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10 - 09 - 2012

Brugdan 2 could revolutionise Atlantic Petroleum

In a report from the analytical company Fugro Robertson, which is involved with estimating oil and gas reserves, the company estimates the Brugdan 2 prospect may contain 920 million barrels of oil equivalents, if oil or gas is discovered. Atlantic Petroleum stands to gain 1% of this and this implies that a Brugdan discovery could revolutionise this small Faroe oil company. Drilling proceeding satisfactorily The eighth well drilling in Faroe waters is well underway. In approx. two weeks time, drilling has been going on for three months. It is understood that the drilling operation is going very well, although the recent hurricane did affect the drilling. The high waves spelled a stop in drilling, but it has now resumed and there is nothing strange in this. Statoil has announced that the first news from the operation will probably be announced this month. Statoil is the operating company and holds a 50% license share with ExxonMobil holding 49% and Atlantic Petroleum the remaining 1%. Although Atlantic Petroleum only holds a 1% license share, we should not underestimate the importance of what this one percent could mean for the company in the event of a discovery. Should a discovery be made, this would make a far greater difference financially to Atlantic Petroleum than to the other involved companies, which hold billions of barrels of oil and gas equivalents in reserve. Active drilling program Mr Ben Arabo the Atlantic Petroleum CEO will not comment on the ongoing Brugdan drilling. He points to the operating company Statoil, the published accounts and other announced material. He says that apart from the Brugdan drilling, Atlantic Petroleum intends to participate in four UK wells this year. This is a step to spread the risk, so the company does not become too affected by a single drilling. Atlantic Petroleum has drilled a well in UK territory previously this year the Orchid prospect and oil was discovered. They are currently

working to establish is this is a commercial discovery or not. The Spaniards well is set to be spudded in the very near future and two other UK wells are set for drilling in the fourth quarter of 2012. 920 million barrels In the so-called CPR report from Atlantic Petroleum, which was published in February 2011, in connection with the 2010 annual accounts for the company, the Fugro Robertson report reveals they estimate the Brugdu 2 prospect could contain 920 million barrels of oil or gas equivalent. If this holds true, this will substantially revolutionise Atlantic Petroleum.