



Major investments on the Norwegian shelf: Aker BP submits record number of field development plans

16 December 2022

Today, Aker BP and its partners are submitting a total of ten PDOs (plans for development and operation) and one plan for installation and operation (PIO) to the Ministry of Petroleum and Energy (MPE). With total investments of more than NOK 200 billion in real terms, these Aker BP-operated oil and gas projects represent one of the largest private industrial developments in Europe.

“The scope of the development plans we are submitting to the Minister of Petroleum and Energy is a manifestation of our ambition to create the oil and gas company of the future – with low costs, low emissions, profitable growth and attractive returns,” says Aker BP CEO Karl Johnny Hersvik.

A summary of the projects is included towards the end of this press release. Further details about each project are available on www.akerbp.com and can be accessed via these links:

- [Yggdrasil](#) (formerly NOAKA)
- [Valhall PWP-Fenris](#)
- [Skarv Satellite Project](#)
- [Utsira High](#)

Uniquely positioned

Total recoverable resources in these development projects amount to 730 million net barrels of oil equivalent for Aker BP. The projects will also contribute to extending the life of existing production and enable future growth opportunities.

The company's share of the investments is approximately 70 percent, amounting to approximately USD 19 billion in nominal terms. The average break-even price is estimated to USD 35-40 per barrel.

Along with several measures to increase efficiency and recovery, these development projects will enable Aker BP's oil and gas production to grow from around 400,000 barrels per day in 2022 to around 525,000 barrels in 2028.

“We are uniquely positioned for profitable growth, not least through our role as operator for several of the major field developments on the Norwegian shelf in the years ahead. This gives us a great opportunity to lead the way in transforming the oil and gas industry, in close cooperation with our licence partners, our alliance partners and other strategic partners,” Hersvik says.

“Through the development of the Yggdrasil area (formerly NOAKA), which is the largest of the projects, we aim to set new standards for field development and operation using new technology, data-driven decisions and work processes, remote

operations and unmanned platforms,” says Hersvik.

Industry leader in low emissions

Aker BP's CO₂ emissions per barrel are among the lowest in the entire oil and gas industry. The emission intensity will be further reduced when these new projects, which will predominantly receive power from shore, come on stream. This is an important element in the company's strategy to achieve net zero emissions by 2030.

“We take the global climate challenges seriously, and we have a three-pronged strategy to meet the world's growing need for energy while simultaneously contributing to reduce emissions. We will deliver oil and gas with a minimum climate footprint. We will generate revenue that can be used to facilitate the energy transition. And we will contribute knowledge, data and experience to support new industries. This creates growth and improvement that reach far beyond our own business. These development projects provide an important foundation for this strategy,” says Hersvik.

Creates jobs, builds expertise

Hersvik points out that the stimulus package adopted by a broad parliamentary majority in the summer of 2020 has been important for both the supplier industry and for the society at large.

“The stimulus package allowed oil companies to embark upon new commitments, in the midst of a pandemic, and in an increasingly uncertain world. The wheels started turning again. Now here we are, just over two years later, seeing the direct results of that stimulus package,” Hersvik emphasises.

Aker BP's operated development projects are expected to contribute to more than 150,000 full-time equivalents in Norway in supplier companies across the country. In addition to ensuring activity and jobs, the projects contribute to developing technological expertise in the Norwegian industry in the period before renewable projects are expected to increase in scale. (The employment numbers include induced effects (consumer effects) and are presented in the Impact assessments for the respective projects.)

Massive tax revenues for Norway

Aker BP is already the largest taxpayer in Norway that is not state owned and expects to pay more than NOK 80 billion in taxes for 2022.

“With an average oil price of USD 65 per barrel, these development projects will generate net tax payments to the Norwegian state totalling NOK 160 billion in real terms, and thus make an important contribution to financing welfare schemes and strengthen the state's ability to support the energy transition, says Hersvik.

Awarding billion-kroner contracts

In connection with the PDO submissions, Aker BP has awarded a number of contracts to alliance partners and other strategic suppliers. The total value of the contract awards amounts to tens of billions of kroner. See articles on the individual PDO handovers for details.

The awards are aligned with Aker BP's strategy to increase value creation by establishing alliances and strategic partnerships with our suppliers.

Official hand-over on 16 December

The development plans will be handed over to Minister of Petroleum and Energy Terje Aasland at an event in Aker BP's offices on **Friday 16 December 2022 at 09.00 CET**. The event will be webcasted and can be accessed on www.akerbp.com.

The hand-over will also be highlighted at the Norwegian Petroleum Directorate on Friday, 16 December, at 13.00.

Overview: PDO projects submitted to the authorities

The development projects are grouped into four main areas.

Yggdrasil (formerly NOAKA)

This is the next large field development on the Norwegian shelf, located between Alvheim and Oseberg in the North Sea, and contains several discoveries with total recoverable resources of around 650 mmboe. New names will be used for licence groups and facilities. The development concept consists of an unmanned production platform to the north (Munin, formerly Krafla), a process platform with well bay area and living quarters (Hugin A, formerly NOA) to the south and a normally unmanned wellhead platform on Frøy (Hugin B) which will be tied back to Hugin A. Yggdrasil represents a comprehensive subsea development with a total of nine subsea templates. The plan calls for 55 wells in the area, which will be developed using power from shore.

Until now, Equinor has been the operator for Krafla. Upon submission of the plan for development and operation, the field name is changed to Munin. Aker BP will take over as operator, and will hence be operator for the entire area in both the development and operations phases.

- Total investments are estimated at NOK 115 billion (real-2022 terms)
- Recoverable resources estimated at 650 mmboe
- Production start planned in 2027
- Licence partners are Aker BP, Equinor and LOTOS

Valhall PWP – Fenris (formerly King Lear)

This unitised development includes a new process and wellhead platform (PWP) bridge-connected to the Valhall field centre, and an unmanned wellhead platform on Fenris that will produce through a 50 km pipeline to Valhall PWP. Valhall PWP will have an essential role in the further development of the Valhall area. Gas production from Fenris will make a significant contribution to long-term and predictable gas supplies to Europe.

- Total investments estimated at NOK 50 billion (real-2022 terms)
- Reserves estimated at 230 mmboe
- Production start planned in 2027
- Licence partners are Aker BP, PGNiG Upstream Norway and Pandion Energy

Three developments in the Skarv area (Skarv satellite project)

These developments include the Alve Nord, Idun Nord and Ørn gas and condensate discoveries in the northern part of the Norwegian Sea. The fields will be developed using subsea solutions connected to the production vessel on the Skarv field (Skarv FPSO). The developments will be carried out as a joint project – the Skarv satellite

project (SSP). These developments will contribute to continued high production and an extended lifetime for Skarv FPSO.

- Total investments estimated at NOK 17 billion (real-2022 terms)
- Recoverable resources estimated at 120 mmboe
- Production start planned in 2027
- Licence partners are Aker BP, Equinor, PGNiG Upstream Norway and Wintershall DEA

Utsira High

Three satellite projects will utilise capacity on Edvard Grieg and Ivar Aasen on the Utsira High in the North Sea. New names will be used for licence groups and facilities. Symra (formerly Lille Prinsen) will be a tie-in to Ivar Aasen while Solveig Phase 2 and Troidhaugen (formerly Rolvsnes) will be tied into the Edvard Grieg platform. For Solveig Phase 2, a report will be submitted to the MPE, rather than a separate PDO.

- Total investments estimated at NOK 21 billion (real-2022 terms)
- Recoverable resources estimated at 124 mmboe
- Production start planned in 2026 / 2027
- Licence partners are Aker BP, Equinor, Sval Energi, OMV and Wintershall DEA

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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, Edvard Grieg, 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.

This information is subject to disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act and requirements under the EU Market Abuse Regulation.