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

05/03/2013 The Norwegian Petroleum Directorate (NPD) has granted Lundin Norway AS a drilling permit for well 16/4-6 S, cf. Section 8 of the Resource Management Regulations.

Well 16/4-6 S will be drilled from the *Bredford Dolphin* drilling facility at position 58°41'33.84" north and 02°13'52.02" east in production licence 359.

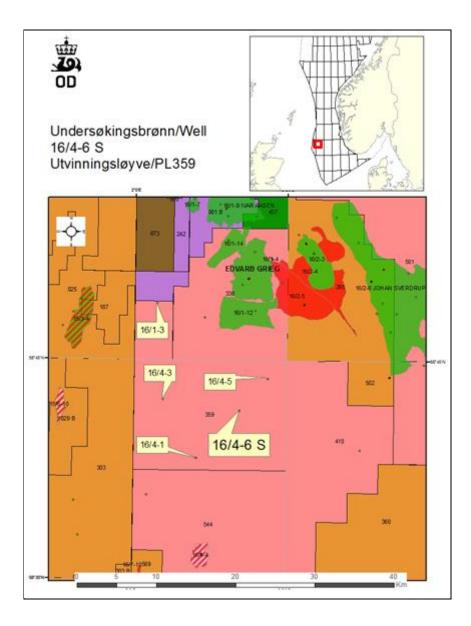
The drilling programme for well 16/4-6 S relates to drilling of a wildcat well in production licence 359. Lundin is the operator with an ownership interest of 40 per cent. The other licensees are Statoil Petroleum AS with 30 per cent and Premier Oil Norge AS with 30 per cent.

The area in this licence consists of the southwestern part of block 16/1 and the northern half of block 16/4. The well will be drilled 5.4 kilometres southwest of the 16/4-5 well and 8.1 kilometres northeast of the 16/4-1 well in the central part of the North Sea.

Production licence 359 was awarded on 6 January 2006 (APA 2005). This is the second well to be drilled within the licence, but three wells have previously been drilled in the western part of the licence area.

The permit is contingent upon the operator securing all other permits and consents required by other authorities before commencing drilling activities.

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



16/4-6 S

06/05/2013 Lundin Norge AS, operator of production licence 359, has concluded the drilling of wildcat well 16/4-6 S. The well proved oil.

The well was drilled about 15 km south of the Edvard Grieg field in the central part of the North Sea, and 200 km west of Stavanger.

The primary objective of the well was to prove petroleum in Upper to Middle Jurassic reservoir rocks, with additional possibilities in older rocks. The well encountered a gross oil column of about 45 metres in Jurassic to Triassic reservoir rocks, about 30 metres of which were of good quality. The oil/water contact was encountered 1950 metres below the sea surface. The oil is saturated and is in contact with a thin gas zone at the top of the reservoir. The entire reservoir, including the water zone, consists of sandstones about 280 metres thick.

Preliminary estimates place the size of the discovery, which constitutes the southern part of the prospect, at between 4 and 19 million standard cubic metres (Sm³) of recoverable oil equivalents. Additional appraisal wells will be needed to determine the size of the discovery.

Extensive data acquisition and sampling were carried out. A successful formation test was performed. The production rate was 325 Sm³ oil per flow day through a 48/64-inch nozzle. The test showed good flow properties. The gas/oil ratio is 180 Sm³/Sm³.

This is the second exploration well drilled in <u>production licence 359</u>. The licence was awarded in APA 2005. Well 16/4-6 S was drilled to a vertical depth of 2188 metres below the sea surface and was terminated in Triassic rocks. The well will be permanently plugged and abandoned. The water depth is 101 metres.

The well was drilled by the *Bredford Dolphin*, which will now drill appraisal well 16/2-21 on the Johan Sverdrup field in production licence 501, where Lundin Norway AS is the operator.

