<u>NPD</u> – exploration drilling result

16/02/2011 The Norwegian Petroleum Directorate (NPD) has granted Marathon Petroleum Norge AS a drilling permit for wellbore 25/10-11, cf. Section 8 of the Resource Management Regulations.

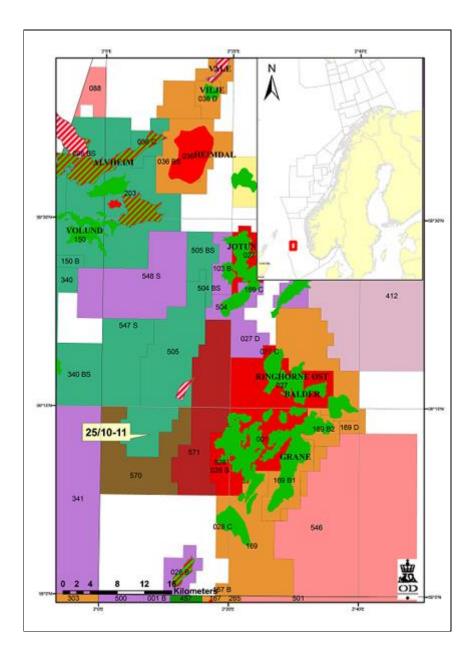
Wellbore 25/10-11 will be drilled from the *Transocean Winner* drilling facility at position 59° 12′ 48.06″ north and 02° 07′ 42.30″ east after completion of the drilling of wildcat well 24/9-10 S and appraisal well 24/9-10 A for Marathon Petroleum Norge AS in production licence 340 BS.

The drilling program for well 25/10-11 concerns the drilling of a wildcat well in production licence 505. Marathon is the operator with an ownership interest of 50 per cent. The other licensees are Lundin Norway AS with 30 per cent and VNG Norway AS with 20 per cent. The area in this licence consists of parts of the blocks 25/7 and 25/10. The well will be drilled about 10 kilometres west of the Balder field in the central part of the North Sea.

Production licence 505 was awarded on 23 January 2009 (APA 2008). This is the first well to be drilled in the licence.

The permit is contingent upon the operator having secured all other permits and consents required by other authorities before the drilling starts.

See <u>Factpages</u> for more information about this wellbore.



25/10-11

02/08/2011 Marathon Oil Norge AS, operator of production licence 505, has completed the drilling of wildcat well 25/10-11.

The well was drilled about eight kilometres southwest of the previous discovery, 25/7-2, in the North Sea, about 40 kilometres south of the Heimdal field.

The primary exploration target for the well was to prove petroleum in Upper Jurassic reservoir rocks (Draupne and Heather formation). The secondary exploration target was reservoir rocks in the Middle Jurassic (Hugin formation).

Hydrocarbons were proven in three zones in Middle/Upper Jurassic rocks.

In the upper zone a 95-metre interval with thin reservoir zones was found. Hydrocarbons were also found in an intermediate 283 m gross interval, however, also in poorly developed reservoir rocks. This interval was production-tested, but did not achieve stable flow. The lowermost zone had poorer reservoir properties, which was expected.

Due to poor reservoir properties the well is not considered commercially interesting, but the licensees will consider further work in the production licence.

The well is the first exploration well in production licence 505, which was awarded in APA 2008.

The well was drilled to a vertical depth of 4534 metres below the sea surface. The water depth is 120 metres. The well will now be permanently plugged and abandoned.

Well 25/10-11 was drilled by *Transocean Winner* which will now move to a yard for maintenance before proceeding to production licence 431 in the Norwegian Sea to drill wildcat well 6406/3-9, where Maersk Oil Norway AS is the operator.

