



# Saharawi Arab Democratic Republic Petroleum Authority



Bir Lahlou, 25th October, 2007

## **SAHARAWI ARAB DEMOCRATIC REPUBLIC ANNOUNCES SECOND PETROLEUM LICENSING ROUND**

The Saharawi Arab Democratic Republic (SADR) is pleased to announce the holding of a Second Petroleum Licensing Round, to be opened in Houston, Texas, USA in early 2008.

A total of three onshore and six offshore blocks will be offered, totaling 192,569 square kilometers (48 million acres). Water depths in the offshore blocks range from 0 to 3,600 meters.

Most of the blocks lie in the under-explored Mesozoic and Tertiary Aaiun Basin, where the most recent extensive oil and gas exploration program was accomplished in the late fifties and early sixties. This earlier exploration program proved the existence of a sedimentary section at least 6,000 meters thick, and the presence of all of the ingredients for a working petroleum system.

The SADR licensing regime is a Production Sharing Contract (PSC) format, with most terms biddable. The PSC is preceded by an Assurance Agreement (AA), valid for a period of up to ten years, or until certain external conditions have been met.

The SADR held a very successful First Bid Round which opened in 2005, with 9 licenses awarded to eight companies in early 2006. These companies are presently evaluating the petroleum prospects of the awarded licenses.

Further details about the Second Bid round will be announced from time to time on the website of the SADR Oil and Gas Licensing Authority ([www.sadroilandgas.com](http://www.sadroilandgas.com)). In the meantime, interested oil and gas exploration companies are invited to contact Mr. Kamal Fadel at [kfadel@sadroilandgas.com](mailto:kfadel@sadroilandgas.com)

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