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North Uist exploration well commences West of Shetland

Faroe Petroleum, the independent oil and gas company focusing principally on exploration, appraisal and production opportunities in the Atlantic margin, the North Sea and Norway, is pleased to announce that drilling has commenced on the North Uist prospect, West of Shetland (Faroe 6.25%). This deep water exploration well (Blocks 213/20b, 214/16b, 213/25C) is located near to Chevron's Rosebank oil discovery, also on the Corona Ridge, West of Shetlands. There are several reservoir objectives the most significant of which is North Uist at the Upper Jurassic level. Shallower in the section the well will also test the edge of the Cardhu prospect where sandstones of Paleocene age may be present. To manage the high well costs in this region, Faroe has secured a financial carry of a portion of the well costs through farm-out arrangements. The drilling operation will be undertaken by BP Exploration Operating Company Limited (47.5% interest) using the Stena Carron drilling rig. The other joint venture partners are CIECO Exploration and Production (UK) Limited (6.25%), Idemitsu Petroleum UK Ltd (5%) and Nexen Petroleum U.K. Limited (35%). Graham Stewart, Chief Executive of Faroe Petroleum, commented - We are very pleased to announce the spudding of this frontier exploration well in one of our core areas. The North Uist prospect offers significant resource potential and is in close proximity to a number of important discoveries on the Atlantic Margin Corona Ridge, including Rosebank and Cambo. As we progress our exploration drilling programme, in Norway, we are looking forward to the commencement of the Faroe operated Clapton exploration well in the Norwegian North Sea (Faroe 40%) along with the Cooper exploration well on the prolific Halten Terrace in the Norwegian Sea (Faroe 30%). For further information please contact - Faroe Petroleum plc Graham Stewart, CEO Tel - +44 1224 650 920