NPD – exploration drilling result

02/12/2014 The Norwegian Petroleum Directorate has granted Lundin Norway AS a drilling permit for well 26/10-1, cf. Section 8 of the Resource Management Regulations.

Well 26/10-1 will be drilled from the *Island Innovator* drilling facility at position 59°00′01.86″ north and 03°04′14.69″ east in the central part of the North Sea.

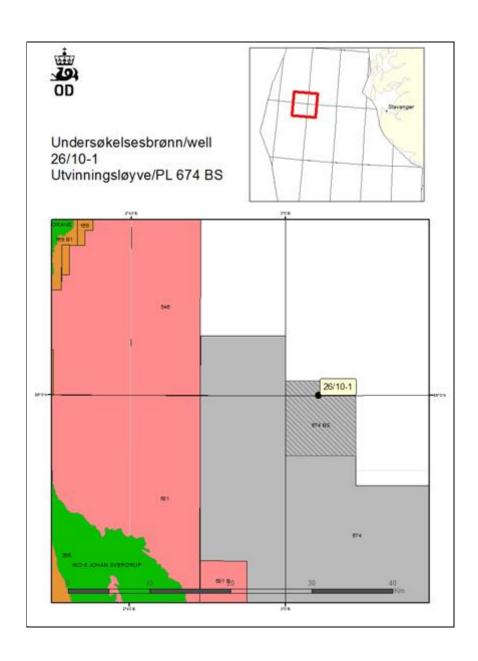
The drilling programme for well 26/10-1 relates to drilling of a wildcat well in production licence 674 BS. Lundin is the operator with an ownership interest of 35 per cent. The other licensees are Petrolia Norway AS with 35 per cent and E.ON E&P Norway AS with 30 per cent.

The area in this licence consists of the southwestern part of block 26/10 and northwestern part of block 17/1. The well will be drilled about 32.8 kilometres northeast of the 16/2-6 discovery well on the Johan Sverdrup field and about 112 kilometres from Stavanger.

Production licence 674 BS was carved out of PL 674, which was awarded on 8 February 2013 (APA 2012). This is the first 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.



26/10-1

12/02/2015 Lundin Norway AS, operator of production licence 674 BS, is in the process of completing the drilling of wildcat well 26/10-1.

The well was drilled about 33 kilometres northeast of the discovery well, 16/2-6, on Johan Sverdrup in the central North Sea, and about 100 kilometres west of Stavanger.

The purpose of the well was to prove petroleum in reservoir rocks in the Miocene (the Utsira formation). The well encountered a 24-metre total gas column in the Utsira formation with excellent reservoir quality. The well was not formation tested, but data acquisition and sampling have been carried out. Preliminary calculations of the size of the discovery are between 1.5 and 4 billion standard cubic metres (Sm³) of recoverable gas.

This is the first exploration well in <u>production licence 674 BS</u>. On 28 October 2014, it was carved out from production licence 674, which was awarded in APA 2012. The well was drilled to a vertical depth of 995 metres below the sea surface and was terminated in the Hordaland group. Water depth at the site is 140 metres. The well will now be permanently plugged and abandoned.

Well 26/10-1 was drilled by the *Island Innovator* drilling facility, which is now moving on to drill wildcat well 16/1-24 in production licence 338 C, where Lundin Norway AS is the operator.

