Northern Oil and Gas

BULLETIN



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2012-2013 CALL FOR NOMINATIONS LAUNCHED IN THE ARCTIC ISLANDS OF NUNAVUT

The Minister of Indian Affairs and Northern Development is hereby inviting industry to nominate lands to be included in a Call for Bids for Exploration Licences and also gives advance notice of his intent to include the Bent Horn lands in a Call for Bids for a Significant Discovery Licence.

Please refer to our website for the complete Call for Nominations package:

www.aadnc-aandc.gc.ca/nth/og/index-eng.asp

The identity of the nominator is kept strictly confidential.

ALL NOMINATIONS MUST BE RECEIVED BY APRIL 24, 2013 AT 4 P.M. (EDT) TO BE CONSIDERED BY THE MINISTER. ALL NOMINATIONS SHOULD BE FAXED TO THE ATTENTION OF:

NORTHERN PETROLEUM RESOURCES DIRECTORATE NORTHERN PETROLEUM AND MINERAL RESOURCES BRANCH FACSIMILE: 819-953-5828.

Call for Bids

Interested parties are highly encouraged to read the Proposed 2012-2013 Call for Bids for Exploration Licences and the Proposed 2012-2013 Call for Bids for a Significant Discovery Licence. The exercise of petroleum rights is subject to specific terms and conditions relating to the environment and must comply with requirements under land claims as well as for northern benefits. Such information is contained in the Proposed 2012-2013 Calls for Bids.

Should nominations be received, a Call for Bids for Exploration Licences and/or a Call for Bids for a Significant Discovery Licence may be launched in May 2013.

Arctic Islands of Nunavut

Most northerly of Canada's exploration regions, the Arctic Islands of Nunavut overlie one of Canada's largest petroliferous basins: the Sverdrup Basin. Exploration activity occurring mainly in the 1970s was extensive but sparsely distributed across this huge region. Nevertheless, the 164 wells drilled discovered gas and oil resources of over 14 trillion cubic feet and 300 million barrels. Of 16 fields discovered, two are major gas fields with discovered resources estimated at 9 trillion cubic feet. These are two of the largest undeveloped gas fields in Canada. These calls are for Crown lands falling within part of the Nunavut Settlement Area, as defined by the Nunavut Land Claim Agreement.

Bent Horn Lands

The Bent Horn oil field was discovered in the 1970s and produced a total of 4.5x10⁵ m³ or 2.8 million barrels between 1985 and 1996. The field was abandoned before being depleted. The reservoir is in the Devonian Blue Fiord Formation, a reefal limestone and is located in thrust fault slices in the upper part of an isolated, reef-rimmed carbonate bank. The Bent Horn oil was produced from partially opened fractures within the limestone, representing porosities between 1 and 3%. The oil produced from this field is a waxy light crude (43° API).

The fractured nature of the reservoir and the complex structure of the field challenged the original development of this resource and estimation of recoverable oil. Seismic reprocessing of data to enhance imaging, improved understanding of the geology as well as new drilling and reservoir stimulation techniques warrant the re-examination of this field.

For more information on the rights issuance process or the resource management regime, please contact:

Rights Administration Northern Petroleum Resources directorate Northern Petroleum and Mineral Resources Branch Aboriginal Affairs and Northern Development Canada Tel: 819-953-2087 Fax: 819-953-5828 Rights @aandc.gc.ca www.aadnc-aandc.gc.ca/nth/og/index-eng.asp

Media Enquiries: 819-953-1160



Note: This Bulletin is for information purposes only. Terms and conditions for each call are described in the appropriate call document.

