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

23/09/2011 Lundin Norway AS, operator of production licence 501, is in the process of completing the drilling of the appraisal wells 16/2-7 and 16/2-7 A.

The wells have been drilled about 5.5 kilometres southeast of the discovery well for the oil discovery 16/2-6 ("Avaldsnes").

The discovery was proven in September 2010 in the Upper Jurassic reservoir rocks (the Draupne and Hugin formations), and more wells have now delineated the discovery.

The primary exploration target for 16/2-7 was to delineate oil discovery 16/2-6. The well encountered a seven-metre oil column in the Draupne formation with a total thickness of 35 metres, with good to very good reservoir quality.

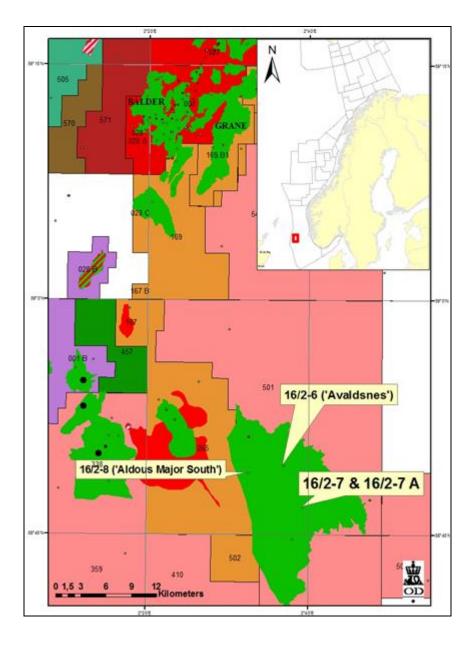
The purpose of well 16/2-7 A was to investigate whether the thin oil column in 16/2-7 was due to a local fault. Well 16/2-7 A confirmed this, and encountered a 17-metre oil column in a very good reservoir in the Draupne formation.

Both wells have the same oil/water contact and pressure as the other wells in the discovery, and they delineate and therefore confirm the extent.

The secondary exploration target was to investigate the properties of Permian rocks (carbonates in the Zechstein group and sandstone/conglomerate in the Rotliegend group). These are aquiferous, as expected. The licensees in production licence 501 are planning to further delineate the oil discovery later this autumn.

None of the wells were formation tested, but comprehensive data gathering and sampling was conducted. These are the third and fourth exploration wells in licence 501. The licence was awarded in APA 2008. Appraisal wells 16/2-7 and 16/2-7 A were drilled to a vertical depth of 2500 and 2100 metres below sea level, respectively. 16/2-7 was terminated in the Rotliegend group and 16/2-7 A was terminated in Triassic rocks. Sea depth at the site is 113 metres. The wells will be plugged and abandoned.

The wells were drilled by the drilling facility *Bredford Dolphin*, which will proceed to production licence 406 in the North Sea to drill wildcat well 9/1-1 S, where Premier Oil Norge AS is the operator.



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