



Well 15/12-16 Swas drilled to appraise the Varg Field in the Southern Viking Graben area of the North Sea. Three wells had been drilled on the field, 15/12-12 and 15/12-13 B (gas condensate) and one dry well 15/12-13. Well 15/12-13 A failed while in the Rogaland Formation. These 3 wells delineate the Western Flank of the field, while 15/12-16 S should seek to add proven reserves in the central panel.

The primary objective for the well was to produce gas condensate from the Oxfordian reservoir in the central panel and to determine by DST whether surrounding faults form barriers to production. Secondary objectives were to acquire reservoir pressure data, formation depths, cuttings, log and drill data for reservoir description and reservoir performance prediction.

OPERATIONS AND RESULTS

Well 15/12-16 S was spudded with the jack-up installation Mærsk Giant on 6 February 2006 and drilled to TD at 2961 m, 47 m into the Triassic Skagerrak Formation. No major drilling problems or incidents occurred during the drilling of the well. The 8 ½" section was drilled in one bit run. The well was drilled with seawater and KCl/polymer down to 1319 m, with Performadril WBM from 1319 m to 2835 m, and with Baradril-N WBM from 2835 m to TD.

The well encountered the top reservoir Oxfordian sandstone at 2836 m (2787 m TVD RKB), 70 m high to prognosis and encountered a reservoir section thinner than predicted (83 m MD vs. 130 m). Preliminary interpretation indicated that the top of the reservoir section was faulted out and that RZ2 is very condensed. Reservoir quality was slightly poorer than was predicted with low porosities in the lower part but is still good. Logs and MDT pressure data showed the reservoir was gas filled but no definite gas-water contact was defined.

Dull yellow/gold mineral fluorescence, poor slow white cuts and poor crush cuts were noted on the cuttings in top of the Tor Formation. In the gas filled Oxfordian sandstone dull blue white slow cloudy cut fluorescence was observed, no direct fluorescence. Otherwise there were no shows reported from the well.

No cores were cut and no wire line fluid samples were taken.

The well was suspended on 31 March 2006 as a Varg South gas producer.

TESTING

The well was completed with a 7" liner across the reservoir and perforated at intervals 2850 m to 2884 m for testing. An extended testing program was carried out, with the main flow period flowing at a steady rate of 1190000 Sm3 gas/day through a 72/64" choke. The average condensate-gas ratio was 49.7 bbl/MMSCF corresponding to a GOR of ca 3600 Sm3/Sm3. Sampling results gave a condensate gravity of 52.3 deg API, a gas gravity of 0.692 with 2ppm H2S and 2 % CO2.

LITHOSTRATIGRAPHY & HISTORY FOR WELL: 15/12-16 S