NPD – exploration drilling result

18/07/2011 Lundin Norway AS, operator of production licence 501, has concluded the drilling of wildcat well 16/3-4 and appraisal well 16/3-4 A.

The wells were drilled about 30 kilometres east of the 16/1-8 (Luno) discovery and about 6 kilometres southeast of the 16/2-6 (Avaldsnes) discovery.

The purpose of wildcat well 16/3-4 was to prove petroleum in the reservoir rocks from the late Jurassic period. The well proved an oil column of 13.5 metres in late Jurassic (Volgian) sandstone of a very high quality. The oil is in pressure communication with well 16/2-6. A successful formation test has been performed in the well. The production rate was 900 standard cubic metres (Sm^3) of oil per flow day through a 60/64-inch nozzle opening. The test showed very good flow properties.

The purpose of appraisal well 16/3-4 A was to investigate the lateral sand distribution, as well as the sand quality in the southwestern direction. The well proved an oil column of four metres in late Jurassic (Volgian) sandstone over fractured bedrock with oil in fractures.

Comprehensive data collection and sampling have been performed in both wells. The results from the wells show good lateral continuity in the reservoir sand. An evaluation is now on-going and a resource estimate will be available following the drilling of 16/2-7, which will start soon.

Wildcat well 16/3-4 and appraisal well 16/3-4 A are the second and third exploration wells in production licence 501.

The production licence was awarded in APA 2008.

Wildcat well 16/3-4 and appraisal well 16/3-4 A were drilled to a vertical depth of 1995 and 1934 metres below sea level, respectively, and both were terminated in the bedrock. The wells have both been permanently plugged and abandoned. The water depth is 116 metres.

The wells were drilled by the drilling facility *Bredford Dolphin*, which will now drill wildcat well 16/2-7 in production licence 501, where Lundin Norway AS is the operator.

See Factpages for more information about this wellbore.