



News Release

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OFFSHORE BOARD ANNOUNCES RESULTS OF CALL FOR BIDS NS12-1

(Halifax, Nova Scotia, Canada) The Canada - Nova Scotia Offshore Petroleum Board (CNSOPB) today announced the results of its Call for Bids NS12-1 for Exploration Licences offshore Nova Scotia.

Shell Canada Limited was the successful bidder for 4 parcels resulting in \$31,853,248.00 in work expenditure bids. BP Exploration Operating Company Limited was the successful bidder for 4 parcels resulting in \$1,049,999,999.00 in work expenditure bids. "The Board will proceed with issuing Exploration Licences effective January 15, 2013 for these eight parcels, pending final Ministerial approval by both the Federal and Provincial governments," says Stuart Pinks, CNSOPB Chief Executive Officer.

The Work Expenditure Bid represents the amount of money the bidder intends to spend exploring the land parcels during the initial six-year period of a nine-year Exploration Licence. Successful bidders are required to post a deposit of 25 per cent of the amount of the bid to demonstrate their intention to conduct the work. The following outlines the winning Work Expenditure Bids for each parcel:

Call for Bids NS12-1	Successful Bidder	Work Expenditure Bid
Parcel 1	Shell Canada Limited	\$2,355,664.00
Parcel 2	Shell Canada Limited	\$1,644,336.00
Parcel 3	Shell Canada Limited	\$25,878,695.00
Parcel 4	Shell Canada Limited	\$1,974,553.00
Parcel 5	BP Exploration Operating Company Limited	\$5,281,593.00
Parcel 6	BP Exploration Operating Company Limited	\$322,413,027.00
Parcel 7	BP Exploration Operating Company Limited	\$637,977,927.00
Parcel 8	BP Exploration Operating Company Limited	\$84,327,452.00
Parcel 9	No bids were received	
Parcel 10	No bids were received	
Parcel 11	No bids were received	
Total		\$1,081,853,247.00

The Terms of the Call for Bids required bidders on the deepwater parcels (parcels 3-8), to have experience in the drilling of exploration wells in water depths greater than 800 metres in the past ten years. Both Shell and BP have demonstrated that they have extensive worldwide experience in deepwater drilling.

“These represent the largest total bid amounts in response to a Call for Bids in Nova Scotia’s offshore area and for Atlantic Canada,” says Mr. Pinks. “It is important for our community to know that before any exploration activity can take place on these licences, Operators must demonstrate to the Board’s satisfaction that such activities will be conducted in a manner which holds the health and safety of offshore workers and the protection of the offshore environment paramount. The Board’s robust regulatory processes will ensure that best practices, which continuously evolve, are implemented by Operators carrying out petroleum activities in our jurisdiction.”

The next Call for Bids will be issued in April 2013 with nominations closing on December 1, 2012. In addition, the CNSOPB now has a three year plan for lands which may be included in future Calls for Bids. This can be found at www.cnopsb.ns.ca. Further information about Call for Bids NS12-1 can also be found on the Board’s web site.

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Full Background Information, including maps, can be found at www.cnsopb.ns.ca

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The Canada-Nova Scotia Offshore Petroleum Board is the independent joint agency of the Governments of Canada and Nova Scotia responsible for the regulation of petroleum activities and resources offshore Nova Scotia.