

## AREAS OF PALESTINIAN AUTHORITY



BG GROUP OWNS A 90% INTEREST IN, AND IS OPERATOR OF, THE OFFSHORE GAZA MARINE LICENCE.



### Upstream: E&P

BG Group is operator of an exploration licence, awarded in 1999, covering the entire marine area offshore the Gaza Strip. BG Group drilled two successful wells in 2000 (Gaza Marine-1 and Gaza Marine-2) and resources are estimated to be around 1 tcf. In 2001, a technical review recommended a sub-sea development and pipeline to an onshore processing terminal. In 2002, an outline Development Plan was approved by the Palestinian Authority.

BG Group holds 90% equity in the licence, which would be reduced to 60% if the Consolidated Contractors Company (the current 10% partner in the licence) and the Palestine Investment Fund exercised their options at development sanction.

In 2007, BG Group withdrew from negotiations with the government of Israel for the sale of gas from the Gaza Marine field to Israel. In 2008, BG Group closed its office in Israel but maintains contact with the Palestinian Authority and the government of Israel to investigate options for Gaza Marine development.