

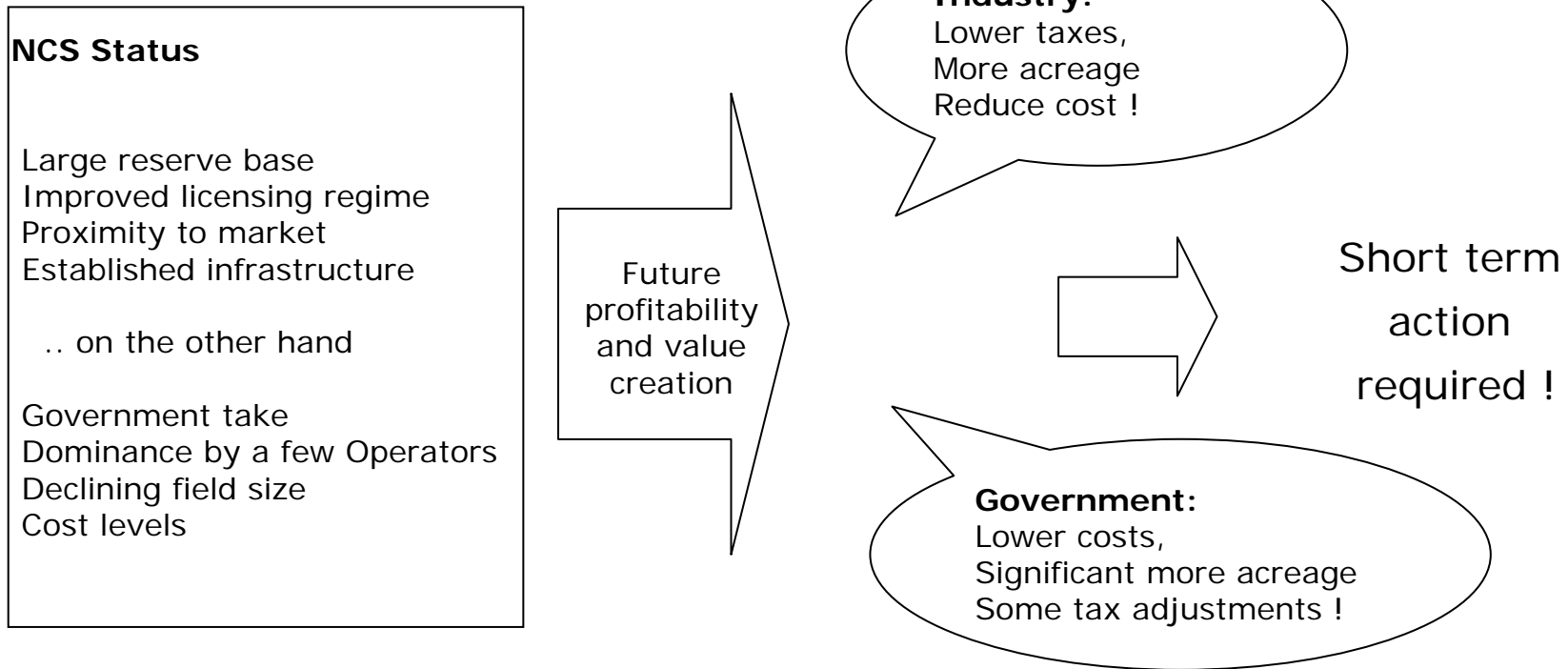


## Nordic Energy Summit 2004

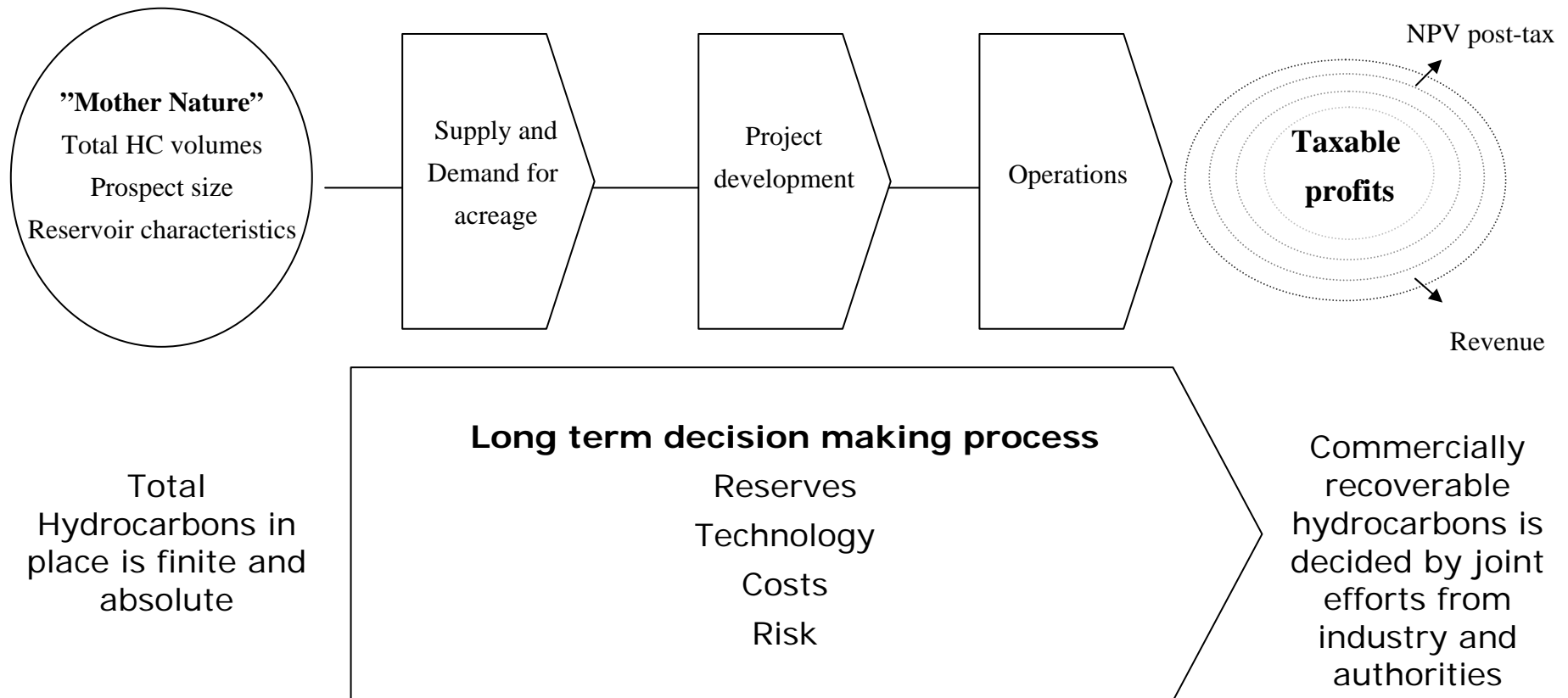
*"What can be done to maintain and increase profitability on the NCS"*

Kjell Pedersen, CEO Petoro

# Current status



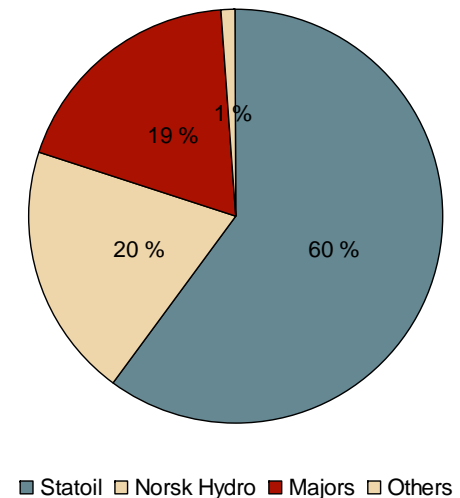
# Sources of value creation



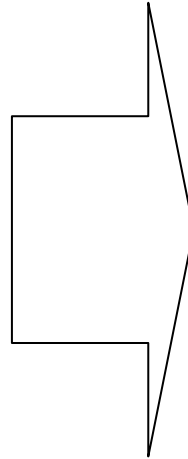
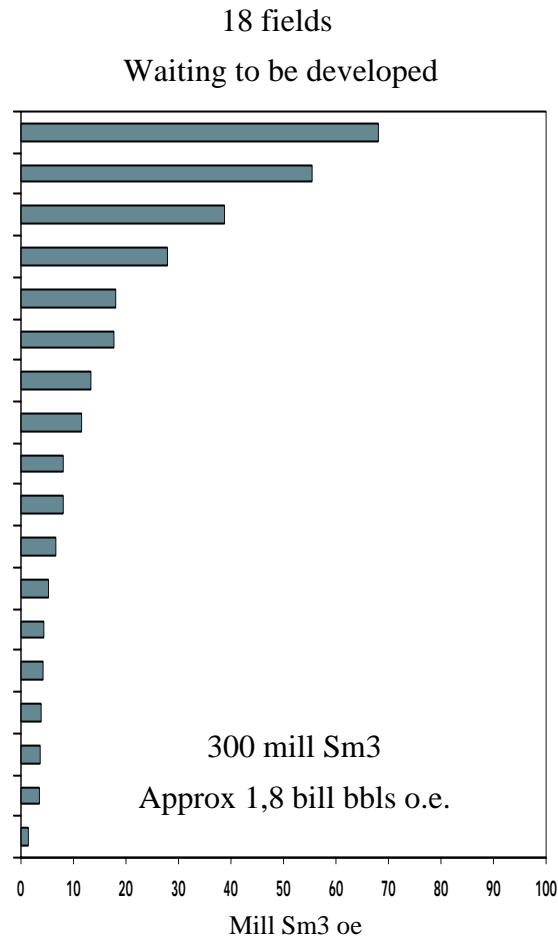
# Acreage availability and Industry structure

- 18th round answered the industry's need for acreage with the notable exception of Nordland areas
- Changes in terms may secure a better turn-over of acreage
- Up to industry to exploit the available acreage cost effectively and timely
- Established players will secure main forward development
  - Majority of capital, technology and competence
- New players will be important supplement
  - Entrants must be willing to pay the price
  - Operatorship key to influence and create new activity
  - Technical niche players or financial participants
- Commercial value in operatorship

Operatorships on the NCS



# NCS project portfolio and potential

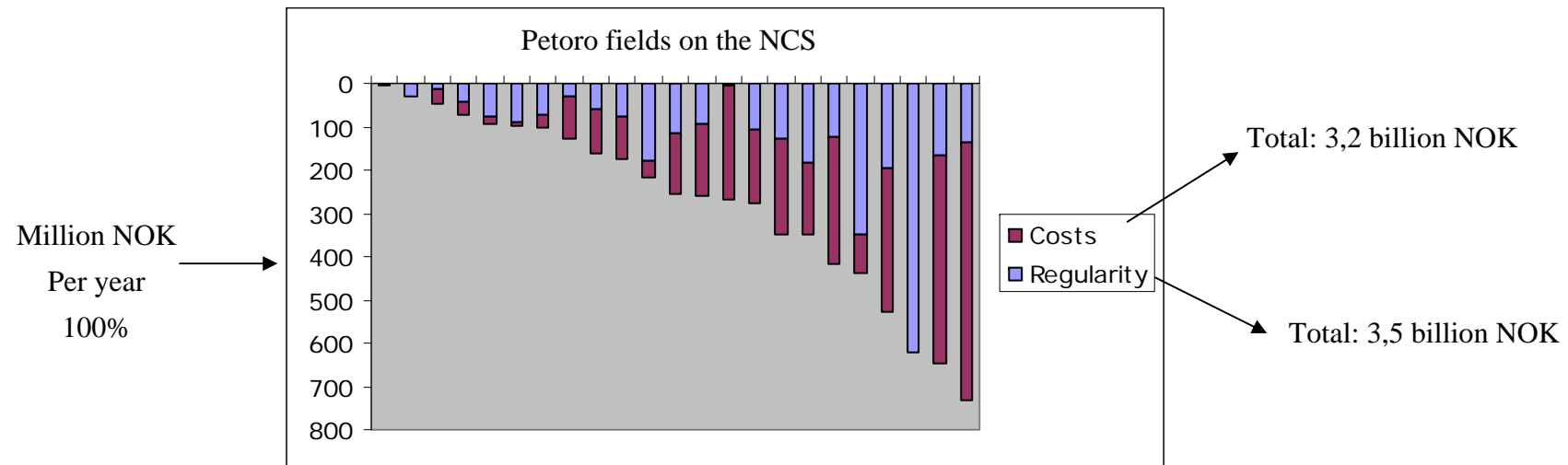


**Is it only a question of oil price ?**

- Access to infrastructure
- Change of operator/ownership
- Cost levels
- Tax
- Technology

## Cost focus in a 40\$/bbl world ?

- Industry must maintain momentum
- What role will the authorities play ?
  - Single rooms (Samsoving)
  - Supply base structure
  - New requirements
- Industry most focus on effective operations



# Summary and conclusions

- Move on !
- Industry structure
- Project portfolio
- Cost and regularity