

Relinquishment report

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1 Key Licence History

Award and Participants

PL733 was awarded in APA2012 7th February 2013 with Faroe Petroleum as an operator with a 50% interest and with Explora Petroleum as a partner with 50% interest. The License covers a 608.486 km² area in blocks 9/5,9/8 and 9/9 close to the Yme field.

Work Obligations

The work commitment was to perform G&G studies. Decision to acquire 3D seismic or drop within one year. Drill or Drop within 3 years. Decision on Continuation within 5 years and PDO within 8 years.

Meetings

2012-03-05 ECMC meeting. Formal establishment of licence and decision on the work program for the License.

2014-21-09 Work Meeting. Review of possible 2D aquisition.

2 Database

The database used in the evaluation was as defined in the Application. In addition DNME data was reprocessed to evaluate the applicability of DNME for the Egersund basin. Fig. 2.1 Fig. 2.2

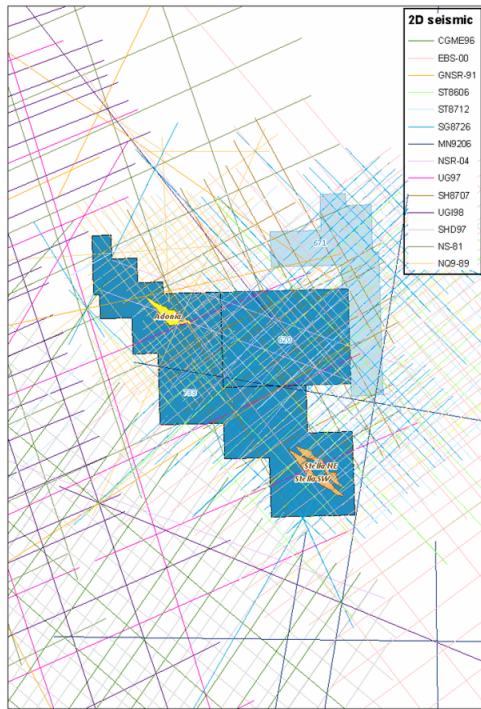


Fig. 2.1 Seismic Database

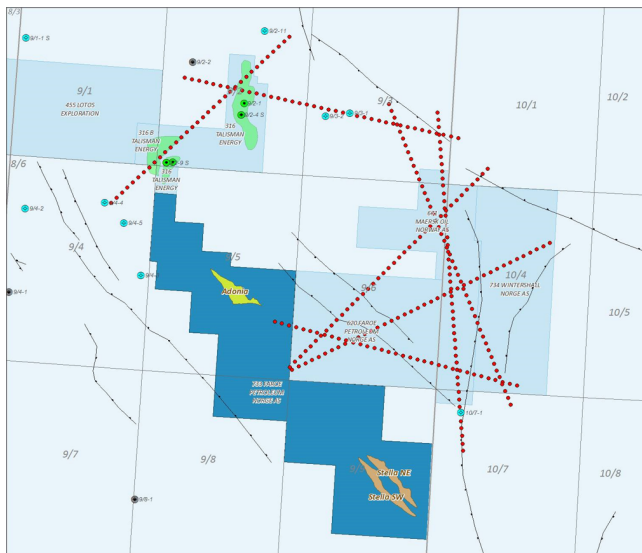


Fig. 2.2 DNME data

3 Review of geological framework

The main risk in the licence is Hanging-wall seal for the Adonia prospect, and it was considered to use DNME to de-risk the presence of hydrocarbons in the prospect and hence presence of working trap. Reprocessing of DNME data was undertaken together with the neighbouring licences to evaluate if it could be used to de-risk prospects in the Egersund basin. The results were inconclusive and it was decided against acquiring more DNME data.

4 Prospect update

The license application on Adonia identified fault seal and presence of hydrocarbons as the main risk. To increase our understanding of the petroleum system and the potential impact of DNME on the Adonia prospect, the licence partners participated and funded reprocessing of the DNME acquisition through the respective PL620 and PL671 licences. DNME could be used to identify the presence of a working hydrocarbon system and form the basis for a decision to acquire a 3D to further evaluate the prospects. Unfortunately the DNME in the Egersund Basin turned out to be inconclusive and it was advised not to use as a basis for further decisions.

Based on the work performed the risk on the Adonia prospect remains high and the operator proposed to relinquish the license.

Explora Petroleum initiated and acquired through Dolphin Geophysical a sole risk 2D broad-band seismic survey (DOL14006) over the Adonia prospect with the objective to ascertain the potential uplift in broad-band imaging and impact on seal-risk constraint. Explora Petroleum also solicited, through a data room, the interest of other companies to take over the operatorship from Faroe. This was not successful, and Explora Petroleum therefor supported the Operators proposal to relinquish the licence.

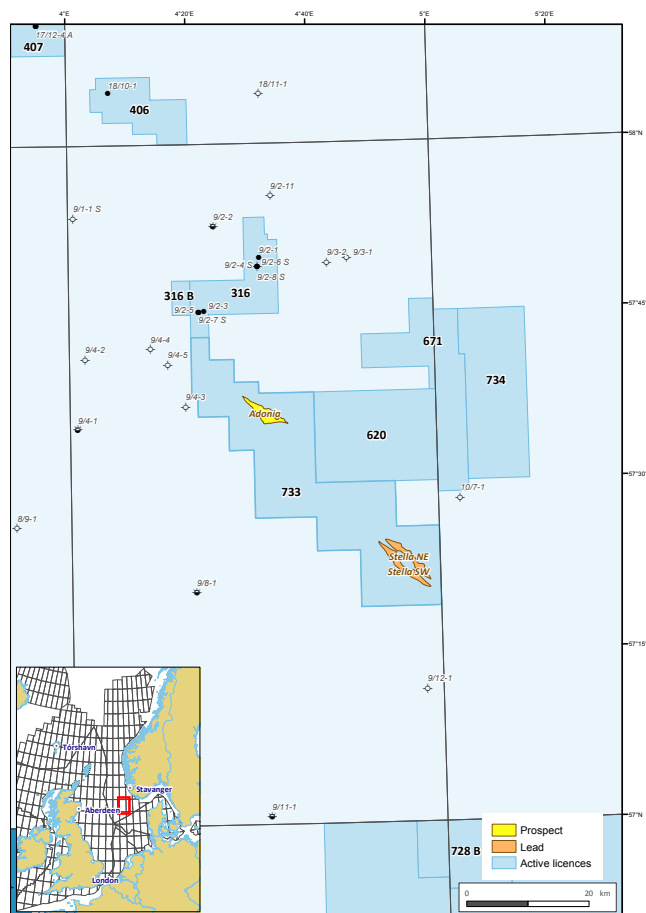


Fig. 4.1, Fig. 4.2, Fig. 4.3, Fig. 4.4

Fig. 4.1 Prospect map

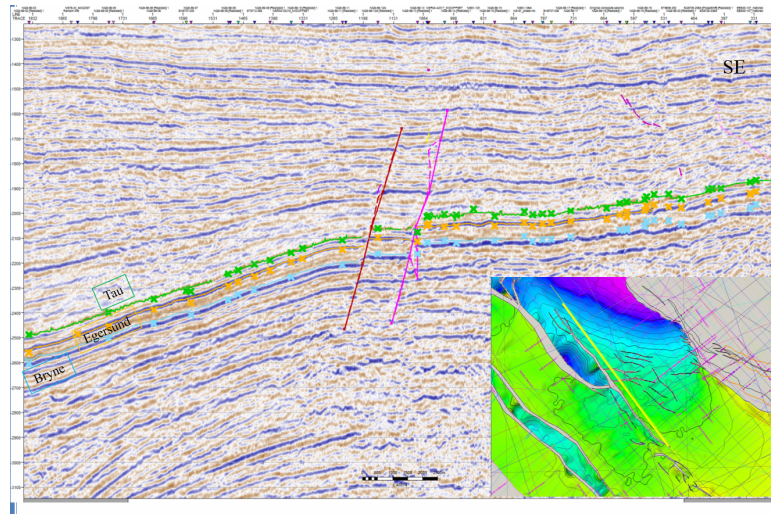


Fig. 4.2 Adonia hanging-wall trap. Line through the down thrown adonia prospect

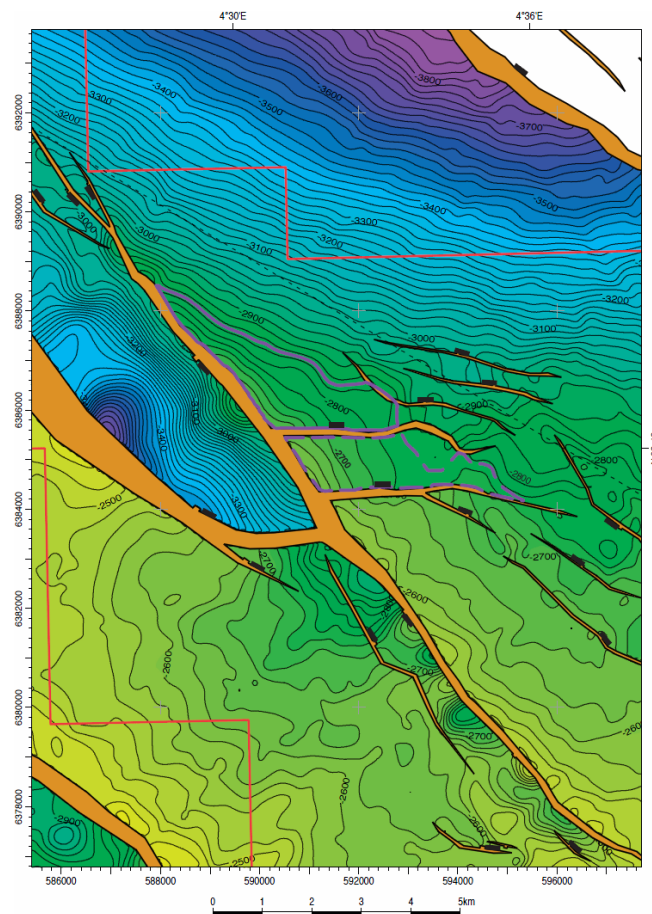


Fig. 4.3 Top Sandnes depth. Top Reservoir Depth map



Table 5: Prospect data (Enclose map)

Block	Q/S	Prospect name	Adonia	Discovery/Prospl/Lead	Prospect	Prospect ID (or New!)	NPD will insert value	NPD approved (Y/N)	
Play name	NPD will insert value	New Play (Y/N)	No	Outside play (Y/N)	No				
Oil, Gas or O&G case:	Oil	Reported by company	Explora Petroleum	Reference document	Explora Petroleum APA 2013 Application			Assessment year	2013
This is case no.:	1 of 1	Structural element	Egersund Basin	Type of trap	Structural	Water depth [m MSL] (>0)	90	Seismic database (2D/3D)	2D
Resources IN PLACE and RECOVERABLE		Main phase			Associated phase				
Volumes, this case		Low (P90)	Base, Mode	Base, Mean	High (P10)	Low (P90)	Base, Mode	Base, Mean	High (P10)
In place resources	Oil [10 ⁹ Sm ³] (>0.00)	23.10	31.40	33.90	45.40				
	Gas [10 ⁹ Sm ³] (>0.00)								
Recoverable resources	Oil [10 ⁹ Sm ³] (>0.00)	6.98	9.73	11.00	15.60				
	Gas [10 ⁹ Sm ³] (>0.00)					0.19	0.28	0.34	0.52
Reservoir Chrono (from)	Bathonian	Reservoir litho (from)	Byrne Fm	Source Rock, chrono primary	Kimmeridgian	Source Rock, litho primary	Tau Fm	Seal, Chrono	Kimmeridgian, Oxfordian
Reservoir Chrono (to)	Oxfordian	Reservoir litho (to)	Sandnes Fm	Source Rock, chrono secondary	Oxfordian	Source Rock, litho secondary	Egersund Fm	Seal, Litho	Egersund, Tau fm
Probability (fraction)									
Technical (oil + gas + oil & gas case) (0.00-1.00)	0.19	Oil case (0.00-1.00)	1.00	Gas case (0.00-1.00)	0.00	Oil & Gas case (0.00-1.00)	0.00		
Reservoir (P1) (0.00-1.00)	1.00	Trap (P2) (0.00-1.00)	0.25	Charge (P3) (0.00-1.00)	0.75	Retention (P4) (0.00-1.00)	1.00		
Parameters:		Low (P90)	Base	High (P10)	Comments: Prospect consists of two segments; one with Sandnes reservoir and one with Byrne reservoir.				
Depth to top of prospect [m MSL] (> 0)			2690						
Area of closure [km ²] (> 0.0)		4.7	7.3	7.8					
Reservoir thickness [m] (> 0)		40	70	82					
HD column in prospect [m] (> 0)		135	147	147					
Gross rock vol. [10 ⁹ m ³] (> 0.000)		0.153	0.215	0.279					
Net / Gross (fraction) (0.00-1.00)		1.00	1.00	1.00					
Porosity (fraction) (0.00-1.00)		0.19	0.22	0.25					
Permeability [mD] (> 0.0)			200.0						
Water Saturation (fraction) (0.00-1.00)		0.19	0.24	0.30					
B _g [Rm3/Sm3] (< 1.0000)									
1Bo [Sm3/Rm3] (< 1.00)		0.90	0.94	0.96					
GOR, free gas [Sm ³ /Sm ³] (> 0)									
GOR, oil [Sm ³ /Sm ³] (> 0)		22	30	40					
Recov. factor, oil main phase (fraction) (0.00-1.00)		0.25	0.32	0.40					
Recov. factor, gas main phase (fraction) (0.00-1.00)		0.25	0.32	0.40					
Recov. factor, liquid ass. phase (fraction) (0.00-1.00)									
For NPD use:									
Temperature, top res [°C] (>0)	105	Innrappr. av geolog-init		NPD will insert value	Registrert - init		NPD will insert value	Kart oppdatert	NPD will insert value
Pressure, top res [bar] (>0)	300	Dato:		NPD will insert value	Registrert Dato:		NPD will insert value	Kart dato	NPD will insert value
Cut off criteria for N/G calculation	1. > 14% porosity	2. <40% Vclay	3.					Kart nr	NPD will insert value

Fig. 4.4 Prospect data. No changes in risk since application

5 Technical evaluation

No new development evaluation was done in the license as the prospect could not be significantly de risked geologically.

6 Conclusions

We consider the remaining potential in the PL733 license to be of too high risk to justify acquiring 3D seismic. The license program has not increased the potential in the Adonia prospect sufficiently for the licence to commit to a 3D seismic survey.