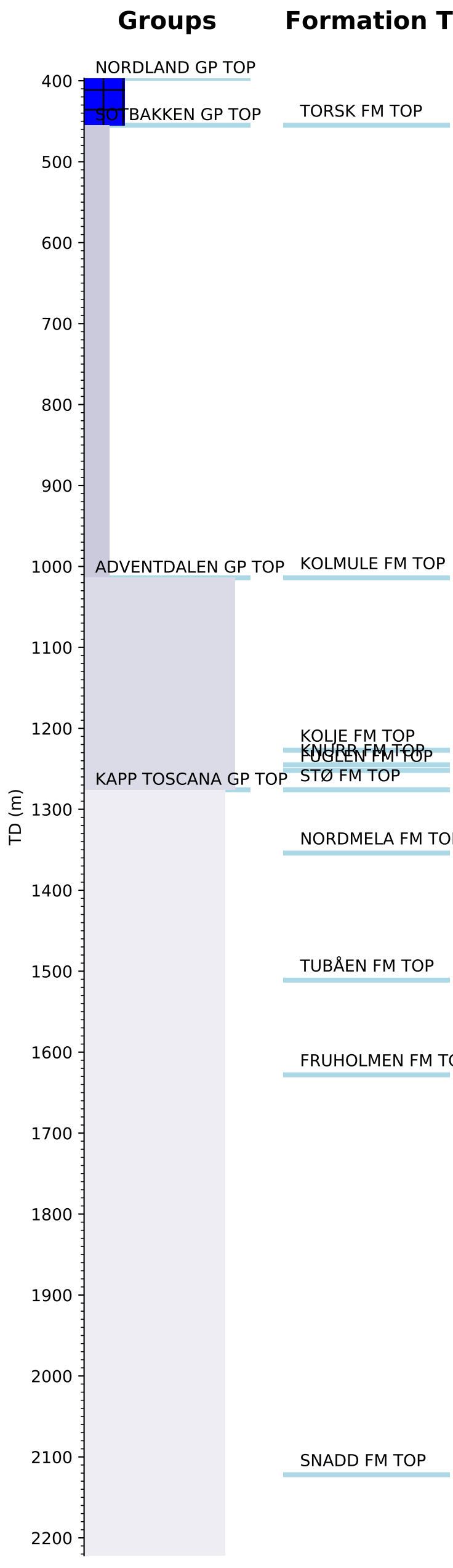

Wellbore History

GENERAL

Well 7220/8-1 was drilled just west of the Polheim Sub-platform and Loppa High in the Barents Sea. The main objective was to prove an economical volume of hydrocarbons and to establish hydrocarbon contacts in the Stø and Nordmela formations in the Skrugard Prospect. The targeted Skrugard fault block is one of several rotated fault blocks in the licence and a part of the Bjørnøyrenna Fault Complex.

OPERATIONS AND RESULTS

A shallow 8 1/2" pre-spud well (7220/8-U-1) was drilled and logged to 955 m to check for shallow gas due to seismic anomalies around the well location. No shallow gas was encountered. After that wildcat well 7220/8-1 was spudded with the semi-submersible installation Polar Pioneer on 27 February 2011 and drilled to TD at 2222 m in the Late Triassic Snadd Formation. Drilling operations proceeded without significant problems but upon intermediate MDT logging the cable broke and about 10 days were lost fishing. The well was drilled with spud mud and hi-vis pills down to 850 m and with KCl/Polymer/Glycol from 850 m to TD.

The well penetrated Tertiary and Cretaceous Claystones and Sandstones and upper Jurassic Claystones above the reservoir. In the reservoir the well penetrated Sandstones of Jurassic age, within the Stø, Nordmela and Tubåen Formations, and of Triassic age within the Fruholmen and Snadd Formations. The primary target reservoir was penetrated with top Stø Formation at 1276 m, and top Nordmela Formation at 1354 m. These Formations contained a 37 m thick gas column (GOC at 1312 m) and an 83 m thick oil column (OWC at 1395 m). Results from the well indicate that flat spots seen on the geo-seismic section represent the gas-oil-contact (GOC) and the oil-water-contact (OWC). The Snadd Formation was penetrated at 2122 m TVD, which was 35 m shallower than the prognosis.

Very good hydrocarbon shows were seen when drilling the reservoir in the Stø and Nordmela Formations. No shows were observed below 1400 m in the core chips and cuttings.

A total of five cores were cut in the Stø and Nordmela Formations, in the interval 1292.5 - 1405.5 m (97.8% recovery). Schlumberger MDT single probe was used for all samples. Oil samples were acquired at 1320.6 m, 1336.8 m, and at 1380.5 m in the Stø and Nordmela Formations. Due to the broken cable incident no water or gas samples were acquired.

The well was permanently abandoned on 2 May 2011 as an oil and gas discovery.

TESTING

No drill stem test was performed.

LITHOSTRATIGRAPHY & HISTORY FOR WELL: 7220/8-1