



Submitting PDO for Frosk in the Alvheim area

Aker BP (operator) and licence partners Vår Energi AS and Lundin Energy Norway AS today submitted a plan for development and operation (PDO) for the Frosk field to the Ministry of Petroleum and Energy (MPE). The development will contribute to production and reduce unit costs in the Alvheim area by utilizing existing infrastructure.

“The Frosk development underpins the prolonged Alvheim success story that both we and our partners can be proud of. The Alvheim area is among the most cost-efficient developments on the Norwegian continental shelf, and the resource base has multiplied since start-up. This is the result of targeted exploration and reservoir development, technological innovation and, not least, close collaboration with the joint venture partners and suppliers,” says Aker BP CEO, Karl Johnny Hersvik.

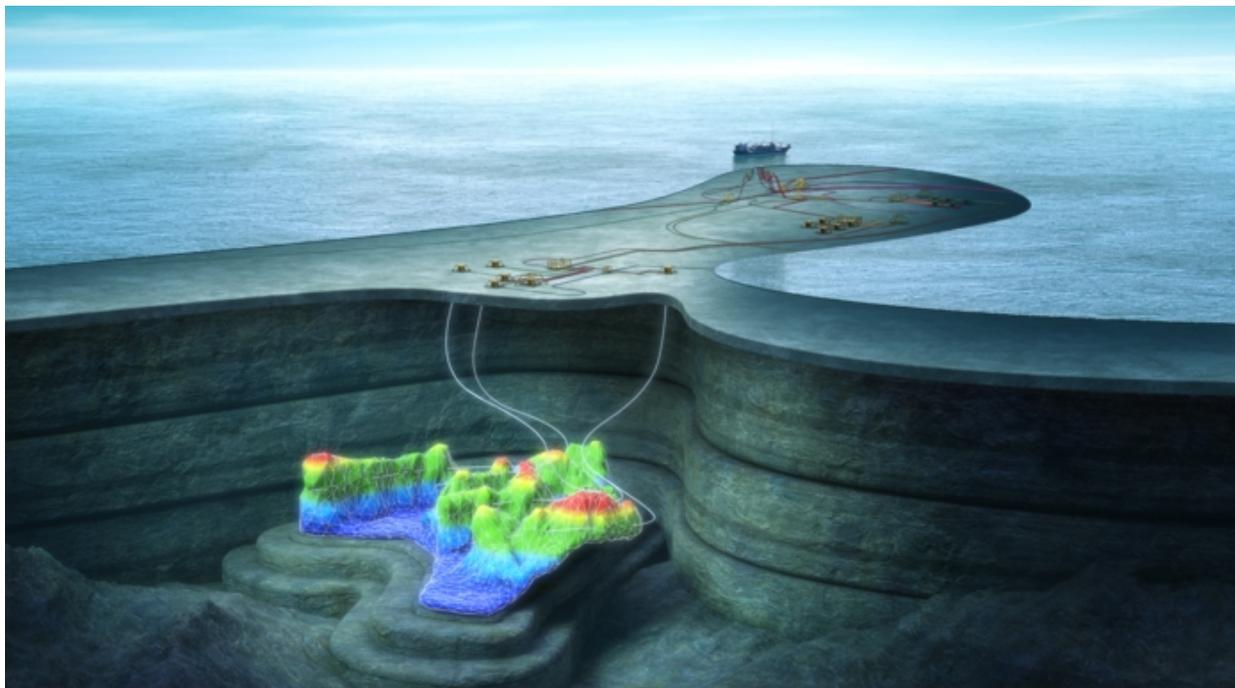
The Frosk field, located approximately 25 km southwest of the Alvheim FPSO in the North Sea, will be tied back to the FPSO via the existing Bøyla and Alvheim subsea infrastructure. Total investments are projected at around NOK 2 billion (appr. USD 230 million). Production is scheduled to start in the first quarter of 2023. Recoverable reserves in Frosk are estimated at around 10 million barrels of oil equivalents (mmbøe).

Fast track project

The Frosk discovery, located in an injectite sandstone reservoir, was made in 2018. Frosk Test Producer commenced in 2019 with the purpose of collecting data to reduce uncertainty.

Test production has provided valuable reservoir data that has been used to optimize the number of wells, drainage strategy and surface facility requirements for the Frosk Field.

The concept is a subsea development connected to the Bøyla subsea infrastructure. Two new production wells are to be drilled to effectively drain the remaining areas of the Frosk field. The project has been matured over the two years since test production commenced, and the proposed solution enables a fast-track development with first oil planned 18 months after PDO submission.



A significant contributor in achieving this is engaging Aker BP's alliances and strategic partnerships. On the Frosk project, the Semi Alliance (Aker BP, Odfjell Drilling, Halliburton) for drilling and completions of new wells and the Subsea Alliance (Aker BP, Subsea 7, Aker Solutions) for execution of the subsea facilities scope will contribute.

The Frosk development will create significant value, both for the partners and for the Norwegian society at large by contributing to increased activity and employment in the supplier industry. Beyond the engagement with alliance partners, ripple effects on regional employment will be associated with subcontractor procurement, fabrication activities and utilization of service bases on the west coast of Norway.

The Frosk development will result in reduced opex- and CO2 per barrel from the Alvheim FPSO from start-up in 2023, one year before the Kobra East and Gekko (KEG) development is planned to come on stream. PDO for KEG was submitted to the MPE in June.

New chapter in the Alvheim story

The Alvheim field consists of the Kneler, Boa, Kameleon and East Kameleon structures. The Viper-Kobra and Gekko structures also reside within the same license. Further, the Alvheim area includes satellite fields Bøyla, Vilje, Volund and Skogul. All these fields are produced via the Alvheim FPSO, which came on stream on 8 June 2008.

The continuous field developments in the area have been recognized by the industry. In 2018, the Alvheim partners were awarded the IOR prize by the Norwegian Petroleum Directorate for adopting new technology, sharing data and being able to view the wider area in a holistic manner. This has contributed to multiplying the resource base in the area. When the Alvheim development was originally sanctioned, recoverable resources from the field were estimated at close to 200 million barrels. Since then, more than 500 million barrels have been produced from the area.

“The Frosk development will utilize existing infrastructure and add important volumes to the Alvheim FPSO. Production will increase and contribute to our ambition to produce one billion barrels through the FPSO while the incremental emissions from the Frosk project will be low. The Frosk project fits very well to Aker BP's “low cost, low carbon” strategy,” says Alvheim VP Operations & Asset Development, Thomas Hoff-Hansen.

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About Aker BP:

Aker BP is an independent E&P company with exploration, development and production activities on the Norwegian Continental Shelf. Aker BP is the operator of Alvheim, Ivar Aasen, Skarv, Valhall, Hod, Ula and Tambar. The company is also a partner in the Johan Sverdrup field. Aker BP is headquartered at Fornebu, Norway, and is listed on the Oslo Stock Exchange under the ticker 'AKRBP'. More about Aker BP at www.akerbp.com.