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

02/12/2013 The Norwegian Petroleum Directorate has issued VNG Norge AS a drilling permit for well 6406/12-3 S, cf. Section 8 of the Resource Management Regulations.

Wellbore 6406/12-3 S will be drilled from the *Transocean Arctic* drilling facility in position 64°01′52.37″ north and 06°45′17.53″ east after it completes drilling wildcat well 35/9-10 A for Wintershall Norge AS in production licence 418.

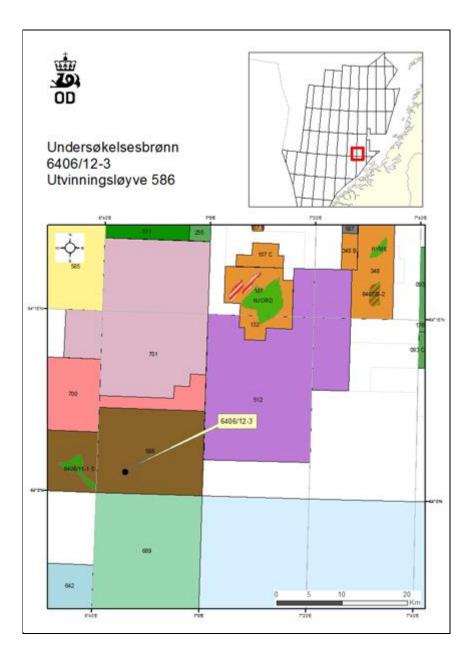
The drilling programme for well 6406/12-3 S concerns drilling of a wildcat well in production licence 586. VNG Norge AS is the operator with an ownership interest of 30 per cent. The other licensees are Spike Exploration Holding AS (30 per cent), Faroe Petroleum Norge AS (25 per cent) and Rocksource Exploration Norway AS (15 per cent).

The area in this licence consists of part of block 6406/11 and part of block 6406/12. The well will be drilled approx. 8 kilometres east of the 6406/11-1 S discovery and about 33 kilometres southwest of the Njord field.

Production licence 586 was awarded on 4 February 2011 (APA 2010). This is the first well to be drilled in this licence.

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

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



6406/12-3 S

10/04/2014 VNG Norge AS, operator of production licence 586, is in the process of completing the drilling of wildcat well 6406/12-3 S. The well has been drilled about 35 kilometres southwest of the Njord field in the Norwegian Sea.

The well's primary exploration target was to prove petroleum in Upper Jurassic reservoir rocks (the Rogn and Melke formations).

A 226-metre net hydrocarbon column was encountered, 135 meters of which are oil in Middle Jurassic reservoir rocks with good reservoir quality. The lower part of the Melke formation is aquiferous, with poorer reservoir properties as in the upper part.

Comprehensive data acquisition and sampling have been carried out. A successful formation test was carried out in the oil zone. The maximum production rate was 1067 Sm³ of oil per flow day through a 56/64-inch nozzle. The test proved good flow properties and the gas/oil rate is 152 Sm³/Sm³.

The preliminary estimation of the discovery size is between 6 and 21 million Sm³ of recoverable oil and condensate and between 2 and 6 billion Sm³ of recoverable gas.

The well is the first exploration well in production licence 586. The licence was awarded in APA 2010. The well was drilled to a vertical depth of 3738 metres below sea level and terminated in the Melke formation in the Middle Jurassic. Water depth at the site is 324 metres. The well will now be permanently plugged and abandoned.

Well 6406/12-3 S was drilled by *Transocean Arctic*, which is now moving on to drill appraisal well 6406/12-3 B on the discovery to reduce uncertainty in the resource estimate.

