

## Somaliland open for business

*The Somali autonomous area of Somaliland launched its first licensing round in February 2009, offering nearly 36,000 sq miles (90,000 sq km) of onshore and offshore blocks.*

By JUDY MAKSOD, Executive Editor

Exploration activity is still opening new frontiers, with one of the most recent surveys targeting the Republic of Somaliland, an autonomous region in the Horn of Africa.

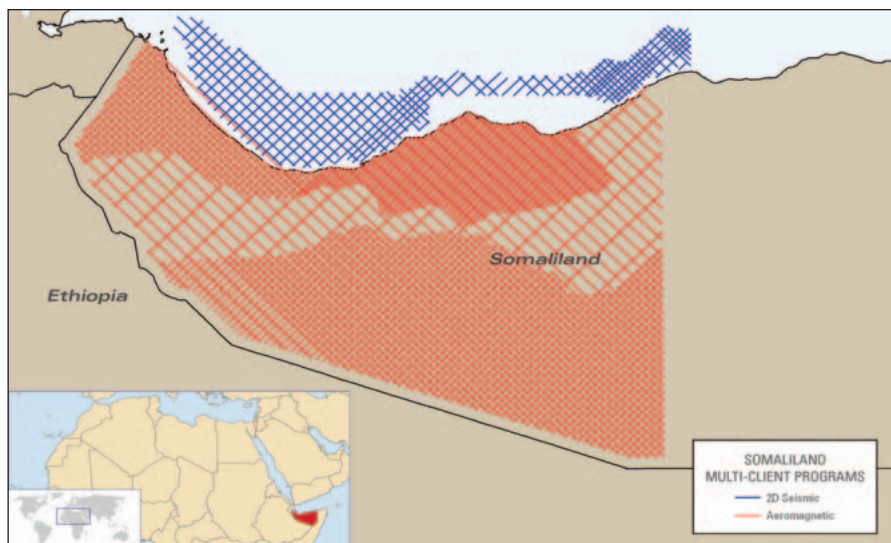
As in any frontier, working in Somaliland will bring challenges. To date, it remains unrecognized by any country or international organization; so doing business with the Republic of Somaliland could be tricky. The possible rewards in terms of hydrocarbon reserves, however, could make it well worth the risk.

### Setting the scene

The Republic of Somaliland is bordered by Ethiopia in the south and west, Djibouti in the northwest, the Gulf of Aden in the north, and two other de facto independent Somali territories in the east. Yemen lies across Gulf of Aden, and word has it that Somaliland's geology may have analogies to Yemen's, where several oil fields have been discovered to date.

"Two of the most interesting things about this area are it's relatively untested nature (very few wells have been drilled and none recently), and it's in the proximity of other oil producing areas," said David Hicks, vice president of Africa, the Middle East, and Asia Pacific for TGS-NOPEC Geophysical Co., the company that carried out the recent aeromagnetic and seismic surveys. "Somaliland and Yemen might be part of the same system. The frontier nature of this region is its greatest appeal."

The new surveys gathered by TGS were necessary for the bid round because very little modern data were available. In a press



*The Republic of Somaliland is offering nearly 36,000 sq miles (90,000 sq km) of onshore and offshore blocks in its first bid round. (Main image courtesy of TGS-NOPEC, inset map courtesy of Abdullah Geelah at en.wikipedia)*

release issued by the Somaliland Ministry of Water and Natural Resources, Minister H.E. Qasim Sh. Yussuf Ibrahim said, "TGS is the first seismic company to gather new geophysical data in the Republic of Somaliland in almost 30 years."

### The surveys

TGS has acquired seismic, gravity, and magnetic data covering both shallow-water and deepwater areas. The first of the two surveys gathered 21,557 miles (34,693 km) of aeromagnetic data from December 2007 through February 2008 under an exclusive license from the Somaliland Ministry of Water and Mineral Resources.

This type of survey, Hicks said, is typically done in frontier areas because it allows a large regional area to be covered economically to provide an initial impression of the regional geology.

Because the area lacked modern data, the aeromagnetic survey was designed to provide a regional dataset that could be used to map sedimentary basin morphol-

ogy. The aeromagnetic data were used to interpret the location of sedimentary basins, depth to basement, and to identify faults and structures.

The second phase of the project was a multiclient 2-D survey that concluded in April 2008. The 2-D survey, which covers 3,308 miles (5,324 km), focuses in the Gulf of Aden.

At present, there are no additional contracts for seismic work, but there is potential for eventual infill 2-D survey work or 3-D acquisition once the additional blocks have been awarded.

Meanwhile, the country needs to entice bidders, and TGS is helping to get the ball rolling. The company has assisted the Natural Resources Ministry in getting the country's petroleum law in place and helping with block design. TGS also has assisted in marketing the data, Hicks said, with two road shows and presentations at major industry conferences such as the American Association of Petroleum Geologists in San Antonio in 2008. **E&P**