NPD – exploration drilling result

03/12/2013 The Norwegian Petroleum Directorate has granted Lundin Norway AS a drilling permit for well 16/1-18, cf. Section 8 of the Resource Management Regulations.

Well 16/1-18 will be drilled from the *Island Innovator* drilling facility at position 58°50′28.11″ north and 02°17′21.97″ east in production licence 338.

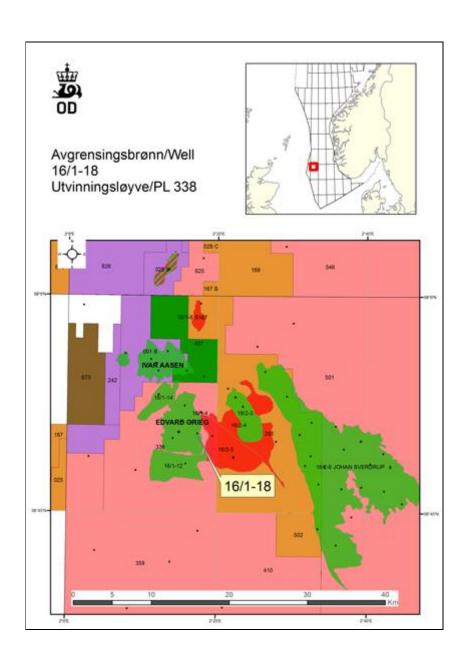
The drilling programme for well 16/1-18 relates to drilling of an appraisal well in production licence 338. Lundin is the operator with an ownership interest of 50 per cent. The other licensees are OMV (Norge) AS with 20 per cent, Statoil Petroleum AS and Wintershall Norge As with 15 per cent each.

The area in this licence consists of parts of block 16/1. The well will be drilled southeast on the **Edvard Grieg field** in the central part of the North Sea.

Production licence 338 was awarded on 17 December 2004 (APA 2004). This is the ninth exploration well to be 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 Factpages for more information about this wellbore.



16/1-18

12/05/2014 Lundin Norway AS, operator of production licence 338, is about to complete drilling of appraisal well 16/1-18 on the Edvard Grieg oil field in the central part of the North Sea.

The field was proven in Cretaceous, Jurassic and Triassic reservoir rocks in the autumn of 2007. Appraisal well 16/1-18 was drilled 2.4 kilometres east of where the facility will be located.

The objective of the well was to delineate the south-eastern part of the Edvard Grieg field in order to optimise the drainage strategy and to determine the best possible location of production wells in this area. Well 16/1-18 encountered a 62-metre gross oil column in Upper Jurassic conglomerate sandstone, where the top 43 metres have very good reservoir properties and the lower 19 metres have good reservoir quality. The oil/water contact was not encountered.

Extensive data acquisition and sampling were carried out. Four formation tests were carried out, one DST and three mini DSTs. The formation test (DST) was carried out in a 13-metre interval in the lower part of the oil column in reservoir of good quality. The test showed a maximum rate of 130 standard cubic metres (Sm³) of oil per flow day through a 28/64-inch nozzle opening and showed good flow properties from the entire oil zone. The best formation test (mini DST), from the top zone, showed very good flow properties. The results from the well will be very useful in planning production wells in this part of the field.

This is the ninth exploration well in <u>production licence 338</u> and the sixth exploration well on the Edvard Grieg field. The licence was awarded on 17 December 2004 (APA 2004).

Appraisal well 16/1-18 was drilled to a vertical depth of 2361 metres below the sea surface and terminated in granite basement. The well will be permanently plugged and abandoned. Water depth at the site is 109 metres.

The well was drilled by the *Island Innovator* drilling facility, which will now proceed to production licence 492 in the Barents Sea to drill appraisal well 7120/1-4 S on the 7120/1-3 («Gotha») oil discovery, where Lundin is the operator.

