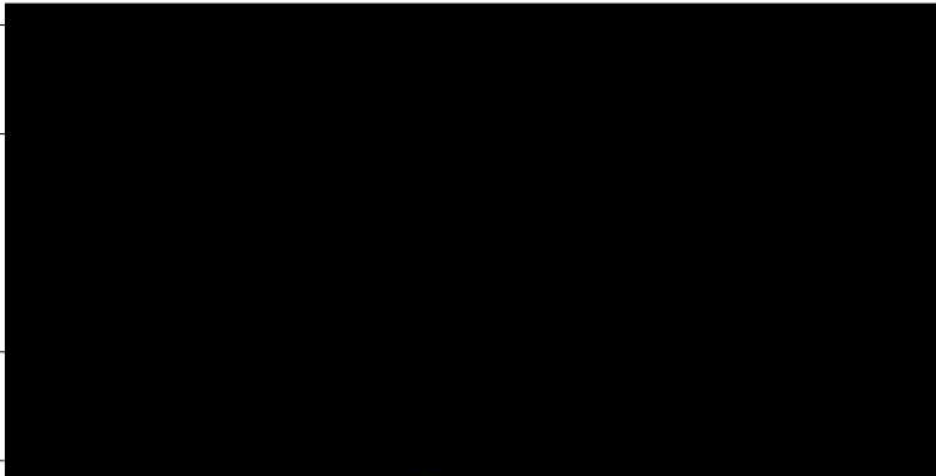


Relinquishment Report for Licenses PL513 and PL513B

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Reviewed by
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1. OVERVIEW

1.1. Location

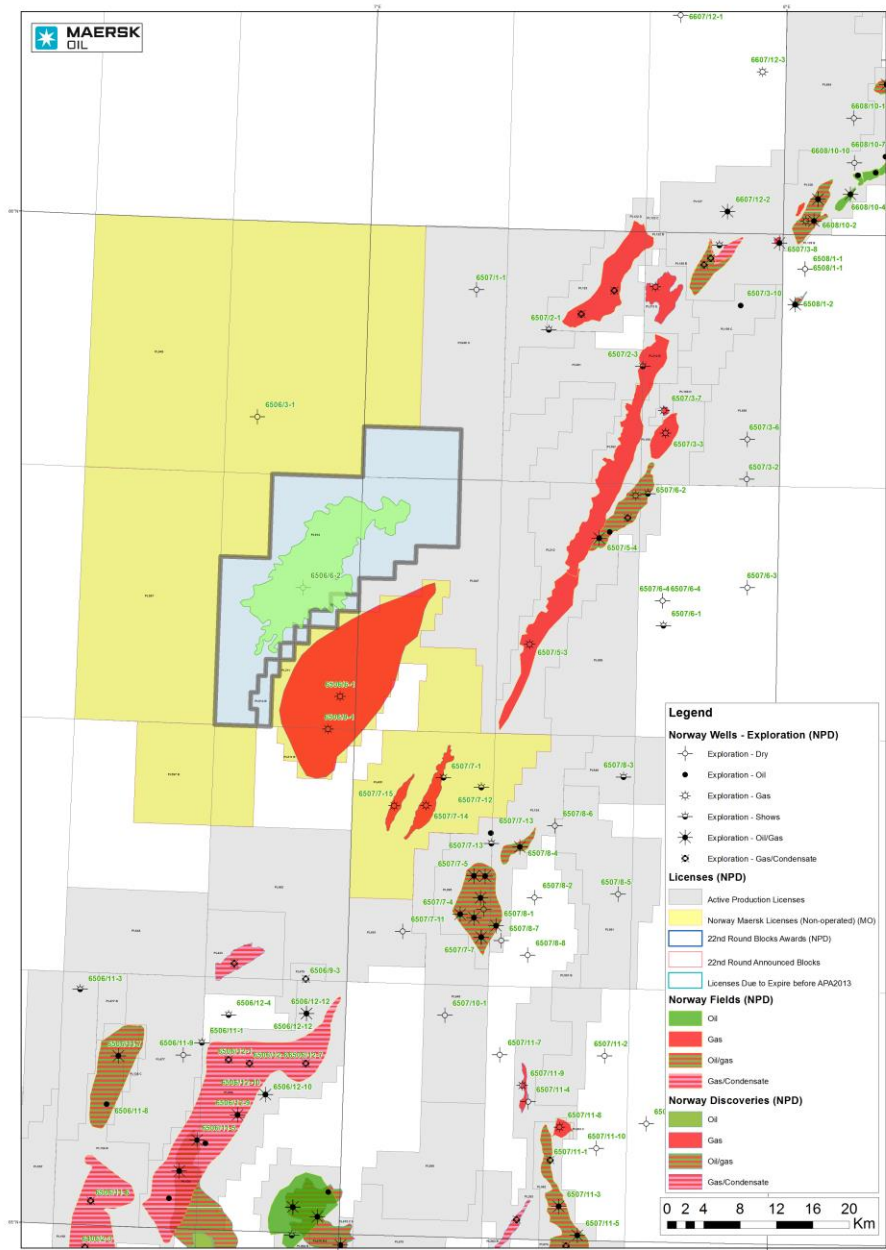


Figure 1. PL513/B location (in bold outline) and Albert pre-drill prospect

Production Licenses PL513 and PL513B are located in Blocks 6506/6, 6507/1 and 4 on the Dønna Terrace and Rås Basin (see Figure 1). The licenses are westerly bounded by the Ytreholmen Fault Zone and easterly bounded by the Revfallet Fault Complex. An exploration well has been drilled within license PL513; 6506/6-2 Albert. The well penetrated Lysing sand and is classified as dry hole.

1.2. License history

PL513 was awarded in the APA 2008 license round on 23rd January 2009 to Maersk Oil Norway AS and Dana Petroleum Norway AS, with a two year Drill or Drop commitment. To capture the areal extent of the Albert prospect, the PL513B license covering the adjacent acreage was awarded on 3rd February 2012 (APA2011). On 5th December 2012 an extension of the BoV until 23rd July 2013 was granted due to a late incoming drilling rig. In April 2013, VNG Norge AS and Maersk Oil Norway AS entered a sales and purchase agreement for VNG acquisition of 15 % license interest from Maersk Oil Norway AS. The approval was granted by the Ministry on 26th June 2013.

The licensees of the two licenses unanimously agreed not take a BoV decision, and with this the licenses expired on 23rd July 2013.

1.3. Work program

The initial work program for PL513 involved reprocessing and interpretation of 3D seismic and acquiring a long offset 2D seismic line. All work programs were completed before the drill or drop decision. The later committed well 6506/6-2 was spudded on 6th December 2012 and completed on 23rd February 2013.

1.4. Common database

The database includes all released wells in the area. The license has a proprietary reprocessed 3D data set named MAE09M01.

2. GEOLOGY AND GEOPHYSICS

2.1. Geological setting

2.1.1. Pre-drill model

From the pre-drill study, four stacked sands were prognosed (Figure 2). Lysing 1 can be correlated regionally while the Lysing 2, 3, and 4 seismic events were thought to be locally deposited sands relying on ramp structures. According to the basin modeling study, the Albert prospect would be filled with gas. Albert (white polygon outline on Figure 2) was identified using PSDM 3D reprocessed data, which has closing contour at 3009 meters TVDSS which is also the prognosed Top Lysing Fm depth at well location. The velocities derived through PSDM processing produced a larger four-way depth closure compared to the TWT closure. The well was located outside the TWT closure but within the “PSDM depth closure” to test an economical size prospect.

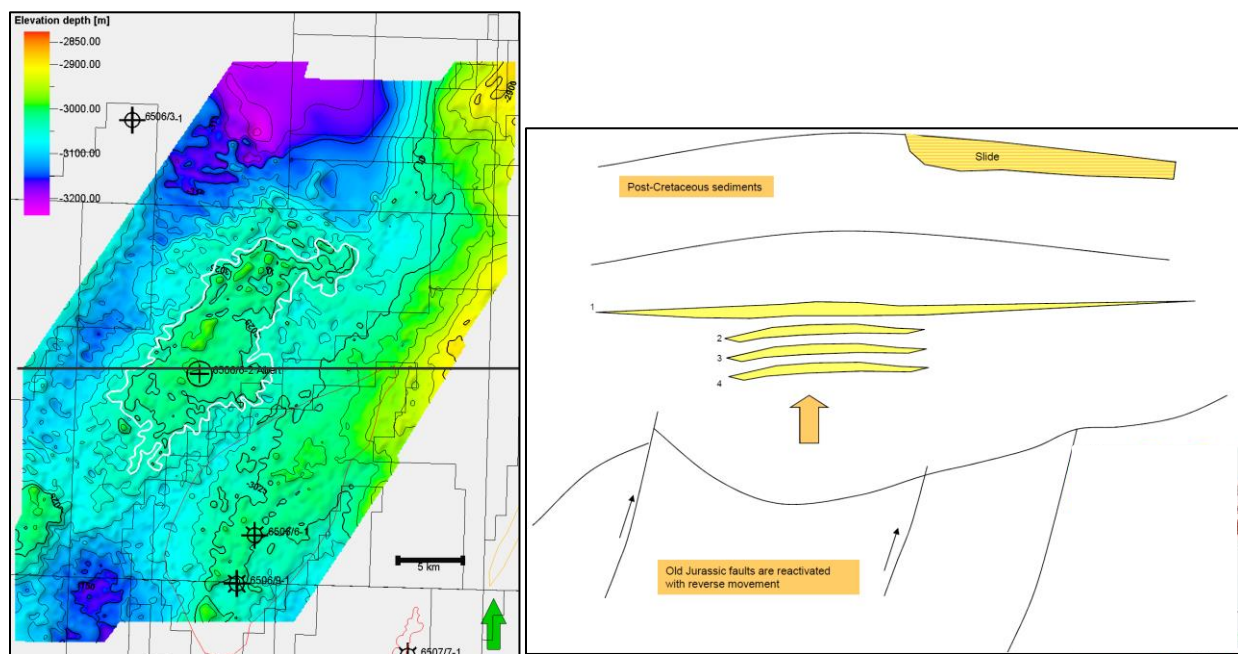


Figure 2. Top Lysing depth map (left) and geological illustration for Lysing stacked sands (right) along the black line crossing well location on the map. CI is 25m.

The prognosed Lysing 1 was interpreted at the softkick blue reflection shown on Figure 3 (left) taken from MAE09M01. At this very location, the peak shows increasing amplitude with offset while prognosed Lysing 2 shows strong zero offset peak (softkick) and was interpreted to get stronger with offset. Lysing 2 became the primary target pre-drill. Prognosed Lysing 3 and 4 are interpreted on the blue reflections beneath.

A maximum amplitude extraction using 20ms window shows that the very strong amplitude does not extend to the well location (Figure 3 right). Albert well was located to prove economical trap volume.

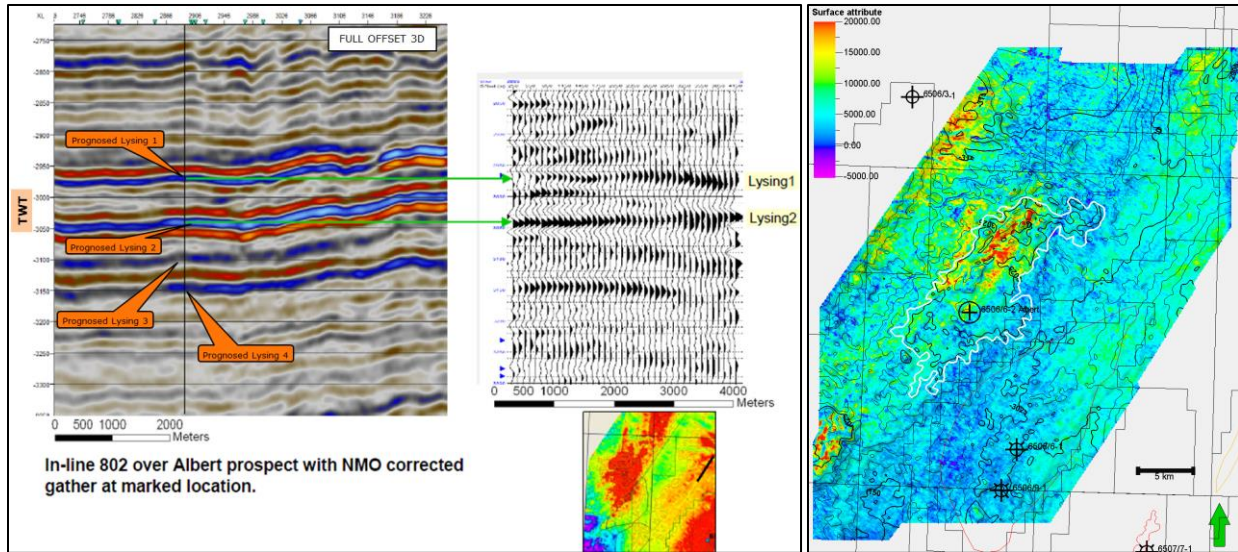


Figure 3. AVO for prognosed Lysing 1,2 (left). Maersk Oil polarity is increasing AI is negative number (trough) and represented by red colour. Top Lysing maximum amplitude (soft kick) 20ms window (right side amplitude map). CI is 25m.

2.1.2. Well 6506/6-2

The Exploration well 6506/6-2 was spudded on 06.12.2013 and completed on 23.02.2013. The well was abandoned as a dry hole. There is no hydrocarbon proven by fluid test. The prognosed Lysing 1 was encountered as good sand quality while 'hot shale' was encountered at prognosed Lysing 2. The prognosed 3 was not found and drilling was not continued to Lysing 4. A detailed description and interpretation of wellbore 6506/6-2 has been submitted to the NPD by Maersk Oil Norway AS in the End of Well Report.

2.2. Technical work

Thorough work was performed during the dry hole evaluation. Synthetic seismogram in figure 6 shows that actual Top Lysing Fm which is the prognosed Lysing 1 has a positive contrast impedance or hard kick (red). The prognosed Lysing 1 was the side lobe of the actual Lysing seismic wavelet event. Whereas the prognosed Lysing 2 is a low impedance event marked by high Gamma Ray reading that is probably rich in TOC. The prognosed Lysing 3 and 4 could be shale events or peg-leg multiples.

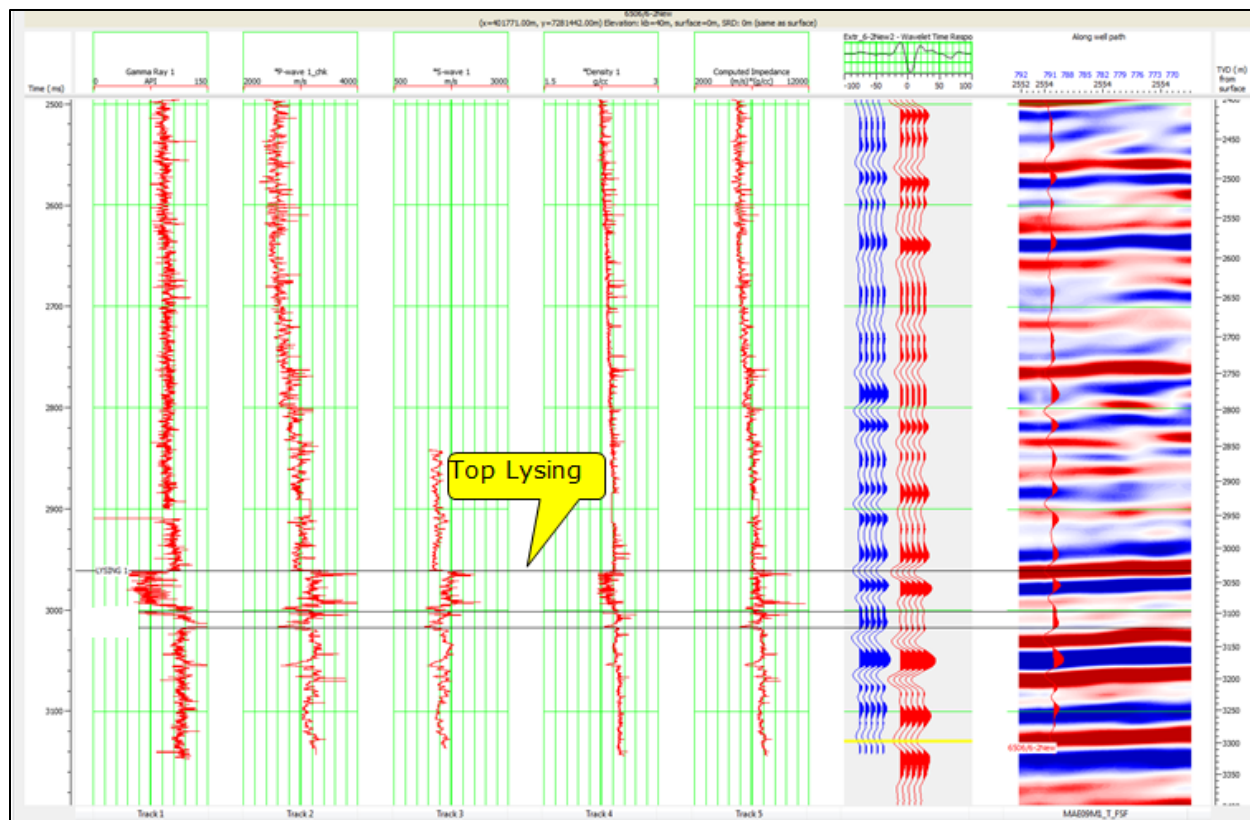


Figure 6. Synthetic seismogram of 6506/6-1. Top Lysing is at hard kick or red/trough (Maersk Oil polarity). Prognosed Lysing 1 is the side lobe below the event (blue)

Together with the same partnership in PL597 (VNG operated), a pre-conditioning of the MAE09M01 seismic data was performed. Through this exercise (Figure 5a, b), multiples were removed from the data that may have affected the interpretation and AVO analysis. Therefore, it does not appear to have AVO class 3 anymore.

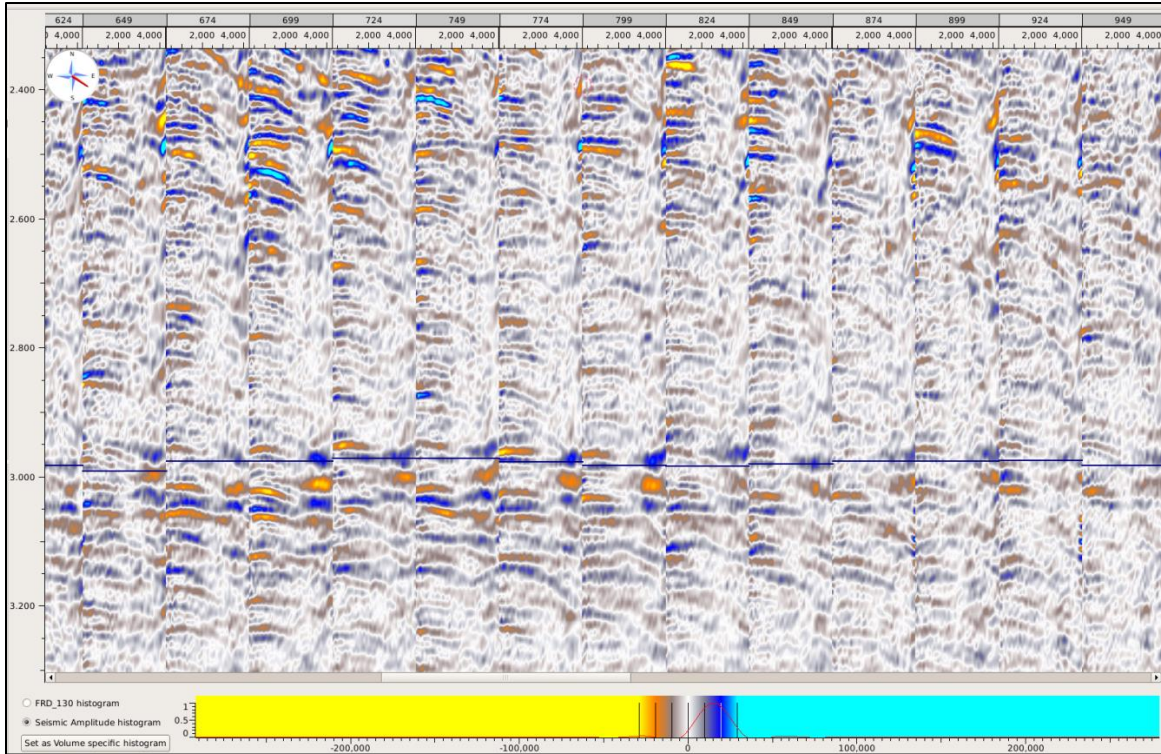


Figure 5a. MAE09M01 offset gathers along the well location sampled every 25 Inlines

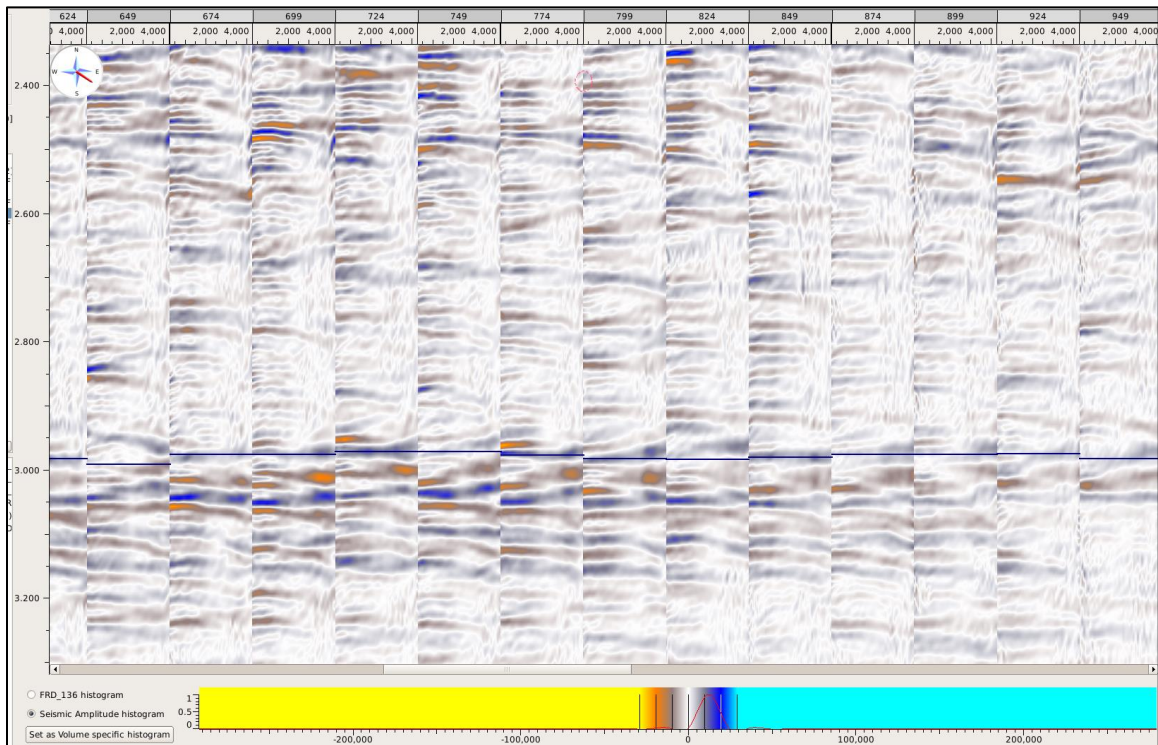


Figure 5b. Conditioned MAE09M01 offset gathers along the well location sampled every 25 Inlines

2.2.1. Post-drill Model

Many of the petroleum system aspects pre-drilled remain the same such as the charge and migration and seal. Lysing Fm prognosed as Lysing 1 has been encountered and is aligned with the regional geology. Lysing 2, 3 and 4 are not aligned and is not our model for this area after drilling 6506/6-2 Albert well as shown in Figure 6.

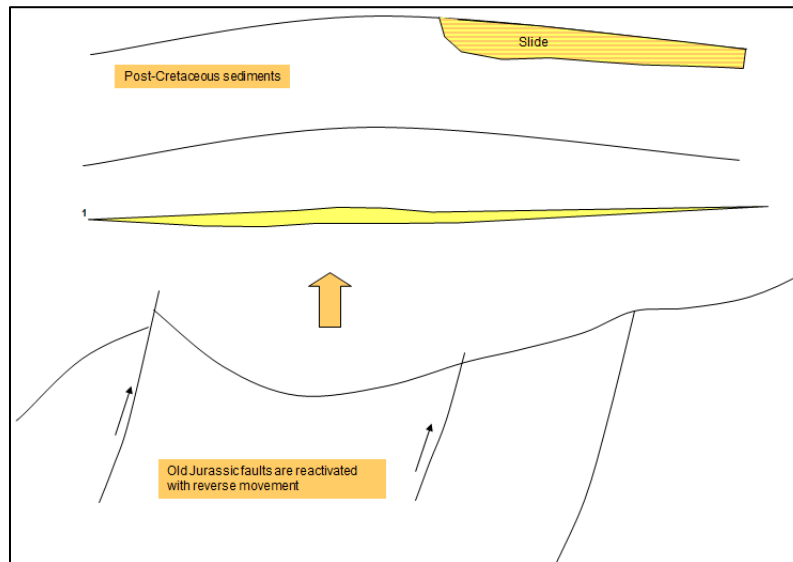


Figure 6. Illustration of the new geological model

After remapping Top Lysing Fm using the conditioned MAE09M01 tied to the synthetic seismogram created, it appears in both time and depth structure maps (Figure 7) that there is a smaller 4-way dip closure updip, north east of Albert well that could accumulate HC. This will be discussed in the prospectivity. Therefore, we think that the bigger closure downdip that has been produced by PSDM reprocessing might be false. Due to the subtle structure of Albert, it seems likely that the well was located outside structural depth closure, and did not test a valid trap.

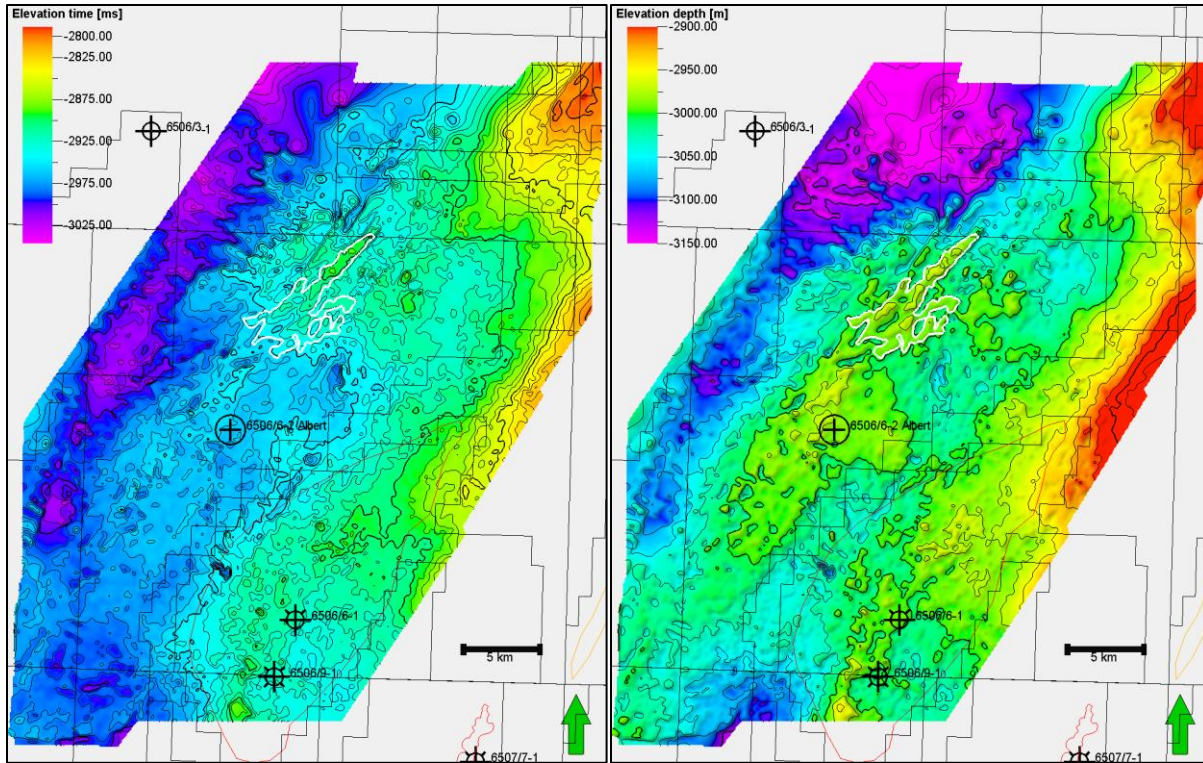


Figure 7. Remapped TWT structure map (left) with 10ms CI and Remapped depth structure map (right) with 25 CI.

2.3. Prospectivity

The remaining prospectivity is 'Albert apex' which fits both TWT and depth structure maps produced using other velocity maps than PSDM and shown inside the white polygon in Figure 8 (left). The amplitude has better conformance with structure and fits well with the spectral decomposition performed over the Albert apex. In figure 9, there is also very strong indication of phase rotation and increase of amplitude suggesting different fluid phase (left) on a seismic section along the well (right).

The resource estimate for this trap does not give a commercially attractive opportunity with a Pmean of 115,9 Mscf (Table 2).

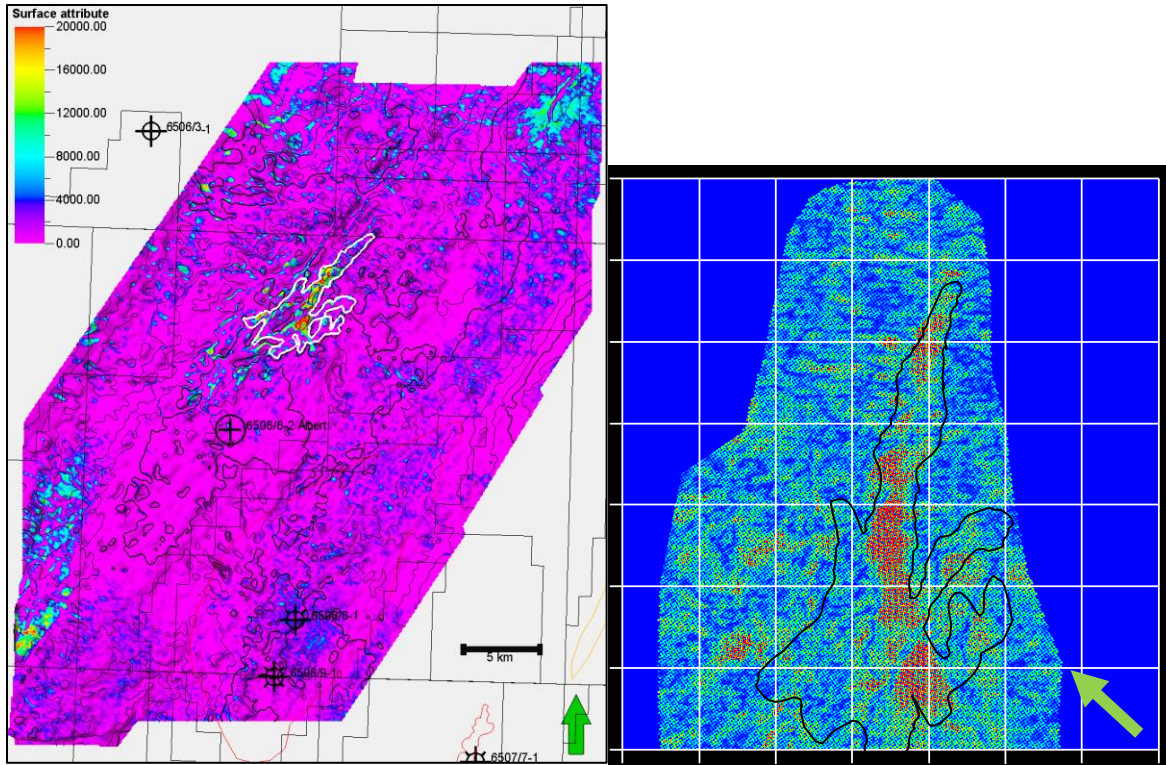


Figure 8. Maximum amplitude extraction (left) and spectral decomposition showing possible gas accumulation at Lysing (left)

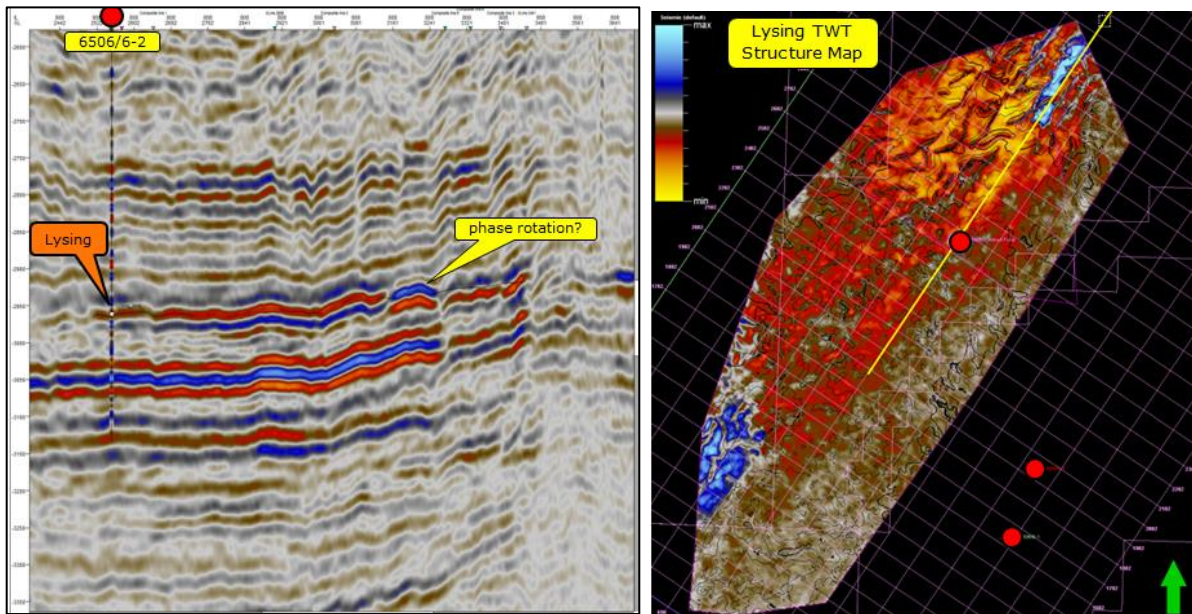


Figure 9. Seismic section along the Inline crossing the 6506/6-2 shows possible phase rotation indicating different fluid phase (left) and extract value seismic attribute within the interpreted Top Lysing horizon (right)

Resource Type [Units]	Dist. type	Mode	Mean	Std. dev.	F99	F90	F50	F10	F1
Oil [1e6 STB]									
Accumulation size	MC(0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cond. segment potential	MC(0)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncond. segment potential	MC(0)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assoc. Gas [1e9 scf]									
Accumulation size	MC(0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cond. segment potential	MC(0)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncond. segment potential	MC(0)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Assoc. Gas [1e9 scf]									
Accumulation size	MC(10000)	107.5	115.9	42.1	35.7	63.4	112.7	172.3	224.1
Cond. segment potential	MC(10000)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncond. segment potential	MC(10000)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Condensate [1e6 STB]									
Accumulation size	MC(10000)	2.13	2.91	1.53	0.44	1.17	2.66	4.99	7.52
Cond. segment potential	MC(10000)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncond. segment potential	MC(10000)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Resources [1e6 STB OE]									
Accumulation size	MC(10000)	21.1	23.6	8.63	7.28	12.8	22.9	35.0	46.4
Cond. segment potential	MC(10000)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncond. segment potential	MC(10000)-r	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Table 3. Volumetric assessment for Albert apex.

3. CONCLUSION

3.1. Reason for return of licenses PL513 and PL513B

The licenses were awarded to test the Lysing Formation Albert prospect. Due to the discouraging results of the well 6506/6-2 and the updated geological model, prospectivity within license PL513 and PL513B is seen as limited. Maersk Oil Norway AS and partners therefore decided to drop the licenses. A letter informing Olje- og Energi departementet about the decision to return licenses PL513 and PL513B was sent 10th July 2013.