

Nova Scotia energy data center could lure more firms offshore.(Canadian Markets)

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### **Nova Scotia energy data center could lure more firms offshore.**

Over the past decade, several significant natural gas discoveries--some in the trillion-cubic-foot range--still haven't lured more than a handful of oil and natural gas operators to the waters offshore the Canadian Maritimes province of Nova Scotia.

Another strike against the area is that neither of those discoveries, the Sable Island fields and Deep Panuke, has proved to be as prolific as first believed. A key reason is the region's highly complex geology, which limits economically recoverable volumes.

For example, the Sable Island area was initially thought to contain 3.6 trillion cubic feet of natural gas, but the outlook later was revised significantly downward to 1.35 Tcf. The Sable fields currently are producing around 400 million cubic feet per day, and unless Exxon Mobil and partners drill more development wells, it will soon go into decline.

Deep Panuke has yet to go into production, but Canadian regulatory authorities approved the development plan last week (see p1). First gas should begin flowing in late 2010, offsetting the inevitable decline in the Sable area (NGW Mar.12p.12).

The provincial and federal governments have banded together with the petroleum industry to address the lack of geological understanding by compiling data from all wells so far drilled on the Scotian Shelf and adjacent waters in a single repository that marked its official opening last week.

The expanded Geoscience Research Center and Data Management Center "create an environment that fosters communications, information dissemination and understanding of offshore Nova Scotia's geological resources," said Diana Dalton, chair of the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB), which oversees the two associated agencies.

The Schlumberger Information Solutions unit of oil field services giant Schlumberger designed, installed and is configuring the hardware, software and user workflows for the Data Management Center (DMC). Schlumberger also will provide ongoing support and maintenance for the DMC.

The Geoscience Research Center houses the DMC as well as hardcopies of reports and other documents and physical samples such as cores and cuttings. When the DMC becomes fully operational later this month, users will have

online access to digitalized offshore data at no charge.

While viewing the information will not carry a charge, users will be prescreened before the CNSOPB grants access. Industry, academic and government officials also can view physical samples and documents at the center's facilities in Dartmouth, Nova Scotia. For example, regulatory agencies will be able to monitor a company's compliance with terms of a given permit by accessing the data over the internet without having to make a trip to the center.

The centers have been at least two years in the making. The DMC also will serve as a pilot project for a series of national data centers that would include digital data from oil and gas or other resources across Canada. Eventually, the centers would connect federal regulatory boards, government departments and provincial governments throughout the country.

Last month, the neighboring province of Newfoundland and Labrador indicated that it would develop a similar data center as part of its new energy plan (NGW Sep.24,p12).

Officials in Nova Scotia also have simplified the permitting process in the province so that prospective exploration companies need file only a single set of documents that all relevant agencies can review. In addition, the province is working with local universities and community colleges to develop training programs for skilled workers.

Though no new offshore wells have been permitted in the past year, the province's energy ministry says that one major company is considering plans to drill additional wells in the Sable Island area. In addition, the province has seen an upturn in onshore activities as companies apply knowledge acquired in US coalbed methane and shale gas plays to structures with similar geology in Nova Scotia.