

PL 789 Relinquishment Report

July 2017

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1. Summary and Conclusion

The main prospectivity in the PL789 license was related to Jurassic reservoir models. After the result of well 33/2-2 S in the neighboring license PL579 showed that Jurassic reservoir was not present, the license partnership decided to relinquish the area.

2. Introduction

The PL789 license is located in the western part of the northern Norwegian North Sea just south of the PL579 on the Makrell Horst. The license area covers of 203 km² in blocks 33/5 and 33/6.

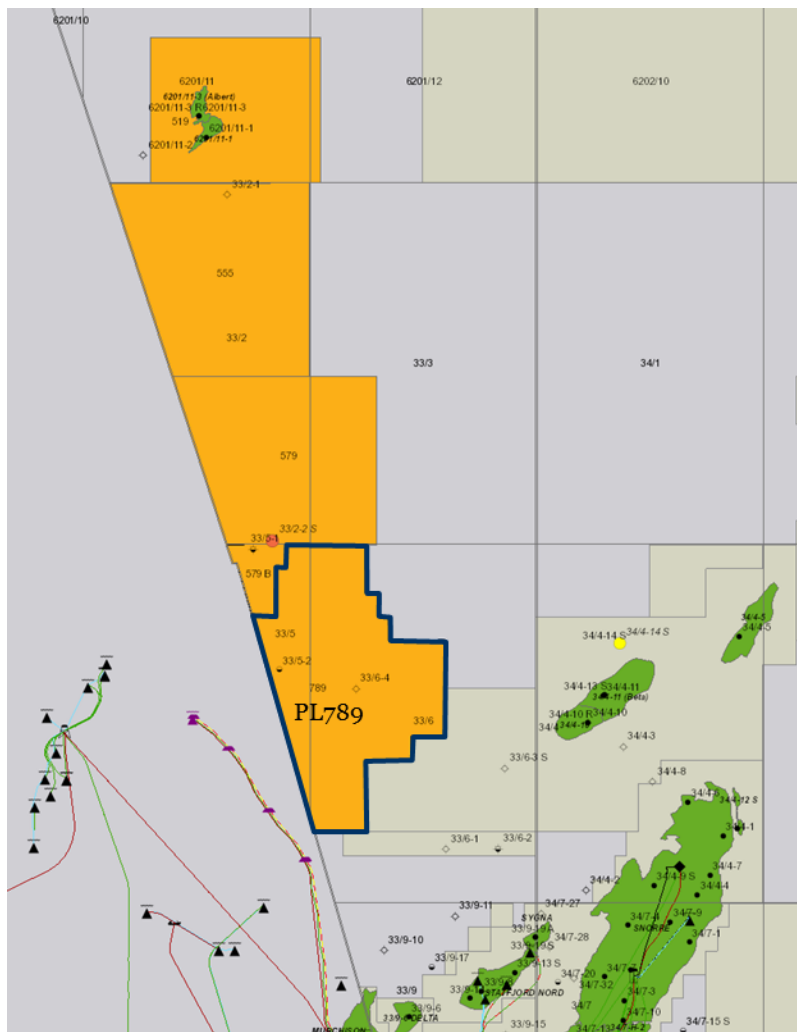


Figure 1: PL 789 license location.

3. License award

PL789 was awarded as part of APA 2014 on 6th February 2015, with a seven years initial license period to Lundin Norway (40% and operator), Bayerngas (20%), Explora Petroleum (20%) and Petoro (20%).

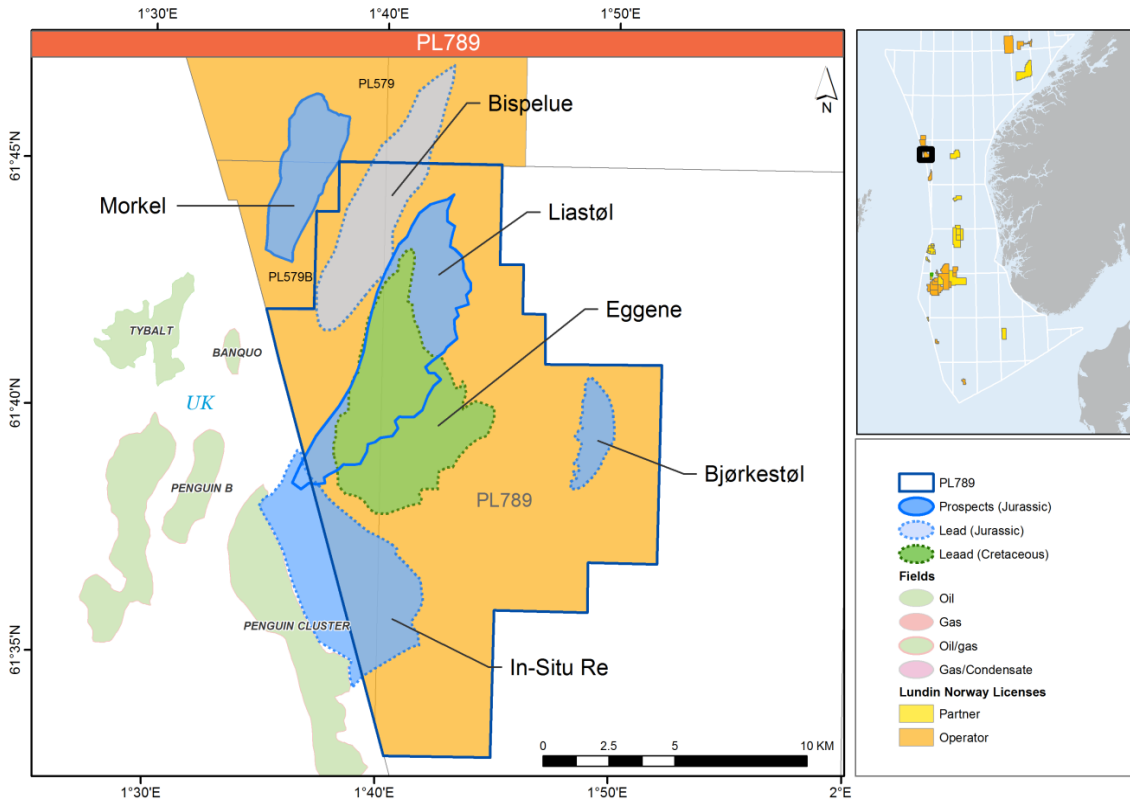


Figure 2: Prospectivity portfolio at APA 2014

4. Completed work program and special studies

The work commitment was to purchase or acquire 3D seismic and decide to Drill or Drop within 6th February 2017.

A reprocessing of MN9601 has been done to cover the license. The seismic mapping is based on this reprocessed survey merged with EOTW11.

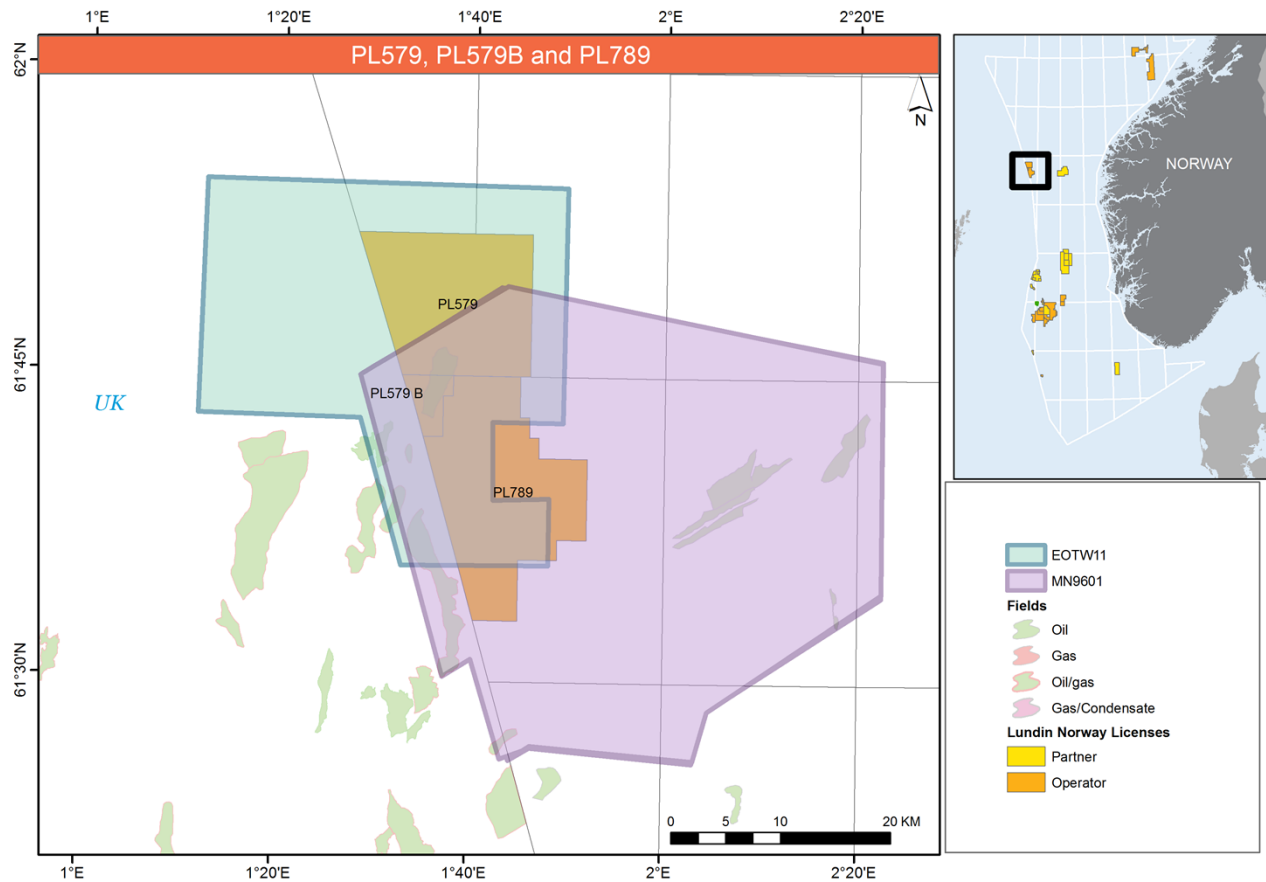


Figure 3: 3D seismic coverage

5. Prospectivity evaluation

Prospectivity in the license has been identified at several levels, the main related to Upper and Middle Jurassic stratigraphic traps or Lower Jurassic structural trap.

The operator considered the Bispelue lead (Re prospect from the TFO application) to be the most promising.

The Bispelue reservoir was thought to have been redeposited as slumps from the Makrell ridge. These redeposited material were mapped in several slump blocks. The trap however was difficult to define due to the faulted and fragmented nature of the deposits.

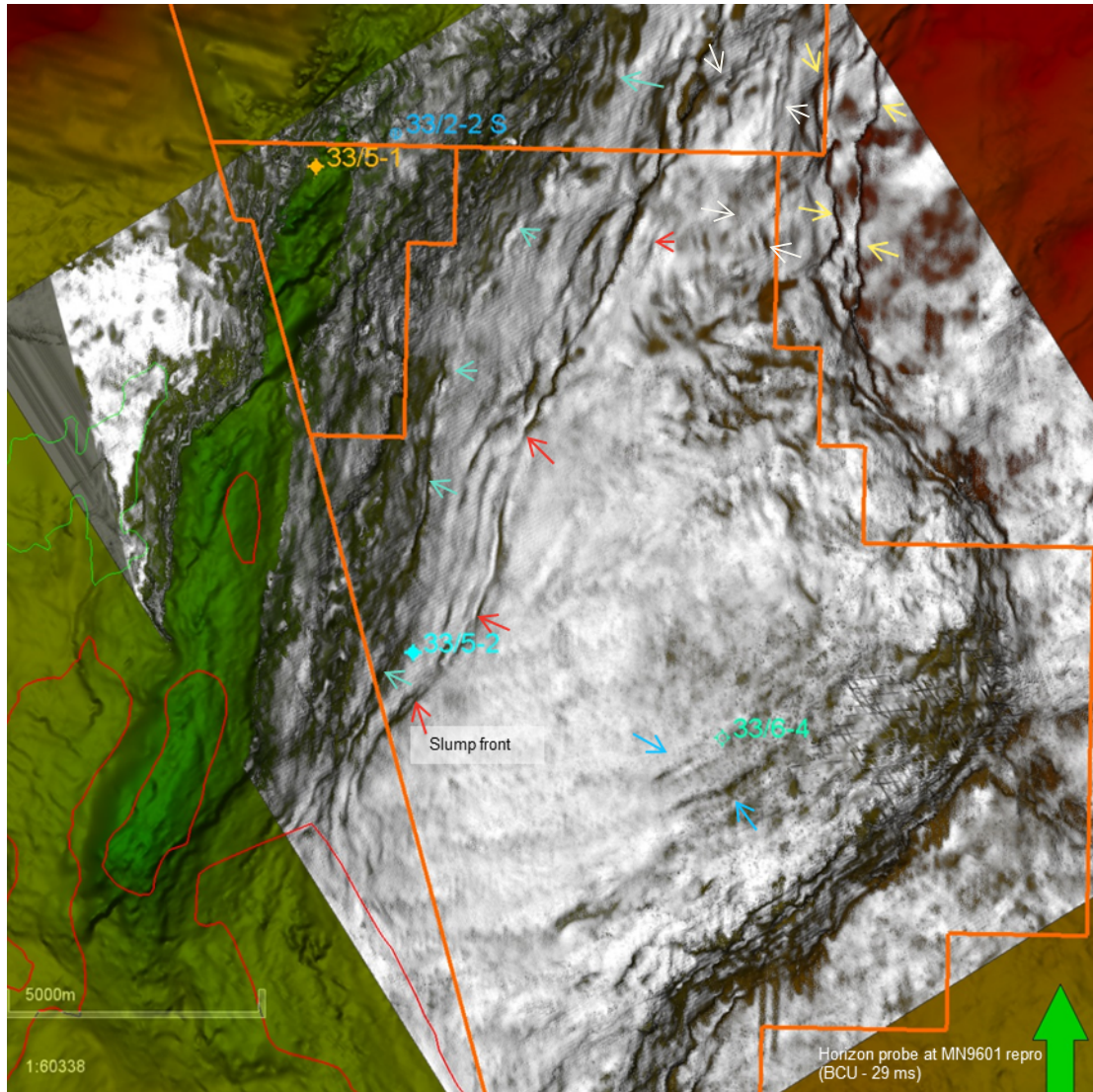


Figure 4: Horizon probe 30 ms below BCU showing slumped section. Red arrows indicates the outline of the entire deformed section towards the east. Green arrows points at a pinch out line of the Draupne Fm, which sets up a bright reflector.

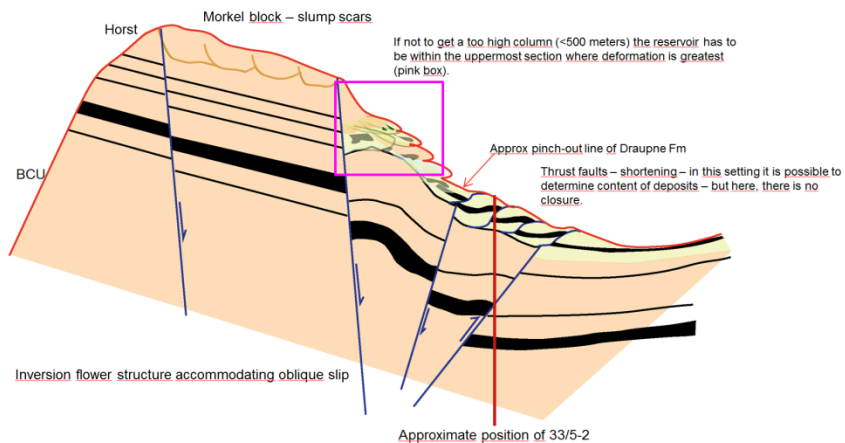


Figure 5: Simplified geological model of the Bispelue prospect (pink box). Note the location downflanks of Morkel.

After drilling of the well 33/2-2 S in PL579 during spring 2105, the prospectivity in PL789 is considered low, as jurassic reservoirs was not encountered.

Due to this a decision to relinquish the license has been made by the partnership.