



Wellbore History

GENERAL

Well 6706/12-1 was drilled in 1262 m water depth on the Nyk High in the Norwegian Sea. The primary objective was to prove presence of hydrocarbons in the Snefrid South prospect within the Nise 1 Formation and confirm reservoir quality and production properties as input to DG1 for the Luva field development. Sandstones within the Campanian Upper Nise 1 Formation were primary target and lower Nise 1 in addition to Nise 2 Formation was the secondary target.

OPERATIONS AND RESULTS

Wildcat well 6706/12-1 was spudded with the semi-submersible installation Transocean Leader on 12 July 2008 and drilled to TD at 3950 m in the Late Cretaceous Kvitnos Formation. A 12 1/4" pilot hole was drilled to 2034 m, primarily for data acquisition purposes, but also to check for shallow water flow. Operations proceeded without significant problems, although some tight spots were experienced at 2034 m and in 8 1/2" section interval from 3408 to 3186 m. No shallow gas or shallow water flow was observed by the ROV at the wellhead or on the MWD logs while drilling the well. The well was drilled with seawater/spud mud/Glydril down to 2034 m, and with Ultradril mud containing 18-20% monoethylene glycol (MEG) from 2034 m to TD.

The well penetrated rocks of Quaternary, Tertiary, and late Cretaceous age. The well penetrated the Nise reservoir sand section at 2625 m, which was 13 m shallower than prognosed. The secondary target, Kvitnos Formation (Biostratigraphic dates proved the pre-drill "Nise 2" to be the Kvitnos Formation) was penetrated at 3516.5 m, which was 30.5 m shallower than prognosed. Dry gas was proven in the Nise Formation with 70 m of good quality reservoir. The gas - water contact was found at 2695 m, with a net to gross ratio of 77%, total porosity of 29% and Hydrocarbon saturation of 80%. The Kvitnos Formation was dry and with limited reservoir quality. No oil shows were recorded in the well.

Five cores of 18 m each were cut in the Nise reservoir from 2628 to 2714.5 m, with good recovery. One core of 27 m length was successfully cut in the Kvitnos Formation. Wire line samples were taken at 2625.6 m (gas) and at 2701.4 m (water) in the Nise Formation Formation. The gas samples were taken with a very low pressure draw-down, and were expected to be of good quality.

The well was permanently abandoned on 28 August 2008 as a gas discovery.

TESTING

No drill stem test was performed.

LITHOSTRATIGRAPHY & HISTORY FOR WELL: 6706/12-1