

In Offshore Newfoundland, the Hibernia project continues to set oil production records. The Terra Nova project began producing in January 2002. The Grand Banks' harsh environment required construction of a technically unique

A promising future in Atlantic Canada's oil and gas sector

floating production, storage and off-loading system (FPSO), the world's first offshore oil platform able to disconnect quickly from its wells. White Rose, the third oil project offshore

Newfoundland, has received regulatory approval to proceed and is expected to begin production of 100,000 barrels of oil per day in 2004.

In Offshore Nova Scotia, the activity has centred on natural gas production. The Sable Offshore Energy Project has become a great success, with development of its second phase continuing. The Deep Panuke Project is proceeding as Nova Scotia's next development, and the pace of further exploration is gaining momentum.

In both provinces there is a trend towards more deepwater exploration and Canadian companies are rapidly developing expertise in this area. The major oil companies

anticipate a new oil project to commence every two to three years throughout the next two decades, resulting in production of 580,000 barrels of oil equivalent per day. Should this level of production be achieved, it could represent 50% of Canada's production of light crude oil.

