NPD – exploration drilling result

26/04/2010 The Norwegian Petroleum Directorate has granted Norske Shell AS a drilling permit for wellbore 6604/10-1, cf. Section 8 of the Resource Management Regulations.

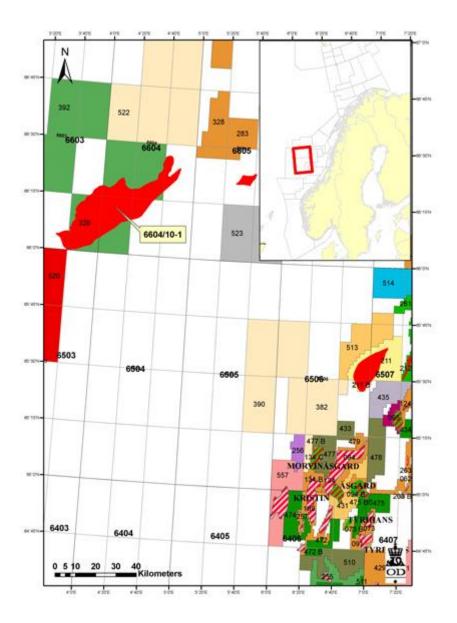
Wellbore 6604/10-1 will be drilled from the *Aker Barents* drilling facility at position 66° 11' 00.10" North and 4° 11' 42.79" East.

The drilling program for wellbore 6604/10-1 relates to the drilling of an appraisal well in production licence 326. Shell is the operator with a 50 per cent ownership interest. Other licensees are Statoil Petroleum AS (40 per cent) and GDF Suez E&P Norge (10 per cent).

The licence includes blocks 6603/12-1, 6604/7, 6604/8 and 6604/10. Appraisal well 6604/10-1 is the second exploration well in production licence 326.

The drilling permit is granted on the condition that all other permits and consents required by other authorities have been secured before the drilling activity commences.

See Factpages for more information about this wellbore.



6604/10-1

27/08/2010 A/S Norske Shell, operator of production licence 326, has concluded the drilling of appraisal well 6604/10-1 in the 6603/12-1 (Gro) gas discovery.

The gas discovery was proven in 2009 in Upper Cretaceous reservoir rocks (the Springar formation). The discovery is located about 350 km west of Sandnessjøen. Before appraisal well 6604/10-1 was drilled, resource estimates for the discovery were between 10 and 100 billion standard cubic metres (Sm³) of recoverable gas.

The objective of the well was to delineate the discovery. The well proved gas in a 50-metre column in the Springar formation in the Upper Cretaceous. The reservoir rocks are of a more substantial thickness, but the reservoir quality is poorer than expected. Preliminary estimates place the size of the discovery in the lower range of the original resource estimates. The proven variation in reservoir quality and gas saturation, as well as the significant extent of the discovery, mean that additional studies must be carried out before the size of the discovery can be clarified. The well was not formation-tested, but extensive data collection and sampling have been carried out.

This is the second well in *production licence 326*. Production licence 326 was awarded in the 18th licensing round in 2004.

The appraisal well was drilled to a vertical depth of 3675 metres below the sea surface, and was terminated in the Springar formation in the Upper Cretaceous.

The water depth at the site is 1345 metres. The well will now be permanently plugged and abandoned.

Well 6604/10-1 was drilled by the *Aker Barents* drilling facility, which will now proceed to production licence 392 in the Norwegian Sea to drill wildcat well 6603/5-1, operated by AS Norske Shell.

