NPD – exploration drilling result

18/09/2018 The Norwegian Petroleum Directorate (NPD) has granted Equinor Energy AS a drilling permit for well 7324/3-1, cf. Section 15 of the Resource Management Regulations.

Well 7324/3-1, will be drilled from the *West Hercules* drilling facility in position 73°57'27,39" North og 24°41'04,86" East.

The drilling programme for well 7324/3-1 relates to the drilling of a wildcat well in production licence 615. Equinor Energy AS is the operator with an ownership interest of 55 per cent. The other licensees are OMV (Norge) AS (25 per cent) and Petoro AS (20 per cent).

The area in this licence consists parts of blocks 7324/1, 7324/2, 7324/3 og 7325/1. The well will be drilled about 13 km west of the 7325/1-1 gas discovery, Atlantis, and about 30 km northwest of the 7325/4-1 oil/gas discovery, Gemini Nord, and will test the Intrepid Eagle prospect.

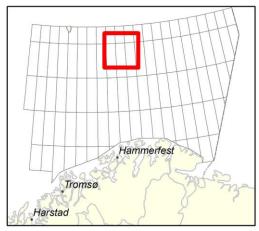
Production licence 615 was awarded on 13 May 2011 in the 21st licensing round on the Norwegian shelf. Well 7324/3-1 is the third well to be drilled in the licence.

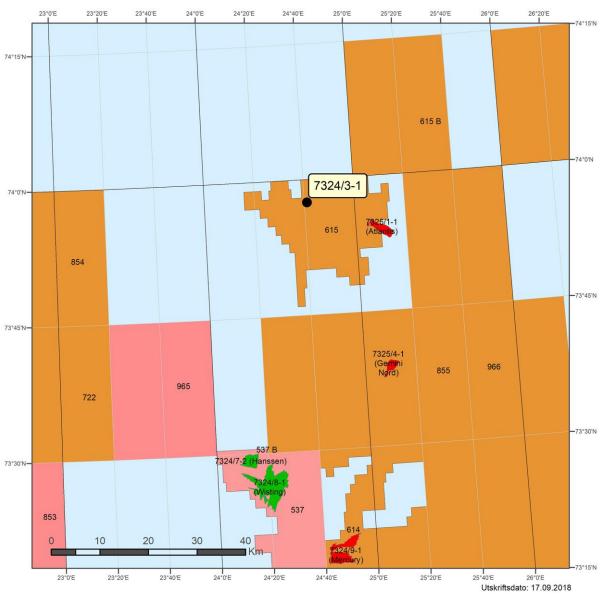
The permit is contingent on the operator securing all other permits and consents required by other authorities prior to commencing the drilling activity.

See Factpages for more information about this wellbore.



Undersøkelsesbrønn/Well 7324/3-1 Utvinningsløyve/PL 615





7324/3-1

22/11/2018 Equinor Energy AS, operator of production licence 615, has completed the drilling of wildcat well 7324/3-1.

The well was drilled about 15 kilometres northwest of discovery well 7325/1-1 (Atlantis) and 370 kilometres north of Hammerfest.

The well's primary exploration target was to prove oil in reservoir rocks from the Late Triassic Age (upper part of the Snadd formation).

The secondary exploration target was to prove petroleum in reservoir rocks from the Middle Jurassic Age (Stø formation) and in a deeper exploration target from the Middle Triassic Age (lower part of the Snadd formation). The secondary exploration target in the Snadd formation was the same stratigraphic level as gas discovery 7325/1-1 (Atlantis), and well 7324/3-1 was also intended to delimit this discovery. Before well 7324/3-1 was drilled, the resource estimate for discovery 7325/1-1 (Atlantis) was between 0.5 and 2 billion Sm³ of recoverable gas.

In the primary exploration target, a total gas column of about 30 metres was encountered in the upper part of the Snadd formation, of which 20 metres was in an effective reservoir of primarily moderate to poor reservoir quality. The gas/water contact was encountered 1492 metres below the sea surface.

In the secondary exploration target in the lower part of the Snadd formation, gas was also encountered in sandstone of poor to moderate reservoir quality. The gas column has not been clarified, as efforts to define a gas gradient were unsuccessful due to the tight formation.

In the other secondary exploration target, 15 metres of aquiferous reservoir sandstone was encountered in the Stø formation, with moderate to good reservoir quality.

Preliminary calculations of the size of the discovery in the upper part of the Snadd formation are between 10 and 20 billion standard cubic metres (Sm³) of recoverable gas. In the lower part of the Snadd formation, the gas volume is estimated at between 1 and 4 billion standard cubic metres (Sm³) of recoverable gas. The discovery's profitability is currently unclear.

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

This is the third exploration well in production licence 615, which was awarded in the 22nd licensing round in 2011.

The well was drilled to a vertical depth of 1678 metres below the sea surface and was terminated in the Snadd formation from the Late Triassic Age. Water depth at the site is 452 metres. The well will now be permanently plugged and abandoned.

Well 7324/3-1 was drilled by the *West Hercules* drilling facility, which will now drill appraisal well 7122/7-7 S on the Goliat field in the Barents Sea in production licence 229, where Eni Norge AS is the operator.



Undersøkelsesbrønn/Well 7324/3-1 Utvinningsløyve/PL 615

