NPD – exploration drilling result

05/01/2018 The Norwegian Petroleum Directorate has granted Lundin Norway AS a drilling permit for well 16/4-11, cf. Section 15 of the Resource Management Regulations.

Well Brønn 16/4-11 will be drilled from the COSLInnovator drilling facility at position 58°40′16.11″ north, 02°14′25.30″ east in the central part of the North Sea.

The drilling programme for well 16/4-11 relates to the drilling of an appraisal well in production licence 359, where Lundin is the operator with an ownership interest of 50 per cent. The other licensees are OMV (Norge) AS (20 per cent), Statoil Petroleum AS (15 per cent) and Wintershall Norge AS (15 per cent).

The area in this licence consists of the southwestern part of block 16/1 and the northern half of block 16/4. The well will be drilled about 2 kilometres southeast of the discovery well 16/4-6 S (Luno II).

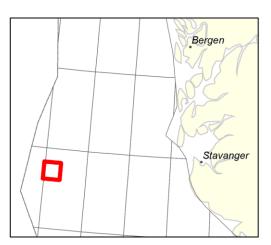
Production licence 359 was awarded on 6 January 2006 (APA 2005). This is the fifth well to be drilled within the licence area.

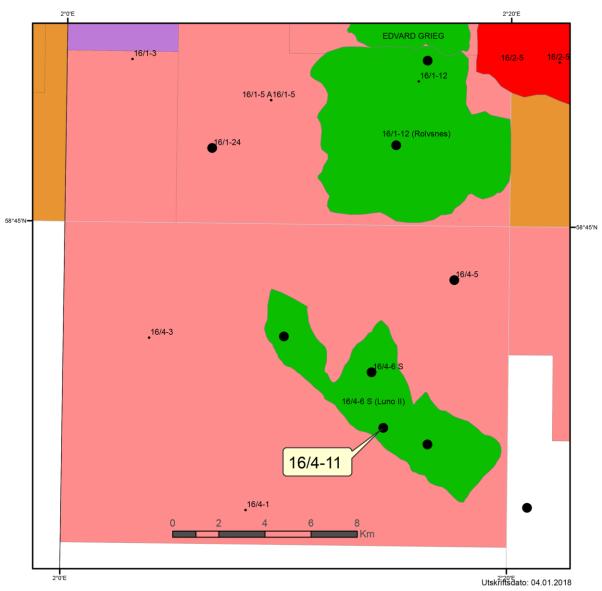
The permit is contingent upon the operator securing all other permits and consents required by other authorities prior to commencing drilling activities.

See Factpages for more information about this wellbore.



Avgrensingsbrønn/Appraisal Well 16/4-11 Utvinningsløyve/PL 359





16/4-11

26/03/2018 Lundin Norge AS, operator of production licence 359, has concluded the drilling of appraisal well 16/4-11.

The 16/4-6 S discovery was proven in 2013 in Triassic reservoir rocks, and has been delineated by several wells. 16/4-11 was drilled about 2.5 kilometres south of the 16/4-6 S discovery well, 20 kilometres south of the Edvard Grieg field and around 190 kilometres southwest of Stavanger. Prior to the drilling of 16/4-11, the operator's resource estimate for the discovery was between 4-10 million standard cubic metres (Sm³) of recoverable oil and between 1 and 3 billion Sm³ recoverable gas.

The objective of the well was to delineate the southwest flank of the 16/4-6 S (Luno II) discovery, to investigate the reservoir properties in previously undrilled reservoir units, as well as to investigate the type of oil and total oil column in this part of the discovery.

Well 16/4-11 encountered a total oil column of about 20 metres in Triassic sandstones with good to very good reservoir quality. The oil/water contact was encountered at 1946.5 metres below sea level. The entire reservoir, including the water zone, mainly consists of sandstones with some conglomerate sandstone layers, and has a total thickness of about 400 metres with variable reservoir quality, primarily from moderate to very good.

Preliminary estimates place the size of the discovery between 5 and 13 million Sm³ of recoverable oil and between 1 and 3 billion Sm³ of recoverable gas. The licensees will evaluate the discovery as regards a potential development through linking the discovery to existing infrastructure on the Edvard Grieg field.

The well was not formation-tested, but extensive data acquisition and sampling have been carried out.

This is the fifth exploration well drilled in <u>production licence 359</u>, and the fourth well on the 16/4-6 S (Luno II) oil/gas discovery. The licence was awarded in APA 2005.

Well 16/4-11 was drilled to a vertical depth of 2450 metres below the sea surface, and was terminated in Triassic or Permian rocks. Water depth at the site is 100 metres. The well will now be permanently plugged and abandoned.

The well was drilled by *COSL Innovator*, which will now drill appraisal well 16/1-28 S on the 16/1-12 Rolvsnes oil discovery in production licence 338 C, where Lundin Norge AS is operator.



Avgrensingsbrønn/Appraisal Well 16/4-11 Utvinningsløyve/PL 359

