroleum Board today announced the results of two separate calls for bids for new exploration licences offshore Nova Scotia issued in December of 1997. (See attached map.) Call for Bids NS97-2 was for six exploration licences in the Sable Island Area. Call for Bids NS97-3 was for five exploration licences in the Laurentian Channel Area. The Bids represent the expenditures which bidders commit to make in exploring the land parcels during the initial five year period of a nine year licence.

The following Bids have been conditionally accepted:

Call For Bids NS97-2	Work Expenditures Bid
Land Parcel No. 1 (300,380 hectares) Chevron Canada Resources Limited 100%	\$ 66,667,000.00
Land Parcel No. 2 (19,759 hectares) PanCanadian Petroleum Limited 100%	\$ 8,291,888.00
Land Parcel No. 3 (23,499 hectares) Mobil Oil Canada Properties 40% Shell Canada Limited 40% Imperial Oil Resources Limited 20%	\$ 9,563,150.00
Land Parcel No. 4 (5,976 hectares) MariCo Oil & Gas Corporation 100%	\$ 1,720,000.00
Land Parcel No. 6 (104,256 hectares) PanCanadian Petroleum Limited 100%	\$ 2,323,580.00

The Board decided not to accept any bids submitted on Land Parcel No. 5, Call for Bids NS97-2. In addition, the Board decided not to issue further Calls for Bids or authorize any exploration activities near the area known as "The Gully" before November 1, 1998. At that time the Board will re-evaluate its decision.

These actions were taken because the Board believes that additional information is necessary to evaluate the potential environmental effects of offshore petroleum activities on The Gully ecosystem. This deferral will provide the Department of Fisheries and Oceans their requested six month period to undertake, and complete, a Gully Conservation Strategy.

Call For Bids NS97-3	Work Expenditures Bid
Land Parcel No. 1 (approx. 289,610 (hectares) Hunt Oil Company 100%	\$ 2,165,000.00
Land Parcel No. 2 (approx. 290,860 hectares) Hunt Oil Company 100%	\$ 2,165,000.00

No bids were submitted for Land Parcels No. 3, No. 4 and No. 5 in Call for Bids NS97-3.

Subject to a joint Ministerial veto, and the bidder satisfying the security deposit requirements

specified in the Calls for Bids, the Board will issue exploration licences respecting all seven land parcels.

For additional information, please contact:

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Detail Map of Parcels

