

Successful completion of Edvard Grieg development drilling programme

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that its wholly owned subsidiary Lundin Norway AS (Lundin Norway) has successfully completed the PDO development drilling programme at its operated Edvard Grieg field on the Utsira High in the Norwegian North Sea. A significant reserves upgrade and extension of the production plateau have been made since the PDO with additional resource potential identified in the area.

The Edvard Grieg field in PL338 started production in late 2015. The drilling programme, consisting of 14 development wells, has successfully been completed under budget by the Rowan Viking jack-up drilling rig, which is now being demobilised.

Alex Schneiter, President and CEO of Lundin Petroleum comments:

“Edvard Grieg is a key asset for Lundin Petroleum. I am very pleased with the performance of the field on all fronts and convinced that we will eventually see the gross ultimate recovery grow to over 300 MMboe. The exciting tie-back opportunities in the area have the potential to double the volumes produced through Edvard Grieg, allowing us to keep the facilities full for many years to come.”

Overall reservoir results from the development drilling have exceeded the pre-drill expectations. Combined with a strong reservoir performance, that has seen no material water production to date, these positive results have led to a 47 percent increase of the best estimate gross ultimate recovery for the Edvard Grieg field since the PDO. In addition, further contingent resources are identified associated with infill drilling opportunities.

The reserves upgrade has led to the field production plateau being extended from the PDO by two years to end 2019. An infill development drilling programme is being planned for 2020 which has the potential to further extend the production plateau. A 4D seismic survey is being acquired over the field in 2018 to refine the infill well targets.

Current gross production from Edvard Grieg is approximately 95 Mboepd, which reflects the facilities capacity allocation with the Ivar Aasen field. The capacity of the Edvard Grieg production wells is currently more than double the available facilities capacity, which provides flexibility to optimally manage the reservoir. The facilities continue to perform ahead of guidance with a production efficiency of 97 percent year to date. Total gross production from Edvard Grieg from first oil to end of the first quarter 2018 amounted to 74 MMboe.

The operated oil discoveries Luno II in PL359 and Rolvsnes in PL338C are being matured as subsea tie-back development opportunities to the Edvard Grieg facilities. The recent Lille Prinsen oil discovery in PL167 is also a possible area tie-back opportunity. Additionally, further area prospectivity is being matured for drilling in 2019. In total, there is potential to double the resources to be produced through the Edvard Grieg facilities.

The resource upside at Edvard Grieg and the additional resource potential in the area are incremental to Lundin Petroleum’s long-term production guidance and have the potential to keep the Edvard Grieg facilities full for many years, maintaining the current operating cost for the field of below USD 4 per barrel.

Lundin Norway is the operator of PL338 with a 65 percent working interest. The partners are OMV with 20 percent and Wintershall with 15 percent.

Lundin Petroleum is one of Europe’s leading independent oil and gas exploration and production companies with operations focused on Norway and listed on NASDAQ Stockholm (ticker “LUPE”). Read more about Lundin Petroleum’s business and operations at www.lundin-petroleum.com

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