Relinquishment Report

Tilbakelevering PL817

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1 History of the production licence

PL817 was awarded 05.02.2016 after APA 2015 to ENGIE E&P Norge AS as operator (50%) and OMV (Norge) AS as partner (50%), with a 2-year drill or drop decision by 05.02.2018. This licence covers parts of block 15/2 and 15/3 west of the Gudrun field.

The initial work program of reprocessing 3D seismic was fulfilled by reprocessing the PGS multi client dataset MC3D-Q162013 to MC3D-Q162013 ENGIER17, which finished in 2017.

PL817B was after APA 2016 awarded 10.02.2017 to ENGIE E&P Norge AS (Op, 50%) and OMV Norge AS (50%). PL817B covers parts of block 24/11 and 24/12 located north of the PL817 production licence.

A one-year extension was given for the drill or drop decision and the BoK to evaluate if Eirik or Tepes prospect should be drilled based on the reprocessed seismic. Finally, a drill decision was taken by 05.02.2019 for the Eirik well 15/2-2 S. ENGIE E&P Norge AS was bought by Neptune Energy Norge AS and hence they took over the operatorship 22.02.2018. In the end of 2019 Neptune Energy Norge AS farmed out 20% of the licence to Source Energy Norge, and OMV (Norge) AS took over the operatorship with still a 50% share of the licence. A second extension of one and a half year was given for the BoK and BoV in 2019, with a new deadline 05.08.2022 for the BoK and 05.08.2023 for the BoV. In late 2021, an application was sent for another two year extension for the BoK and the BoV, with a new deadline 05.08.2024 for the BoK and 05.08.2025 for the BoV.

OMV (Norge) AS spudded the Eirik well February 2nd 2023 and the well proved oil in the Late Jurassic Draupne Formation, but with poor reservoir quality.

By the end of 2024 Vår Energi ASA became the operator of PL817/817B with 80% share of the licence. First by acquiring Neptune Energy Norge AS, which had a 30% share, and then 50% from OMV (Norge) AS as they farmed out of the licence. BoK had to be decided by 05.08.2025.

The first meeting in the licence was a combined ECMC meeting held 18.04.2016. Including this first meeting 33 EC, MC or combined ECMC meetings was held from 2016-2023 including 2023. From 2024 the following meetings have been held:

- 06.05.2024 Partner workshop; Seismic and Inversion
- 11.12.2024 Handover meeting with OMV
- 04.12.2024 ECMC
- 14.01.2025 Work meeting
- 26.06.2025 ECMC

The main focus after Vår Energi ASA took over as operator was to find out if there is a chance for better reservoir quality down-dip of the Eirik discovery well, and also to de-risk if there is a chance of sands in the Tepes prospect. To de-risk reservoir presence and quality the following studies were conducted:

1. Terractiva: PL817 & PL817B Tepes & Eirik Structural Assessment
2. Stratum Reservoir: PL-817 multi-well sandstone provenance QEMSCAN study

The structural assessment study performed by Terractiva concluded that it would be difficult to deposits sands from the East Brae system in the south into Tepes prospect. While the provenance study performed by Stratum concluded that the J64-J73 sands in Eirik most likely have provenance from the east, and hence the sands in Eirik is likely to be distal sands where we don't expect better reservoir quality further west and down dip of the discovery.

Based on these two studies, updated seismic interpretation and the subsurface understanding gained throughout the licence period, the operator concluded that both targets would have too high risk to drill a new well. As the Eirik discovery was concluded to be non-commercial, it was decided to let the licence lapse at the BoK deadline 05.08.2025.

2 Database overviews

2.1 Seismic data

The main seismic survey used for PL817 and PL 817B was the reprocessed version of MC3D-Q162013 given the name MC3D-Q162013 ENGIER17. In (Fig. 2.1) the total survey area of MC3D-Q162013 is shown in green. For the 2017 reprocessing, the input extent used is shown in pink and the resulting output is shown in blue.

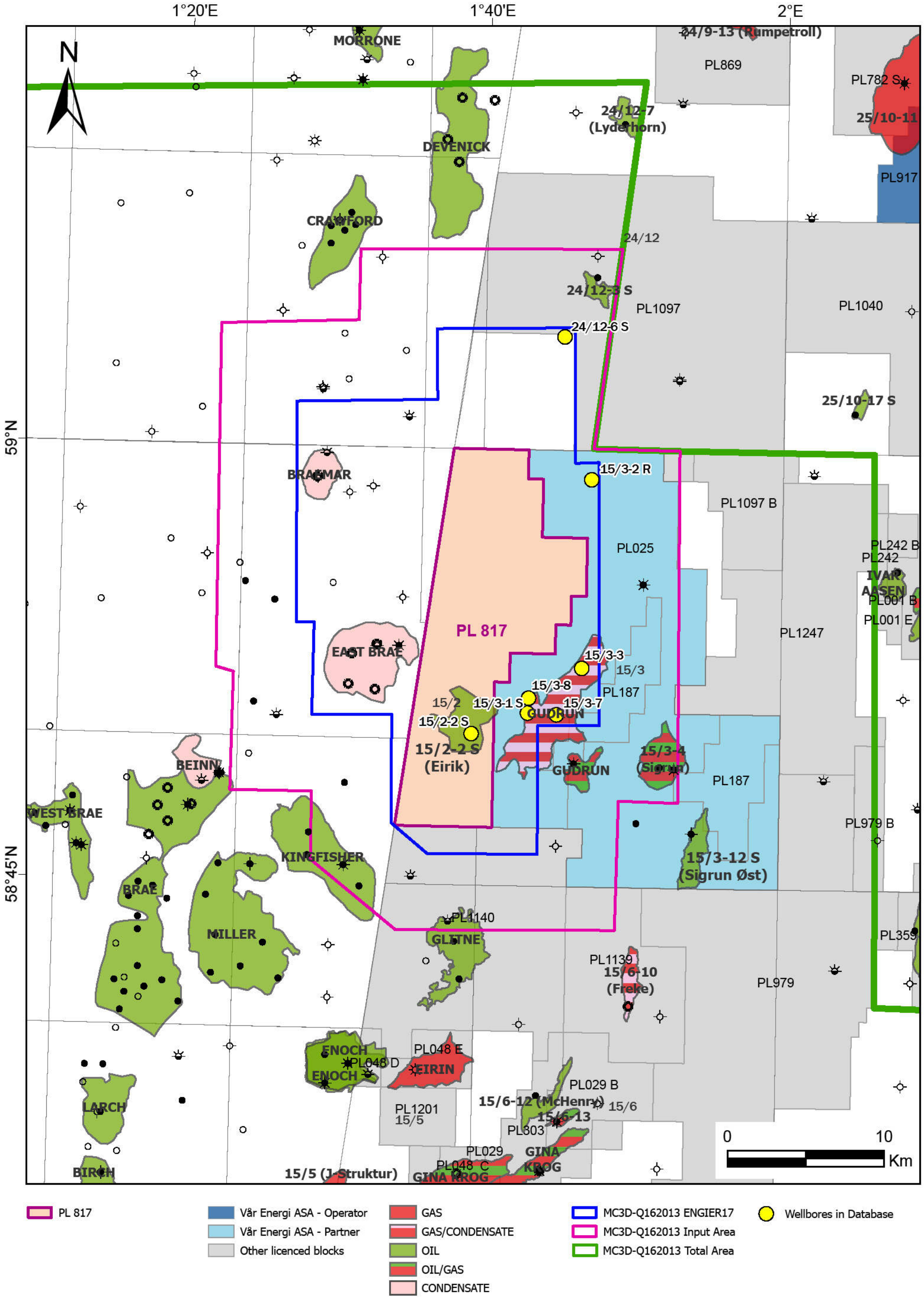

Fig. 2.1 PL817 Seismic and Well Database

Table 2.1 Common Seismic Database

Survey	Type	Year	NPDID	Status
MC3D-Q162013	3D	2013	7782	Multi client
MC3D-Q162013 ENGIER17	3D	2017		Multi client

2.2 Well data

Table 2.2 Common well database

Well name	NPDID	Completion Year	Drilling operator	Well results
15/2-2 S	9767	2023	OMV (Norge) AS	Oil
15/3-1 S	309	1975	Elf Petroleum Norge AS	Gas/Condensate
15/3-2 R	311	1977	Elf Petroleum Norge AS	Shows
15/3-3	313	1979	Elf Petroleum Norge AS	Gas/Condensate
15/3-7	4055	2001	Den norske stats oljeselskap a.s	Oil/Gas
15/3-8	5175	2006	Statoil ASA	Oil/Gas
24/12-6 S	6328	2010	Det norske oljeselskap ASA	Dry

3 Results of geological and geophysical studies

Vår Energi ASA and Source Energy AS initiated studies in 2024 and 2025

1. Terractiva;PL817 & PL817B Tepes & Eirik Structural Assessment
2. Stratum Reservoir; PL-817 multi-well sandstone provenance QEMSCAN study
3. Merlin Energy Resources Ltd; Jurassic stratigraphy in Brae-Eirik-Gudrun area, UK quadrants 9&16 and Norway quadrants 15&24 (PL817, PL817B)

Post well studies:

1. Wellstrat; A biostratigraphical study of 15/2-2 S Well
2. Chemostrat; Chemostratigraphy and provenance of the Draupne Formation sandstones
3. Eriksfjord; Eirik prospect Well 15/2-2 S Geological interpretation of quanta geo borehole images
4. APT; Geochemistry data report - Well 15/2-2 S, Eirik discovery
5. OMV head office; Geochemistry
6. Stratum; SWC analysis study 15/2-2S
7. Stratum; Petrographic analysis and reservoir quality of sidewall cores from well 15/2-2S
8. Stratum; Composition analysis of MDT oil samples from well 15/2-2S, Eirik prospect
9. OMV Norge AS; Discovery report
10. OMV Norge AS; Seismic and inversion
11. OMV Norge AS; Petrophysical evaluation 15/2-2 S

Pre well studies:

1. PGS; Seismic reprocessing of MC3D-Q162013

2. RPS Ichron; Biostratigraphy, sedimentology, gross depositional environment mapping and petrography (PL817), August 2017

2. RPS Ichron; ENGIE E&P PL817 biostratigraphy, sedimentology and petrography (same study as above?)

3. ENGIE; AVO modelling for the Paleocene including Balder, Heimdal and Hermod sands

4. PGS; 3D Quantitative interpretation, Seismic inversion feasibility offshore Norway, PL817, Gudrun, July 2018

4. PGS; Seismic inversion feasibility study (same study as above?)

After Vår Energi ASA took over as operator 28 November 2024, the main focus have been on the Terractiva and Stratum Reservoir studies performed in 2025. Unfortunately, the study from Stratum Reservoir down-graded the upside potential of the Eirik discovery, and the Terractiva study increased the risk of reservoir in Tepes (for more details see; 4 Prospect update report).

4 Prospect update report

Tepes

APA 2015

Tepes was the main prospect for the APA 2015 application (Fig. 4.1). The prospect was mapped as a stratigraphic pinch-out trap of the East Brae Upper Jurassic turbidite system, with a small four-way closure at the crest. Reservoir presence is proven in the East Brae field, but has shaled out by the well location of the 25/12-6 S (Stirby) well. The fluid phase was expected to be gas condensate, likely from the Draupne Formation source rock. The main risks were considered to be presence of effective reservoir with a risk of 50%, and seal/retention risk is set to 40%. Charge seemed very likely as the reservoir is enclosed in Draupne Formation source rock and the probability is set to 95%. Trap had been assigned a probability of 80%. This gave a POS of 15% to Tepes (Table 4.1). The Tepes mean prospective resources in APA 2015 was 4.88 MSm^3 oil and 11.2 GSm^3 gas.

Table 4.1 APA 2015 Application area resource potential - NPD table 2

Discovery/ Prospect/ Lead name [1]	D/ P/ L [2]	Case (Oil/ Gas/ Oil&Gas) [3]	Unrisked recoverable resources [4]						Probability of discovery [5] (0.00 - 1.00)	Resources in acreage applied for [%] [6] (0.0 - 100.0)	Reservoir		Nearest relevant infrastructure [8]	
			Oil [$10^6 Sm^3$] (>0.00)			Gas [$10^9 Sm^3$] (>0.00)					Litho-/ Chrono-stratigraphic level [7]	Reservoir depth [m MSL] (>0)	Name	Km (>0)
			Low (P90)	Base (Mean)	High (P10)	Low (P90)	Base (Mean)	High (P10)						
Tepes	P	Gas	1,15	4,88	10,40	3,00	11,20	22,90	0,15	70,0	Draupne Fm/Upper Jurassic	4250	Gudrun	17
Eirik	L	Gas								100,0	Draupne Fm/Upper Jurassic	4500	Gudrun	5
Wirkola	L	Gas								100,0	Draupne Fm/Upper Jurassic	4200	Gudrun	7

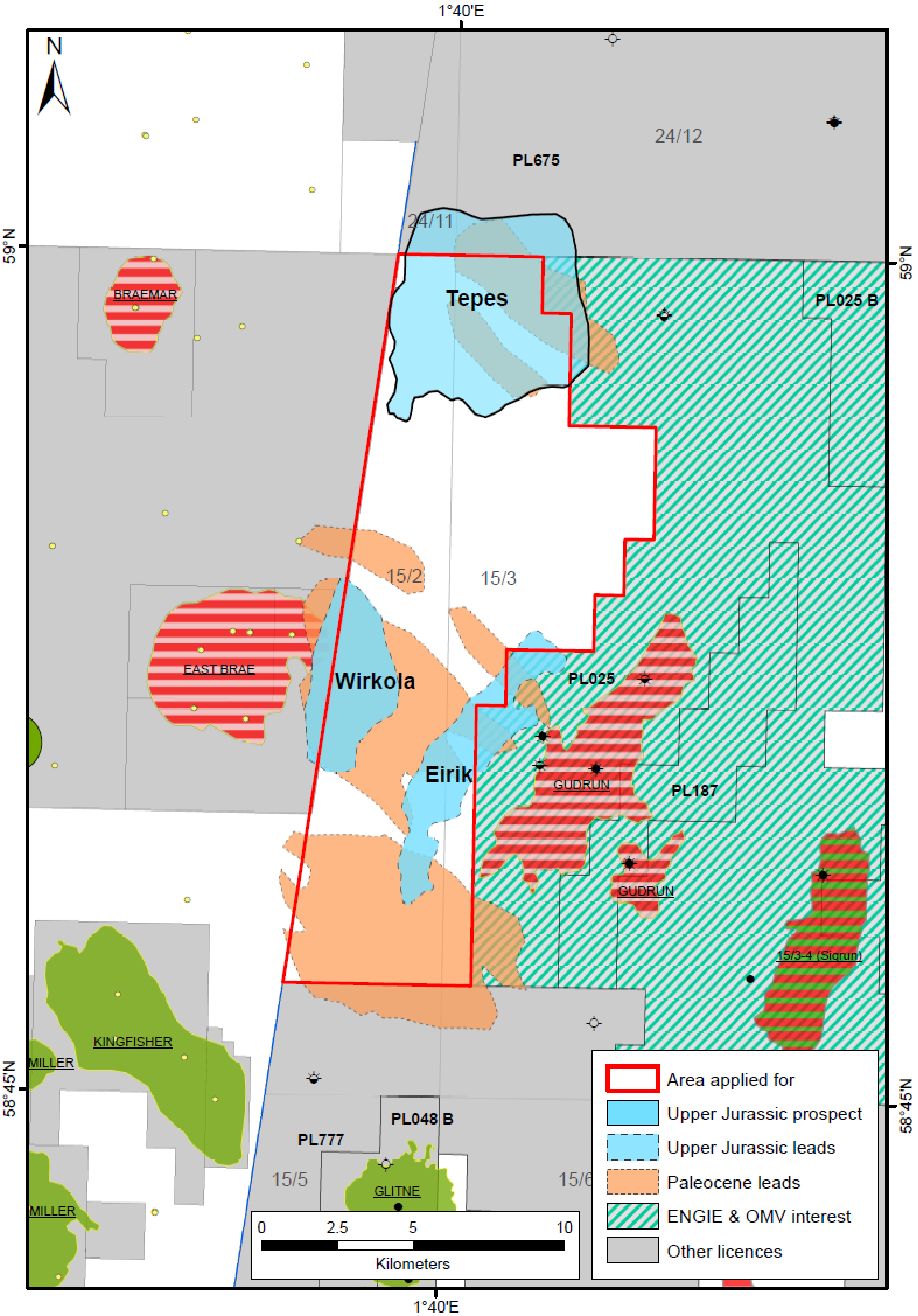

Fig. 4.1 APA 2015 Map of prospects and leads

APA 2016

In the APA 2016 extension application resulting in award of PL817 B, the Tepes prospect was interpreted to extend much further north than in the APA 2015 and about 40% of Tepes prospect area was within PL817B (Fig. 4.2). In this application Tepes was mainly defined as a stratigraphic pinch out trap, but with a structural component in the north-eastern part of the prospect. In APA 2016 the mean prospective resources of Tepes had increased to 6.03 MSm^3 for oil and 13.8 GSm^3 for gas (Table 4.2).

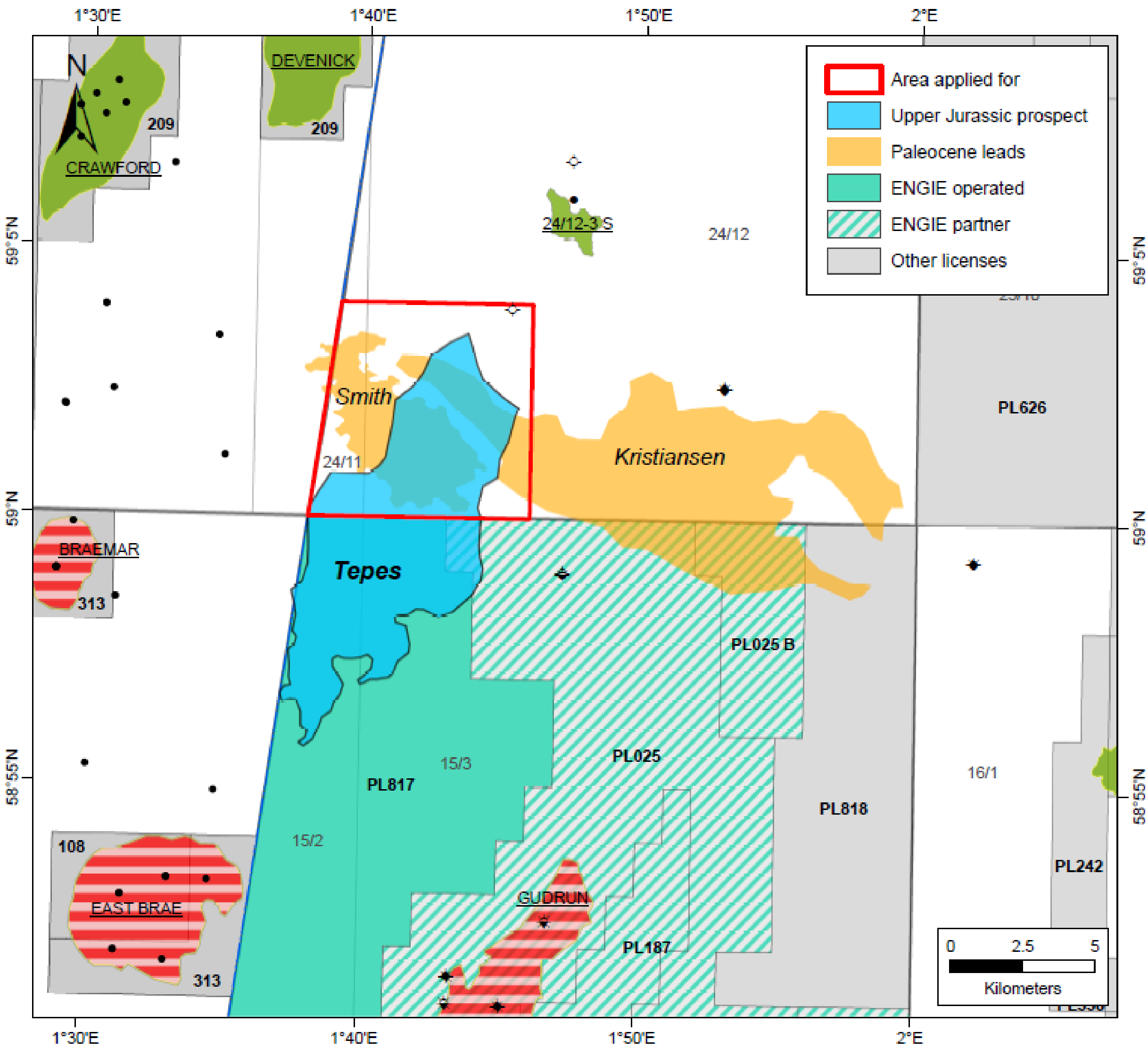

Fig. 4.2 APA 2016 Map of prospects and leads

Table 4.2 APA 2016 Application area resource potential - NPD table 2

Discovery/ Prospect/ Lead name [1]	D/ P/ L [2]	Case (Oil/ Gas/ Oil&Gas) [3]	Unrisked recoverable resources [4]						Probability of discovery [5] (0.00 - 1.00)	Resources in acreage applied for [%] [6] (0.0 - 100.0)	Reservoir		Nearest relevant infrastructure [8]	
			Oil [$10^6 Sm^3$] (>0.00)			Gas [$10^9 Sm^3$] (>0.00)					Litho-/ Chrono-stratigraphic level [7]	Reservoir depth [m MSL] (>0)	Name	Km (>0)
			Low (P90)	Base (Mean)	High (P10)	Low (P90)	Base (Mean)	High (P10)						
Tepes	P	Gas	1.33	6.03	12.90	3.49	13.80	28.50	0.15	60.0	Draupne Fm./ Upper Jurassic	4250	Gudrun	17
Smith	L	Oil								95.0	Heimdal Fm./ Paleocene	2050	Gudrun	21
Kristiansen	L	Oil								10.0	Heimdal Fm./ Paleocene	2115	Gudrun	14

After APA 2016

A structural reconstruction study was performed by Terractiva in 2025. The main objective for the Tepes prospect in this study was to evaluate how likely it is to get sands into the prospect from the south from the North Brae-King Fisher-East Brae system. Based on this study both during deposition of J72 and J64 sands have to travel up-dip to be deposited from south towards north. Part of the reason for the southwards tilting of the Tepes prospect is probably because Tepes is located on a relative structural high. The Tepes prospect already have a risk on reservoir quality and with this study the reservoir presence risk is increased, hence a reservoir probability of 15% is proposed (Table 4.3). Also, the trap is not very well-defined towards the north, and the resolution on the seismic is not too good at this depth resulting in a probability of trap to 40%. The other risk elements are set to 100%. This gives a geological POS of only 6%, and Tepes is therefore degraded to lead status by the operator. The possibility to further de-risk Tepes seems challenging without drilling a well, which is not an option giving a very low POS especially on the reservoir presence and quality.

Table 4.3 Summary of volumes and POS

Prospect name	Mean OIIP (Mm^3)	Mean Recoverable OIIP (Mm^3)	POS Reservoir	POS Trap	POS Charge	POS Retention	POS Total
Tepes	-	-	15%	40%	100%	100%	6%
Eirik Wedge 2 North	2.22	0.13	30%	65%	100%	100%	20%
Eirik Wedge 2 South	1.73	0.10	40%	65%	100%	100%	26%
Eirik Wedge 3	7.80	0.44	35%	50%	100%	100%	18%

Eirik

APA 2015

Eirik was considered to be a lead in the APA 2015 application. Eirik was mapped as a stratigraphic pinch-out trap of the East Brae turbidite system to the west with possible Gudrun turbidite system input from the east. Since Eirik is very deep, at 4500-4800 meters, reservoir quality was considered a major risk and the other main risk was the lateral seal. The reservoir is encased in the Draupne Formation source rock, which makes fill and charge likely.

Pre-drill:

The Eirik lead was through G&G work upgraded to a prospect and finally to the drilling candidate in the licence. The main risk pre-drill for Eirik was the seal, and the prospect had a Pg of 47%, with an expected hydrocarbon phase of oil, or possible gas condensate. Two scenarios are considered for Eirik pre-drill.

- Scenario 1, where Gudrun and Eirik is in communication, weighted 65%. In this scenario the reservoir presence, reservoir quality and structure & trap presence has a risk of 0.9, while the other risk elements are set to 1, giving an overall Pg of 0.73.
- Scenario 2, where Eirik is disconnected from Gudrun, weighted 35%. The main risk in this scenario is seal presence set to 0.36. It also has all the risk elements seen in scenario one in additional to source & migration, which is set to 0.9. This gives an overall Pg of 0.236 for Scenario 2.

Objective of the Eirik well, 15/2-2 S:

- Understand fluid contacts to delineate the discovery
- Test Intra Draupne sands in Eirik above the known ODT in Gudrun, and test if there is any

connection between the Gudrun Field and Eirik prospect
- Drill as many units of the intra Draupne sands package as possible. In case of positive drill results a side-track was optimised to test a thicker Draupne sand unit.

Post-drill

The Eirik well (15/2-2 S) proved oil and oil shows in intra Draupne Formation sandstones. The Draupne reservoir sands shows abundant HC filled layers, but all have low porosity, low available free fluid and low formation fluid mobility. So, the hydrocarbon flow potential in the well is considered very low. Net reservoir for the entire drilled Intra Draupne section is only 21.3 meters. For Draupne 4, good HC shows were observed, but HC flow potential is considered very low. 6.6 meter net reservoir was encountered. Draupne 3, had slightly better porosity, and slightly higher amount of moveable fluid. One oil sample was achieved at 4522.4 mMD, and 11.7 meters of net reservoir was encountered. Draupne 2, was highly thin bedded, but one thicker sand package has been drilled with better porosity and higher amount of movable fluid. One sample was achieved at 4652.5mMD, and 3 meters of net reservoir was encountered.

Recent work and studies

The main objective of the provenance study performed by Stratum in 2025 was to identify if the Eirik well sands had provenance from Norwegian (east) or UK sector wells (west). From J64-J72 sands the feldspar composition in Eirik and the Gudrun well in the study are mainly albite, while the UK wells are mainly composed of K-feldspar. Further, the heavy mineral composition was analysed. Unfortunately, the overall heavy mineral abundance is low in the dataset, making reliable interpretations difficult. However, from J64-J72 titanite is only present in the UK wells, and absent in the Norwegian wells. In conclusion, both the feldspar composition and the heavy mineral analysis both supports that the Norwegian and the UK wells have different provenance area. The operator was hoping to find better reservoir quality down flank of the Eirik well, but with a provenance from the east it seems likely that the sands found in Eirik are distal sands and the reservoir quality down dip is going to be worse. For J62-J63 the feldspar composition is mainly albite in both UK and Norwegian wells indicating a common provenance area. However, the main reservoir units in the Upper Jurassic are considered to be from J64 and upwards.

The structural reconstruction study by Terractiva in 2025 indicates that there is a favourable basin topography for J72 sand transport from the west to the east for the Eirik discovery area. There are two key features from the restoration; at J72 there is a very subtle depression west of Eirik and the basin topography is rather flat which could facilitate sediment entry from the basin towards the east. Both a source area from the west and east is structurally feasible. J72-J64 is thinning towards east and above the Gudrun anticline. This could indicate that the growth of the structure is fast enough to either divert sediments or slow the advance of eastwards transported sediments, which could facilitate sand deposition in the western flank of the fold. From J65 and onwards eastward transport might be hindered by the growth of the Gudrun Anticline.

Finally, three Eirik prospects have been defined; Eirik Wedge 2 North and Eirik Wedge 2 South and Eirik Wedge 3 (Fig. 4.3). All prospects are down-dip of the Eirik well (15/2-2 S). The Eirik Wedge 2 package is close to J65-J66 in the wells. Eirik Wedge 2 South could be a continuation of the East Brae turbidite system based as it seems to be on the same thickness trend of Eirik Wedge 2 package as the East Brae field although thinner. However, based on the provenance study by Stratum the operator put a probability of reservoir to 40%. Eirik Wedge 2 North is defined around an increase in the thickness in the Eirik Wedge 2 package down dip and north of 15/2-2 S. This prospect is more likely to be part of the sands with provenance from the east, as there is a thinning of the Eirik Wedge 2 thickness map between East Brae and the prospect. Hence, there is a very high risk of poor or missing reservoir, thus reservoir is given a probability of 30%. The Eirik Wedge 3 package is mainly defined as J64 in the wells. The Eirik Wedge 3 prospect is defined by a spill point of 4588 m towards the west and a thickness of 64 meters towards the east. This gives the prospect a very long stratigraphic trap towards the east and hence a trap probability of 50% is given to the prospect. The prospect could have a provenance from the west, but provenance from the east seems more likely. Hence, the reservoir probability is set to 35%.

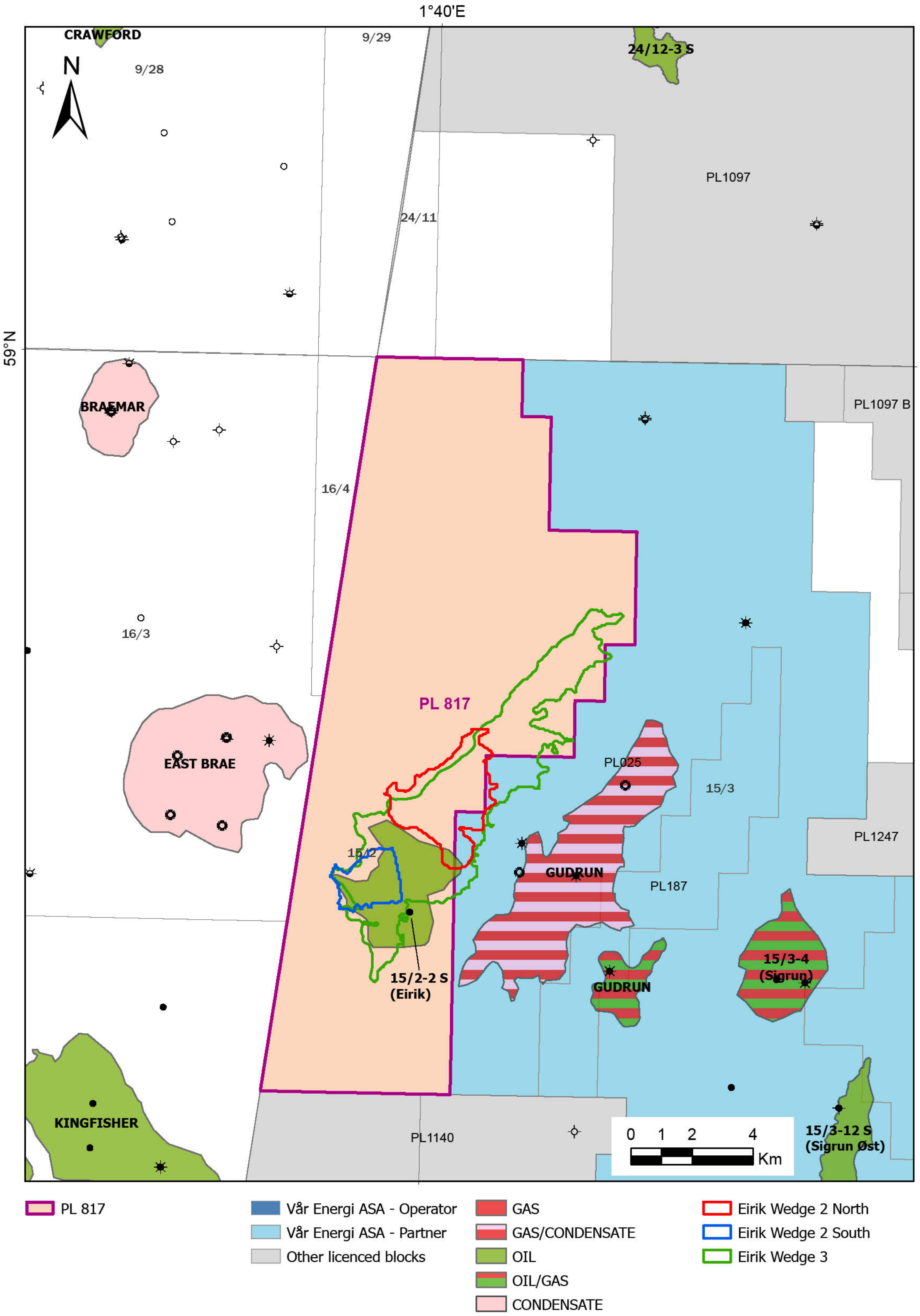

Fig. 4.3 PL817_Prospects
Figure showing prospect outlines for Eirik Wedge 2 North, Eirik Wedge 2 South and Eirik Wedge 3

Eirik Wedge 3 has the largest in place oil volumes, but has the lowest POS of 18% (Table 4.3). Also, due to expected bad reservoir quality the recoverable oil volumes in Eirik Wedge 3 are very small. Further, the Eirik Wedge 2 North and Eirik Wedge 2 South combined has much less in place oil volumes as Eirik Wedge 3, and with low recoverable oil volumes. Based on these small volumes and the recent studies it doesn't seem likely to find big enough recoverable volumes down dip of Eirik to be commercial.

Paleocene leads

APA 2015

Several Paleocene leads were identified in the APA 2015 application based on seismic attribute analysis. The Paleocene was considered a secondary play in the application area.

APA 2016

Both the Smith and Kristiansen Paleocene leads were identified in the Heimdal Formation. The Smith lead is a four-way dip closure, with a spill point in the north-west. This lead has a low relief. The key risk for the Smith lead is the local seal presence. Kristiansen is a stratigraphic lead and is defined by an amplitude anomaly. Up-dip seal is the main risk for this lead.

After APA 2016

The Paleocene leads were studied, but the performed G&G work did not result in upgrading them to prospects.

5 Technical assessment

A potential development of the Eirik discovery was assumed to be done with the Gudrun Field as a host. The Gudrun Field is on decline and has available liquid and gas capacity. The distance between Eirik and Gudrun is approximately five kilometres (Fig. 4.1). After a successful 15/2-2S discovery, the plan was an appraisal well within 2 years, then 4-6 production wells depending on the size of Eirik.

6 Conclusion

The two main prospect in PL817, Eirik and Tepes, have been thoroughly studied trough for example provenance studies, structural restoration, seismic reprocessing and inversion. Also, one well have been drilled in the Eirik prospect, which was an oil discovery. However, the reservoir quality was very bad. In Eirik the operator doesn't see an economic upside potential. For the Tepes prospect the risk of reservoir has increased based on the latest structural restoration conducted by Terractiva, and is by the operator now considered a lead with a geological POS of 6%. In the operators view there are no attractive prospectivity in PL817 and the licence was relinquished in August 2025. This was a non-unanimous decision in the licence.