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

17/06/2014 The Norwegian Petroleum Directorate (NPD) has granted Statoil Petroleum AS a drilling permit for well 7325/1-1, cf. Section 8 of the Resource Management Regulations.

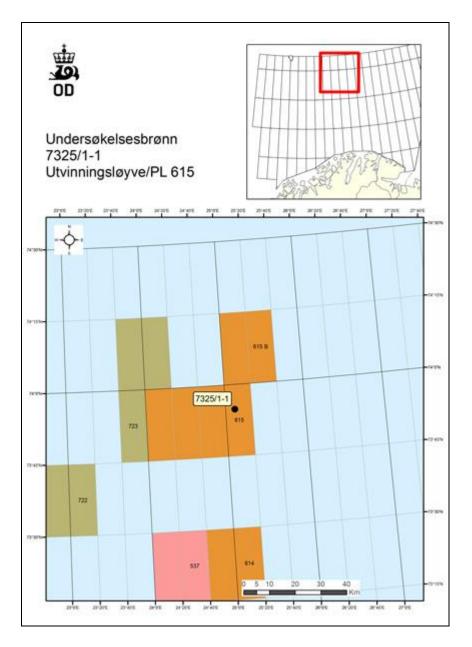
Well 7325/1-1 will be drilled from the *Transocean Spitsbergen* drilling facility at position 73°54'49.50"north and 25°06'59.70"east.

The drilling programme for well 7325/1-1 relates to the drilling of a wildcat well in production licence 615. Statoil Petroleum AS is the operator with a 35 per cent ownership interest. The other licensees are ConocoPhillips Scandinavia AS with 25 per cent, OMV (Norge) AS with 20 per cent and Petoro AS with 20 per cent. The area in this licence consists of blocks 7324/1, 2, 3 and 7325/1.

Production licence 615 was awarded on 13 May 2011 in the 21st licensing round on the Norwegian shelf. This is the second well to be drilled in the licence.

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.



7325/1-1

22/07/2014 Statoil Petroleum AS, operator of production licence 615, has completed drilling of wildcat well 7325/1-1. The well proved gas.

The well was drilled 56 kilometres northeast of the 7324/8-1 oil discovery in the Barents Sea and 360 km north of Hammerfest.

The primary exploration target for the well was proving petroleum in Middle Triassic reservoir rocks (Kobbe formation). The secondary exploration target was proving petroleum in Middle and Early Triassic reservoir rocks (Snadd and Klappmyss formations).

Well 7325/1-1 encountered about ten metres of sandstone with traces of hydrocarbons in the Kobbe formation. The reservoir properties were poor. About 55 metres net of reservoir rocks were also encountered in the Snadd formation, of which ten metres were gas-filled. Poor reservoir properties in the Kobbe and Snadd formations prevented establishment of pressure gradients.

Sandstone was not proven in the Klappmyss formation; however, about ten metres gross of poor quality sandstone was proven in Lower Triassic reservoir rocks (Havert formation). Preliminary analyses indicate that the discovery is not commercial. Data acquisition and sampling have been carried out.

The well was terminated in the Havert formation at a depth of 2,825 metres below the sea surface. The well is now permanently plugged and abandoned.

This is the second exploration well in production licence 615. The licence was awarded in the 21st licensing round in 2011. Well 7325/1-1 was drilled by the *Transocean Spitsbergen* drilling facility. The drilling facility will now proceed to production licence 614 to drill wildcat well 7324/9-1.

