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STANDING SENATE COMMITTEE
ON ENERGY AND
NATURAL RESOURCES

COMITÉ SÉNATORIAL PERMANENT
DE L'ÉNERGIE ET DES
RESSOURCES NATURELLES

The Hibernia oil field lies 315 kilometres east-southeast of St. John's, Newfoundland, on the continental shelf in the northeast corner of the Grand Banks. Water depth in the area is about 80 metres. The field is estimated by Mobil Oil to contain at least 525 million barrels of recoverable oil, and by COOLA (Canadian Oil and Gas Lands Administration) to contain 525-650 million barrels of recoverable oil.

Information on Bill C-44

An Act respecting the

Hibernia Development Project and

to amend certain Acts in relation thereto

The first exploration permit in the area of the Hibernia oilfield offshore was issued to Mobil Oil in 1970 and drilling began the following year. Between 1972 and 1978, six sponsors - in 1978, Shell Canada Limited, Petro-Canada, and also the Hibernia Development Project. The following year, Chevron and Petro-Canada joined the Hibernia Development Project. The Hibernia Development Project also conducted a detailed appraisal of the field in 1984, which estimated the recoverable oil in the field at \$465 million.

The Atlantic Accord was signed in February 1985. The Hibernia Development Project submitted a Development Plan and Environmental Impact Statement to the Canada-Newfoundland Offshore Petroleum Board (CNOPB) in September 1985 and a Final Development Plan in September 1986. The CNOPB gave conditional approval to the Development Plan in June 1986. Since then, the project sponsors have received three final proposals and the terms of a final offer were agreed on 9 July 1988, following which the sponsors - Chevron Canada Limited, Hibernia Gas Development of Canada Ltd., Gulf Canada Resources Ltd., Canada and Petro-Canada Inc. - and the Government of Newfoundland and Labrador signed the Statement of Principles.

Dean N. Clay
17 September 1990

Columbia Gas System Ltd. is the operator for the Hibernia oilfield. In Hibernia, there is over 500 km of pipeline to St. John's.

The Hibernia Project	1
The Hibernia Project Statement of Principles	8
Hibernia Benefits and Opportunities	14
Offshore Safety and Environmental Protection	16
House Legislative Committee Amendments	18
Suggested Questions	19
Appendix 1: Hibernia Development Schedule	23

CNOGPB did not accept the Hibernia Development Plan in 1985 and, on 21 March 1986, the Hibernia Development Project consortium, on 21 March 1986, submitted a Development Plan Update to the CNOPB. The binding agreement between the Hibernia Development Project and the Government of Newfoundland and Labrador was signed on 9 July 1988.

