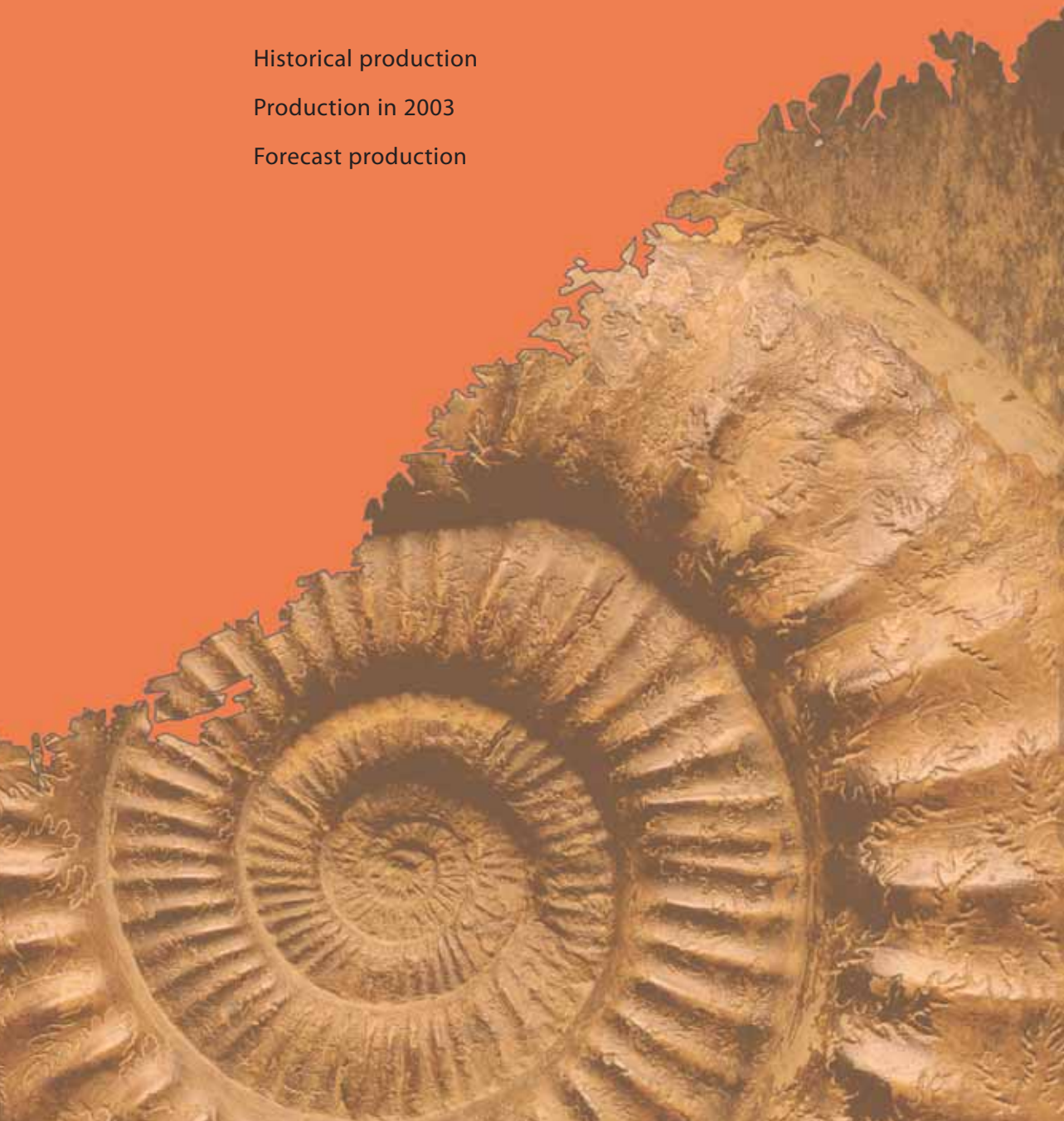


6 Production

Historical production

Production in 2003

Forecast production



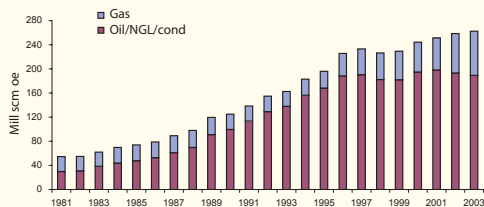


Figure 6.1 Total production
(Sources: MPE/NPD)

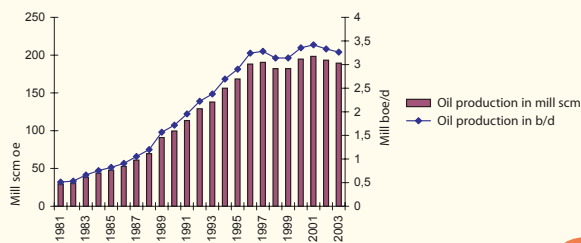


Figure 6.2 Oil production (incl NGL) 1981–2003
(Sources: MPE/NPD)

6

Historical production

Petroleum production from the NCS has increased every year since output began in 1971. Gas exports started in the late 1970s, and remained relatively constant until the mid-1990s. Since then, they have expanded sharply. This growth is expected to continue in coming years. Oil production accounted for the rise in output until the mid-1990s. Production of oil (including NGL and condensate) peaked in 2001 at 198 mill scm oe. Since then, it has declined somewhat.

Production in 2003

Petroleum production from the NCS in 2003 totalled roughly 262.8 mill scm oe. Oil (including NGL) accounted for 189 mill scm oe (3.3 mill b/d) of this figure and gas for 73 mill scm oe. Crude oil output alone came to 166 mill scm oe or 2.9 mill b/d.

Total production in 2003 represented a rise from the year before, when overall petroleum output came to 259 mill scm oe. This increase reflected a sharp rise in gas and NGL production and a slight decline for crude oil.

The Fram, Grane and Mikkjel fields came on stream in 2003. Of the 48 fields in production at 31 December 2003, 42 were in the North Sea and six in the Norwegian Sea. A total of four fields approved for development have yet to come on stream. In addition come further projects on existing fields.

Forecast production

Gas sales in 2003 were up by 12 per cent or roughly eight mill scm oe from the year before. This growth is expected to continue in coming years. Annual sales of 120 mill scm oe from 2010 are regarded as a realistic scenario. See figure 6.3. At the same time, oil production is expected to remain around its present level for the next few

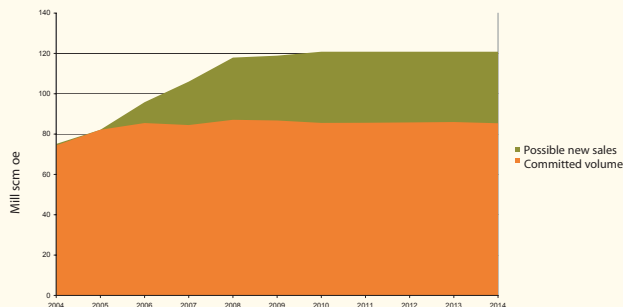


Figure 6.3 Dry gas deliveries from the NCS
(Sources: MPE/NPD)

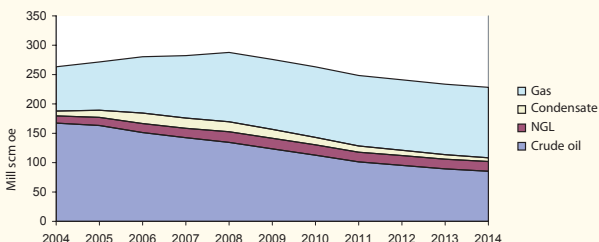


Figure 6.4 Production forecast for petroleum 2004–2014
(Sources: MPE/NPD)

years before starting to decline gradually. See figure 6.4. This means that the share of gas in overall petroleum production will rise substantially, from about 28 per cent in 2003 to roughly 46 per cent in 2010.

It should be noted that forecasts of future production levels involve considerable uncertainties. These relate over the next few years to such

aspects as the time when different fields go off plateau, how fast their output declines, the effect and profitability of improved recovery measures and when fields now under consideration come on stream. In the rather longer term, the number and size of new discoveries will also influence the level of production.

Table 6.1 Total petroleum production, mill scm oe.

(Source: NPD)

	1971–1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	Total
Oil/NGL/cond.	803.0	129.0	137.9	156.2	168.4	188.1	190.4	182.1	182.2	194.7	198.3	193.3	189.4	2 913.0
Gas	349.1	25.8	24.8	26.8	27.8	37.4	43.0	44.2	48.5	49.7	53.9	65.5	73.4	869.9
Total	1 152.1	154.8	162.7	183.1	196.3	225.5	233.3	226.3	230.7	244.4	252.2	258.8	262.7	3 783.0

