



Mr. Eli Lassen:

- We will find oil within three to five years if continuing to drill on the Faroes CS

»I am still convinced that we will find oil and gas on the Faroese continental shelf/CS« - says Mr. Eli Lassen, manager of Atlantic Supply Base, abbreviated ASB. In his opinion, the oil should be transported to the oil terminal in Shetland instead of constructing a huge oil terminal in the Faroe Islands.

Mr. Eli Lassen is the manager of Atlantic Supply Base. The organization is quite optimistic in their views that oil will be extracted from the Faroese CS and ASB is thus preparing for a possible oil industry in the Faroes.

Atlantic Supply Base is situated in Runavik, and has been an active participant in the exploration drilling that has been made in the Faroes since 2001, that is 6 wells.

ASB was founded in 1999. Today we are faced with new challenges, states Mr. Lassen.

Unfortunately, the Statoil explorations; 'Brugdan' in 2006 and 'William' in 2007/08, failed to show any large quantity of oil and gas. Nevertheless, Mr. Lassen argues, that they now have gained experience in drilling through basalt, and the basalt must have given many oil companies' sleepless nights. In either way, Mr. Lassen is convinced that the Oil Companies will find oil and gas on the Faroes CS.

In August 2008 ASB succeeded to sign the following contract:

"FOR PROVISION OF FAROES SHOREBASE FACILITIES AND SERVICES"

This contract was made with Italian giant ENI. ASB is looking forward for their next exploration; "Anne Marie", scheduled

early in 2010, in addition to other challenges which may be before us in the future, says Eli.

The working area for the organization is divided into three areas; Office and warehouse, Bulk and Mud/mixing Plant and the ISPS secured quayside with container yard and laydown area, all within a range of 500 meters.

Oil Companies have shot seismic on the Faroes CS during this summer.

Our main objective of attending Offshore Europe 09 is to meet oil companies that are planning to come to Faroe Island to drill and also those who work within a short distance from the Faroese/UK border.

During 2009 several companies work in FEED process/level within West off Shetland Area, this means that within a few years we will have more oil and gas which is pumped up from the new offshore region.

When developing the oil and gas field it is a good opportunity to use our organization as a temporarily storage and construction and workable area close to quay side, says Mr. Lassen.

If oil companies work on the Atlantic Frontier, then they will be able to save

about 24 hours by sailing to the Faroe Islands compared to other supply ports. This is efficient and will also protect the environment by saving fuel and less CO₂ emission.

If the vessels need pot/drill water, bunkers, crew change, provisions, bulk, e.g. Barite, Bentonite and Cement, NaCl brine, KCL brine and mud, and other logistic tasks, we are able to offer all this at the Atlantic Supply Base, says Mr. Eli Lassen.

Atlantic Supply Base was ISO9001:2000 in Mai 2008 and passed the Periodical Audit in May 09

Skalafjord the best place in Faroes

Personally, I am convinced that Skalafjord is the best place for a supply base in the Faroe Island.

By nature, the Skalafjord is very good. When tenders were invited for the supply port, several ports offered their services, but the oil companies chose Runavik. This means that foreigners and people with knowledge of the oil industry perceive Skalafjord as beneficial to their business.

We have now eight years of experience with supply base service, and the oil companies who have done there exploration here have been satisfied with our service, so I do not think there is any reason to move the supply base away from Runavik, says Mr. Eli Lassen.

Transport the oil to Shetland

I am of the opinion that oil and gas will be found on the Faroese CS within three to five years, and this is because oil companies have found good and light oil and gas only a short distance from the Faroese/UK border.

The question is, of course, whether the oil found on our CS is of sufficiently good quality to extract, says Mr. Lassen, who does not think that the oil should be extracted and taken to the Faroes.

It does not make sense to transport the oil to the Faroes and then export it directly to (main land) again. I think that the oil found on the Faroese CS should be connected to the pipes and infrastructure, which are on the Atlantic Frontier between the Faroes and Shetland. It would be too expensive to make a terminal and lay new pipelines to our islands.

In Shetland, we can find an oil terminal with all the equipment necessary, sell the oil to them and take the proceeds home again. If it later on appears that there is oil to the North and the West of the Faroes then we have another challenge, which requires to be solved successfully.

All the equipment for oil prospecting on the Faroese CS should cross Faroese custom zone/ quayside, as well as equipment for construction of a possible oil field.

We have many Faroese enterprises that are fit for being sub-contractors to the oil industry and they must have an opportunity to make an offer for various works on equal terms with others, says Mr. Eli Lassen finally.



Bulk and Mud Plant



Container yard and laydown area