NPD – exploration drilling result

09/06/2016 The Norwegian Petroleum Directorate has granted Lundin Norway AS a drilling permit for well 7220/11-3 AR, cf. Section 8 of the Resource Management Regulations.

Well 7220/11-3 AR will be drilled from the *Leiv Eiriksson* drilling facility at position 72°56'45,94" north and 22°19'26,18" east in production licence 609.

The drilling programme for well 7220/11-3 AR relates to the deepening of appraisal well 7220/11-3 A, which was temporarily plugged and abandoned in 2015 in production licence 609.

Lundin Norway AS is the operator with an ownership interest of 40 per cent. The other licensees are Idemitsu Petroleum Norge AS and DEA Norge AS, each with 30 per cent. The area in this licence consists of blocks/parts of blocks 7220/6, 7220/9, 7220/11, 7220/12 and 7221/4. The well will be drilled about four kilometres south of the 7220/11-1 discovery well.

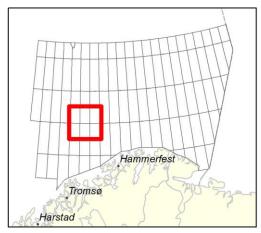
Production licence 609 was awarded on 13 May 2011 in the 21st licensing round on the Norwegian shelf.

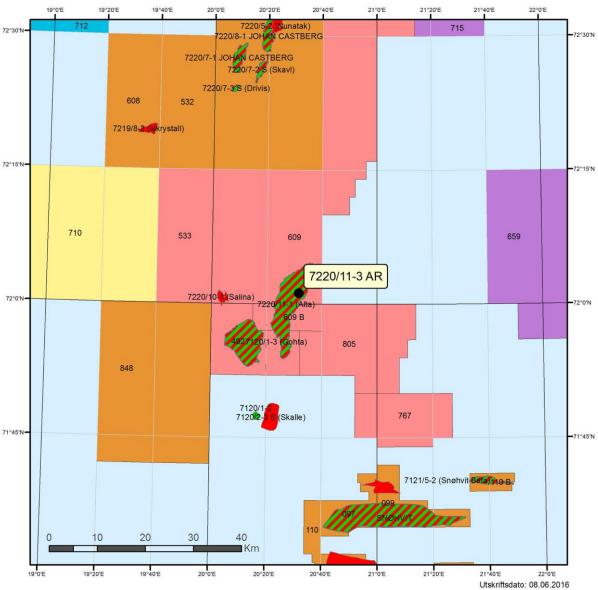
The permit is contingent on the operator securing all other permits and consents required by other authorities prior to commencing the drilling activities.

See Factpages for more information about this wellbore.



Avgrensningsbrønn/Well 7220/11-3 AR Utvinningsløyve/PL 609





7220/11-3 AR

30/09/2016 Lundin Norway AS, operator of production licence 609, has completed drilling the deepening 7220/11-3 AR on the 7220/11-1 (Alta) oil and gas discovery.

The well was drilled about four kilometres south of the 7220/11-1 discovery well.

The 7220/11-1 discovery was proven in October 2014 in carbonate rocks dating from the Early Triassic to the Carboniferous. The operator's resource estimate after drilling the discovery well was between 14 and 50 million standard cubic metres (Sm³) of recoverable oil and between 5 and 17 billion Sm³ of recoverable gas.

Well 7220/11-3 AR is a deepening of the 7220/11-3 A appraisal well, which was temporarily plugged and abandoned in September 2015. 7220/11-3 A was drilled to a measured depth of 2105 metres and a vertical depth of 1962 metres below the sea surface, and was terminated in the Gipsdalen Group in the Permian.

The objective of well 7220/11-3 AR was to continue exploring the reservoir properties in the Ørn and Falk Formations under the oil-water contact in the discovery. The well encountered several zones with very good reservoir properties. Two injection tests have been completed, with injection rates of 800 and 2900 Sm³ of seawater per flow day in the Falk and Ørn Formations, respectively. A production test was also carried out in the gas zone in the Lower Triassic, with a production rate of 595 000 Sm³ gas per flow day through a 64/64 inch nozzle opening.

Pressure data from the 7220/11-3, 7220/11-3 A appraisal wells and deepening 7220/11-3 AR indicate communication with the 7220/11-1 discovery well. Extensive data and samples have been collected from all wells.

The results from the appraisal wells are important with regard to the further work on mapping the eastern flank of the discovery. The resource estimate will be reassessed based on the new data.

This is a deepening of the fifth well in <u>production licence 609</u>. The licence was awarded in the 21st licensing round in 2011.

The 7220/11-3 AR deepening was drilled to a measured depth of 2575 metres and a vertical depth of 2389 metres below the sea surface, and was terminated in Carboniferous sandstone in the Gipsdalen Group. Water depth is 397 metres.

The well was drilled by the *Leiv Eiriksson* drilling facility, which will now proceed to drill wildcat well 7220/6-2 R in the same production licence.



Fordypning av brønn 7220/11-3 A 7220/11-3 AR Utvinningsløyve/PL 609

