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

11/04/2014 The Norwegian Petroleum Directorate (NPD) has granted Statoil Petroleum AS a drilling permit for well 25/8-18 S, cf. Section 8 of the Resource Management Regulations.

Well 25/8-18 S will be drilled from the *Ocean Vanguard* drilling facility at position 59°15'1.12" north and 2°37'0.59" east of the Grane field in the central part of the North Sea.

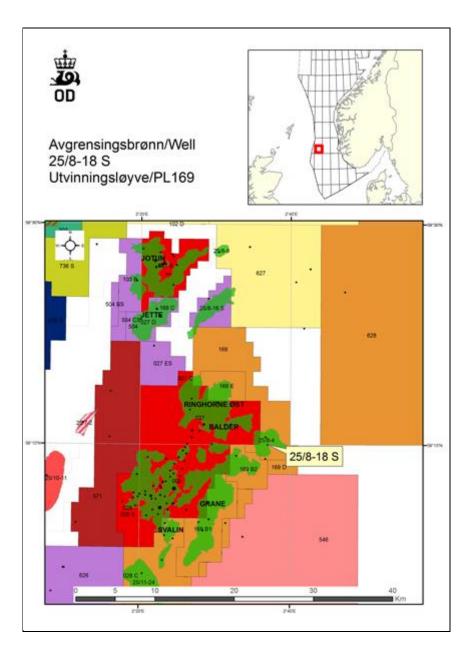
The drilling programme for well 25/8-18 S relates to the drilling of an appraisal well in production licence 169. Statoil Petroleum AS is the operator with a 57 per cent ownership interest. The other licensees are Petoro AS with 30 per cent and ExxonMobil E&P Norway AS with 13 per cent.

The area in this licence consists of parts of blocks 25/8 and 25/11. The well will be drilled 0.7 kilometres southeast of wildcat well 25/8-4.

Production licence 169 was awarded on 1 March 1991 (supplement to the 13th Round). This is the 14th exploration well drilled within PL169.

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

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



25/8-18 S

21/10/2014 Statoil Petroleum AS, operator of production licence 169, is about to complete drilling of appraisal well 25/8-18 S.

The 25/8-4 discovery was proven in 1992 by Norsk Hydro Produksjon AS. The reservoir is in the Heimdal formation from the Palaeocene Age. The discovery is located approx. eight kilometres northeast of the Grane field in the central part of the North Sea, and the size was originally estimated at about one million standard cubic metres (Sm³) of recoverable oil. Appraisal well 25/8-18 S was drilled approx. 0.9 kilometres southeast of the 25/8-4 discovery well and about 180 kilometres west of Stavanger.

The primary and secondary exploration targets for 25/8-18 S were to confirm oil volumes, the producibility properties and also to examine the discovery higher up in the structure in Palaeocene reservoir rocks (in the Heimdal formation and intra-Balder formation sandstone, respectively). 25/8-18 S encountered an approx. 25-metre oil column in the Heimdal formation with very good reservoir properties. The Heimdal formation is 55 metres thick in total. Gas was also encountered in a thin sandstone in the Balder formation. Preliminary estimates of the size of the discovery are now between 5 and 12 million Sm³ recoverable oil. The licensees will assess various development alternatives together with other discoveries in the area.

Extensive data acquisition and sampling were carried out.

This is the 14th exploration well drilled in production licence 169. Well 25/8-18 S was drilled to a vertical and measured depth of 1863 and 1867 metres below the sea surface, respectively, and was terminated in the Shetland Group in the Upper Cretaceous. The well will now be permanently plugged and abandoned. Water depth is 129 metres.

The well was drilled by the *Transocean Leader* drilling facility, which will now carry out permanent plugging of a previous discovery well, 25/11-16 (Svalin), in the same production licence.

