

# Shell millions tied to study

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## **Geologist: Analysis spurred energy giant's N.S. program**

A \$15-million government-funded study on Nova Scotia's offshore oil and gas potential helped spur Shell's \$1-billion exploration program here, a Houston-based chief geologist with the global energy giant said Wednesday in Halifax.

Brad Prather, who works in deepwater exploration for the company's Upstream Americas division, told a renewable energy research and development forum that the study played an important role in the super major's decision to start looking for oil and gas here again.

"In addition to our own work, we also used it extensively," Prather said in response to an question from the audience.

"It played a significant role in laying a foundation which we can build on."

The research project, called the Play Fairway Analysis, identified significant oil and gas services off the coast of Nova Scotia.

Prather said the analysis was his first experience with government-sponsored studies and he called it "a first-class piece of work."

"Looking at that was like looking at a piece of our own work."

In fact, the Shell chief geologist used some illustrations from the study in his presentation on 3-D mapping technology.

Shell has said it plans to begin 3-D seismic surveys offshore next year and could start exploratory drilling 2014.

The company has until June 1 to file its exploration plan with the industry regulator.

Shell has notified the Canada-Nova Scotia Offshore Petroleum Board that it will be making its submission in the next two weeks, a board spokeswoman said.

The plan, which outlines how the exploration work will unfold over the next three years, is not made public.

A Shell Canada spokesman couldn't be reached Wednesday for comment.

Stephen Dempsey, executive director of the Offshore Energy Research Association, told the forum that the study that renewed Shell's interest in offshore Nova Scotia was "a big bet in the research world."

The research group, whose members include universities, government agencies and industry, played a leading role in the study through a predecessor group, the Offshore Energy Technical Research Association.

In an interview, Dempsey said offshore oil and gas has moved back to the top of the province's research agenda since the last forum was held two years ago.

"We're working right now in a collaborative fashion to determine how do we respond to this? We'll be doing more work around Shell and working on ensuring that that is successful to the extent that we can."

Tidal energy research also got a shot in the arm earlier this week when the province announced its marine renewable energy strategy, he said. The provincial plan includes a goal of getting 300 megawatts of electricity from commercial tidal power starting in 2020.

Energy Department official Bruce Cameron said the province has become more proactive in its approach to research in the renewable energy sector over the past several years rather than waiting for industry to set the agenda.

"Research became, instead of an outcome of a vibrant industry sector, it became something that we are going to have to focus on ourselves," said Cameron, the province's executive director of sustainable and renewable energy.

The two-day forum, which continues Thursday, brings together experts in marine energy, offshore oil and gas, renewable and sustainable energy.

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