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

19/08/2013 The Norwegian Petroleum Directorate (NPD) has granted Lundin Norway AS a drilling permit for well 16/5-4, cf. Section 8 of the Resource Management Regulations.

Well 16/5-4 will be drilled from the *Bredford Dolphin* drilling facility at position 58°42'46.92" north 02°35'55.71" east for Lundin Norway AS in production licence 501.

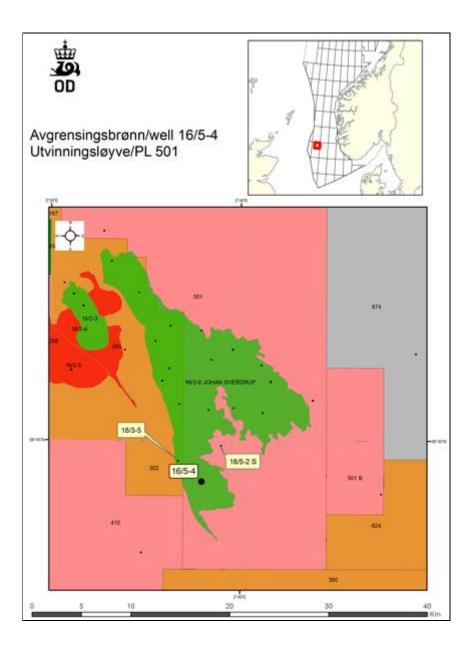
The drilling programme for well 16/5-4 relates to drilling of an appraisal well in production licence 501. Lundin is the operator with an ownership interest of 40 per cent. The other licensees are Statoil Petroleum AS with 40 per cent and Maersk Oil Norway AS with 20 per cent.

The area in this licence consists of parts of blocks 16/2, 3, 5 and 6 that are located in the central part of the North Sea. The well was drilled southwest on **Johan Sverdrup** about 3.1 kilometres southeast of well 16/5-3 and approx. 4.3 kilometres southwest of well 16/5-2 S.

Production licence 501 was awarded on 23 January 2009 (APA 2008). This was the seventeenth well drilled within the licence area.

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

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



16/5-4

30/09/2013 Lundin Norway AS, operator of production licence 501, is about to complete drilling of appraisal well 16/5-4 on the 16/2-6 Johan Sverdrup oil discovery in the North Sea.

The discovery was proven in Jurassic reservoir rocks in production licence 501 in the autumn of 2010. Well 16/5-4 was drilled on the south-western flank of the discovery, about 4.3 kilometres southwest of appraisal well 16/5-2 S and about 3.1 kilometres southeast of well 16/5-3 (production licence 502).

The objective of the well was to delineate the Johan Sverdrup discovery by examining the thickness, properties and depth of the reservoir, as well as determine the height of the oil column and clarify the oil-water contact in the south-western part. The licensees consider the area to be important with regard to the drainage strategy for the discovery. The reservoir came in somewhat thinner than expected, and is situated most probably on Triassic rocks. The reservoir rocks, most likely Late Jurassic, consist of about six metres of sandstone with very good reservoir quality. The oil/water contact was not encountered.

Extensive data acquisition and sampling have been carried out in the well, and a sensor will be installed to observe the pressure development in the reservoir over the next two to five years. This is part of the planning process for an optimal recovery strategy for the discovery. The well is the 16th exploration well in production licence 501. The licence was awarded in APA 2008.

Appraisal well 16/5-4 was drilled to a vertical depth of 2075 metres below the sea surface and was terminated in Triassic rocks. The water depth is 108 metres. The well will be permanently plugged and abandoned.

The well was drilled by the *Bredford Dolphin* drilling facility which will now proceed to drill appraisal well 16/3-7 in the southeastern part of the Johan Sverdrup discovery, this too in production licence 501.

