

AMOCO NORWAY OIL COMPANY
Stavanger, Norway

In early 1965 Amoco Norway Oil Company entered the Norwegian North Sea area to engage in exploration and exploitation operations.

Presently, Amoco Norway has an interest in five licenses with some 2,765 square kilometers.

On 27 March 1965, Amoco signed a letter agreement with the Norwegian Oil Consortium (NOCO) which is a group of fifteen Norwegian companies interested in exploration for petroleum. On 15 June 1965, Amerada Petroleum Corporation (Amerada) and Texas Eastern Transmission Corporation (Texas Eastern) became additional signatories to this letter agreement, each having a 28.33% interest and NOCO having 15%.

On 17 August 1965, the Amoco-NOCO Group was awarded Production Licenses Nos. 004, 005 and 006. License 004 has been relinquished and Amoco's interest in License 005 has been assigned to Unionoil Norge A/S.

On 30 May 1969, the Amoco-NOCO Group was awarded Production Licenses 032 and 033. These licenses were incorporated into the existing Operating Agreement, but a change of interest ownership was made to allow NOCO a greater percentage. An additional feature incorporated in these licenses is a 10% government net profit interest which has now been assigned to Statoil.

In 1970 the exploration well 2/5-1 discovered the Tor Field under the License 006. Phillips Petroleum Company Norway as operator for the Phillips Group drilled a confirmation well on the same structure in their adjacent block 2/4. The field has been unitized with Phillips as operator.

In 1972 the well 2/5-3 discovered the S.E. Tor Field. At the present time this field is not commercial.

On 10 August 1973, Production License 037 was awarded to a group headed up by the Norwegian Government oil company "Statoil" with Mobil as operator.

On 15 August 1973, the Norwegian Joint Stock Company, Amoco Norway A/S was established in order to comply with Norwegian License requirements.

In 1974 the Statoil-Mobil Group discovered the Statfjord field with the well 33/12-1. Amoco has a minor interest in this. The Mobil operated Statfjord Unit is the largest

oil field yet discovered in the North Sea and is now under development. Production is expected to start in 1979 with a peak production rate of 540,000 barrels per day of crude oil. The total cost of the project will exceed five billion dollars and the reserves are estimated at eight billion barrels (1.1 billion metric tons) of crude oil. The Statfjord Unit has been formed as the field lies on both the U.K. and Norwegian sectors of the North Sea. Amoco has a very minor interest in the Conoco North Sea, Inc., operated Murchison Unit under Production License 037 which also lies in both the U.K. and Norwegian sectors of the North Sea. A unit is being formed and the field is under development.

On 15 November 1974, Production License 042 was awarded to the Statoil/Amoco/Mobil Group with Amoco as operator. Two dry holes have been credited to the License obligation of four wells.

In 1974 the wildcat well 2/11-3A discovered the Hod Field. In 1975, the Amoco Group exploration well 2/8-6 discovered the Valhall field under License 006. Development is in progress with a three-platform complex consisting of a separate drilling, production and quarters platform. Production is expected to start in 1981. A peak production rate of 95,000 barrels (12,800 metric tons) of crude oil will be reached in 1984 and a peak production rate of 200 million cubic feet (5.7 million cubic meters) of natural gas will be reached in 1989.

Tor Field production started in June of 1978. Initial production from four wells will be 50,000 barrels (6,750 metric tons) of crude oil and 70 million cubic feet (2 million cubic meters) of natural gas. Peak production of 100,000 barrels (13,410 metric tons) of crude oil will be reached in 1980 and 160 million cubic feet (4.56 million cubic meters) of natural gas will be reached in 1983. Also in 1978 the well 2/11-3A discovered the East Hod Field. Evaluations of these two promising prospects is proceeding.

At the time of writing, nine expatriates and forty-nine nationals are employed at Amoco Norway Oil Company's offices in Tananger.

From the days of Vikings, Norway consisted of several small Kingdoms and it was inevitable that wars took place between the "small kings" to gain larger kingdoms.

In the year 850, a king called Halvdan Svarte owned large areas on the East Coast. His son, Harald,

inherited the title when he was 10 years old and grew up to be a powerful and clever man. When he

fell in love with a princess called Gyda from a

neighbouring kingdom, he was informed that she would not marry him until he was king of all Norway. He

swore that he would not cut his hair until Norway

was his - so he was known as Harald Hårfagre (Harald

of the beautiful hair). He gathered together a large

army with the help of his uncle Guttorm, and travelled

to Trondelag, which soon became part of his territory.

Later, he gathered a navy and sailed South, taking

Møre - as he progressed Southwards, fiercer and fiercer

battles took place until he reached Håfrsfjord, just out-

side Stavanger, and the victory was his. After 10 years

of battle, Harald Hårfagre could finally cut his hair.

During his reign, the farmers began to be dissatisfied

with his demands for taxes and they felt that their

land was no longer their own. Many emigrated to other

countries, Great Britain, the Orkney Islands, Shetland

Islands, the Hebrides and Iceland especially.

Harald had several sons. The eldest, Eirik, married a

Danish princess who was very beautiful but very cruel.

After Harald's death, Eirik murdered several of his

brothers in an endeavour to ensure complete sovereignty.

His youngest brother, Håkon, who had been brought up at

at the English court and was a Christian, became deter-

mined to be king. At the age of fifteen, he returned

to Norway and, by promising the farmers their land back,

became exceedingly popular and was appointed king by the

people. His brother, Eirik Bloody Axe as he had become

known, had to escape with his wife to England.

Christianity had come to Norway.

In the early 1400's, King Håkon Magnusson, Jr. married a Danish princess, Margreta, and the two countries became one. Margreta tried for many years to obtain Sweden as part of the Norwegian-Danish alliance and soon Danish bailiffs were appointed throughout Norway and Sweden. Needless to say, the Swedes and Norwegians were not happy and Sweden managed to break away from this union. Norway was still under Denmark, and so from 1523 until 1814, Norway and Denmark were one kingdom.

On January 24, 1814, as a consequence of the Napoleonic Wars, the Danish crown prince, Kristian Fredrik, was ordered by his father to hand over the Norwegian fortresses to the Swedes. Denmark had supported Napoleon and had lost. On May 17, 1814 at Eidsvoll, Norway's Constitution was formed. This was one of Europe's most democratic constitutions at that time. The great revival of national life, both materially and intellectually, during the 19th century led eventually to the dissolution of the union in 1905 when Prince Carl of Denmark was elected king of Norway as Haakon VII. When Haakon VII died in 1958, Crown Prince Olav became and still is the Norwegian king. King Olav celebrated his seventy-fifth birthday on 2 July 1978. The King is an excellent sailor and skier.

The town has its own special character and charm. South of Vågen, with its lively shipping, lies the market place with its shipping monument erected in honour of its earlier trade. Nearby stands the cathedral, the Cathedral School (Kongsgård School - formerly the bishop's residence and later part of the King's Estate) and the beautiful

Stavanger is the largest county borough in Rogaland. It includes the earlier provincial town Stavanger, the county borough Madla and parts of the county borough of Heltland. Stavanger celebrated recently, its 800th anniversary. Stavanger became the official episcopal seat around 1125 and the town grew up around this. Around 1200, the cathedral was built in Roman style, but after a fire in 1272, the chancel was built in Gothic style. In 1425, Stavanger officially became a town. Many emigrants started out from Stavanger for a new life in the United States.

Stavanger is situated on the southwest coast of Norway. It is the fourth largest town in Norway. Due to the discovery of offshore petroleum, the town has experienced an increase in population. The foreign community in Stavanger has now reached 6,500, 3,500 of which are Americans (this includes neighbouring Sandnes).

Norway covers an area of 324,000 square kilometres. It has a population of about 4.1 million. There are approximately 75,000 foreigners living and working in Norway of which 13,000 are Americans. Oslo, the capital has a population of 500,000. The major towns are Bergen, Trondheim and Stavanger. Stavanger has a population of around 88,000.

The Labour Party has been the dominant political party since 1935 but the four non-socialist parties did win a majority in 1965 and were in power for a short time. At the present time, the Socialist Party is in office.

Breia Lake (Breivatnet). East of Vågen lies the business area including many old picturesque wooden houses and wharf buildings.

The fjords around Stavanger are some of the most beautiful and rugged in Norway. It is not necessary to drive for miles to get away from the crowds. Small islands in the fjords and lovely sandy beaches that stretch for miles along Jæren are used regularly both summer and winter. In winter, however, most people prefer to walk along the beach. Although the North Sea is not exactly the Mediterranean, the water is crystal clear and has a turquoise color.

The climate in Stavanger is similar to an English climate. Plenty of rain, although the sun does and can shine. Winters are usually fairly mild, but there are always exceptions to prove the rule and snow and freezing temperatures can exist for several months. The temperature has been known to fall to -10°C in the winter and up to 28°C in the summer, but this is not common.

Stavanger is an industrial town. It is the center of the Norwegian canning industry and is also becoming one of the major towns connected with petroleum activities in the North Sea. The town's most important industries are: A/S Rosenberg Mekaniske Verksted (ship builders), Chr. Bjelland & Co. (fish canning), A/S Tou (soft drinks, beer, flour manufacturers) and the large central Frue Daily.

The town has always had a large canning industry - especially sardines and brisling, but due to poor catches in the past years, many of the canning factories have had to close down. One can safely say that the oil industry is one of the most important industries today.

The district just outside Stavanger, Jæren (meaning "the edge") is a well known agricultural centre - dairy farming and milk farming - and the surrounding islands in Ryfylke produce some of the first crops of the year with a great variety of vegetables. The King receives the first new potatoes each year from this district.

A branch of the university has also been established in Stavanger recently, and one can study practically everything from hotel training to petroleum engineering and languages.

The local council has a majority of right-wing members, but Norway is a socialist country and the government is a socialist one.

There are no transportation problems in Stavanger - buses, trains, taxis, private cars and bicycles are in abundance, but sometimes it is difficult to get from one part of town to another by public transport due to poor connections.

The majority of the Norwegian people are a typical Scandinavian type, although not quite as blond as the Danes or Swedes. There are a sporty, open-air nation, "frimær" though slightly reserved.

The cost of living is very high (one of the highest in the world), but salaries are equivalent although taxes are extremely high.

Norwegian is, of course, the main language, but most Norwegians have an excellent command of English and some speak fairly good German and French.

Social and business customs are similar to the U.S., but perhaps a little more formal. It is not so usual to start off on Christian names at once. A Norwegian always