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

23/05/2014 The Norwegian Petroleum Directorate (NPD) has granted Lundin Norway AS a drilling permit for well 16/4-8, cf. Section 8 of the Resource Management Regulations.

Well 16/4-8 S will be drilled from the *Bredford Dolphin* drilling facility at position 58°39′53.32″ north and 02°16′24.76″ east in the central part of the North Sea.

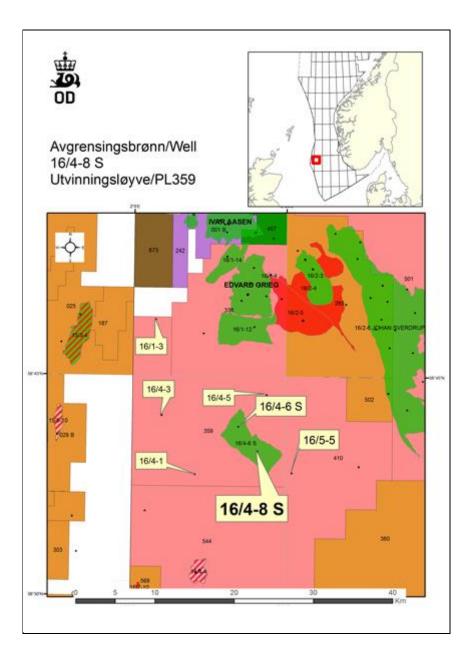
The drilling programme for well 16/4-8 S relates to the drilling of an appraisal well in production licence 359. Lundin is the operator with a 40 per cent ownership interest. The other licensees are Premier Oil Norge AS with 30 per cent, OMV (Norge) AS and Statoil Petroleum AS with 15 per cent each.

The area in this licence consists of the south-western part of block 16/1 and the northern half of block 16/4. The well will be drilled 3.9 km southwest of well 16/4-6 S and 5 km northwest of well 16/5-5 in production licence 410.

Production licence 359 was awarded on 6 January 2006 (APA 2005). This is the third well to be drilled within the licence area, while three wells have been drilled previously 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 prior to commencing the drilling activity.

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



16/4-8 S

29/08/2014 Lundin Norge AS, operator of production licence 359, has completed drilling of appraisal well 16/4-8 S.

The 16/4-6 S discovery was proven in the spring of 2013 in Jurassic/Triassic reservoir rocks about 15 kilometres south of the Edvard Grieg field in the central North Sea. It was delineated to the southeast with the dry 16/5-5 well in production licence 410 in the autumn of 2013. 16/4-8 S, the second appraisal well on the discovery, was drilled 3.9 kilometres southeast of the 16/4-6 S discovery well. After drilling the discovery well, the operator's resource estimate was between 4 and 19 million standard cubic metres (Sm³) of recoverable oil.

The objective of the well was to delineate the 16/4-6 S discovery with regard to scope and reservoir properties.

The well encountered a total oil column about 30 metres below a very thin gas zone in Jurassic/Triassic reservoir rocks, of which about 15 metres had very good properties. The reservoir rocks, including the water zone, consist of 500-metre thick sandstones over 200-metre thick conglomerate rock. Pressure data shows there is no pressure communication between 16/4-8 S and the 16/4-6 S discovery well.

Extensive data acquisition and sampling have been carried out. A formation test was conducted, which showed poor production properties. The maximum production rate was 75 Sm³ oil per flow day through a 48/64 inch nozzle opening.

Preliminary estimations of the size of the discovery are currently between 4 and 11 million Sm³ recoverable oil equivalents. The licensees will consider further delineation of the discovery.

This is the third exploration well drilled in production licence 359. The licence was awarded in APA 2005.

Well 16/4-8 S was drilled to a vertical and measured depth of 2645 and 2675 metres below the sea surface, respectively, and was terminated in Triassic or older rocks. Water depth is 100 metres.

The well has been permanently plugged and abandoned.

The well was drilled by the Bredford Dolphin drilling facility, which will now proceed to the northern North Sea to drill wildcat well 33/12-10 S in production licence 631, where Lundin Norge AS is the operator.

