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SECRETARY OF STATE FOR ENERGY
THAMES HOUSE SOUTH
MILLBANK LONDON SW1P 4QJ
01-211 6402

cc JV
Prime Minister (2)

To note

MCS 9/2

Michael Scholar Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

9 February 1983

Dear Michael,

EIGHTH ROUND OF OFFSHORE LICENSING

The application period for the Eighth Round of offshore licensing, discussed in 'E' Committee on 22 April 1982, closed on 17 January. The Round has two parts. 15 blocks in the central North Sea were offered for closed tender bidding; the remainder of the blocks, lying in the Southern Gas Basin and previously undrilled areas, were offered for licensing on the basis of the usual criteria.

There were 20 applications for 8 of the 15 'tender' blocks. My Secretary of State has decided to accept the highest tenders for 7 of them. The tenderers concerned are technically and financially acceptable and their bids are in the range £2m. to £10m. A total of over £32m will be raised.

Mr Lawson has decided to reject the only tender for the 8th block-£103,107 from a group comprising Britoil, Kerr McGee, Deminex and Hunt. This is out of line with the other highest bids and could be seen as being derisory. There was a bid of £2m for a block in close proximity. There must, therefore, be a possibility that the block for which the Britoil group applied will be upgraded eventually and attract a higher premium in some future round.

Mr Lawson has written to the 7 successful tenderers who are all expected to send their formal acceptances in accordance with the Gazette Notice on or before 14 February. He proposes, therefore, to announce the awards, as attached, on 17 February by means of a written Answer.

The analysis of applications for blocks in the other part of the Round is proceeding, with a view to completing these awards in April.

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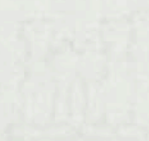
I am copying this letter to the private secretaries to members of 'E' Committee and to Richard Hatfield.

Yours ever,

A handwritten signature in black ink, appearing to be 'J D West', with a long horizontal flourish extending to the right.

J D WEST
Private Secretary

conqueror



Energy
July 1991
8th Licensing Round



FOR INFO

DEPARTMENT OF ENERGY
100 WATERLOO STREET
OTTAWA ONTARIO
K1P 6P7

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EIGHTH ROUND: LICENCE AWARDS FOR
BLOCKS IN TENDER AREA

BLOCK NO	GROUP	AMOUNT BID £
15/25b	CONOCO (U.K.) LTD TRICENTROL EXPLORATION UK LTD SAXON OIL PLC HISPANOIL (U.K.) LTD ELF UK LTD PROPOSED OPERATOR: CONOCO (U.K.) LTD	5,700,260
16/1	BP PETROLEUM DEVELOPMENT LTD PROPOSED OPERATOR: BP PETROLEUM DEVELOPMENT LTD	7,200,000
16/2b	FINA EXPLORATION LTD ARPET PETROLEUM LTD PROPOSED OPERATOR: AMERICAN PETROFINA EXPLORATION COMPANY	3,151,000
21/15b	AMERADA EXPLORATION LTD CHARTERHALL OIL LTD BULA EXPLORATION LTD PROPOSED OPERATOR: AMERADA PETROLEUM CORPORATION OF THE UNITED KINGDOM LTD	10,100,010
21/20b	SHELL U.K. LTD ESSO EXPLORATION AND PRODUCTION UK LTD PROPOSED OPERATOR: SHELL U.K. LTD	2,000,330
28/4b	CONOCO (U.K) LTD TRICENTROL EXPLORATION UK LTD SAXON OIL PLC HISPANOIL (U.K) LTD ULTRAMAR EXPLORATION LTD PROPOSED OPERATOR: CONOCO (U.K.) LTD	2,600,260
29/4b	ARPET PETROLEUM LTD ESSO EXPLORATION AND PRODUCTION UK LTD SHELL U.K. LTD NORSK HYDRO OIL & GAS LTD CHEMICAL & ALLIED TRUST LTD PROPOSED OPERATOR: ARPET PETROLEUM LTD	2,000,200
	TOTAL	<u>32,752,060</u>