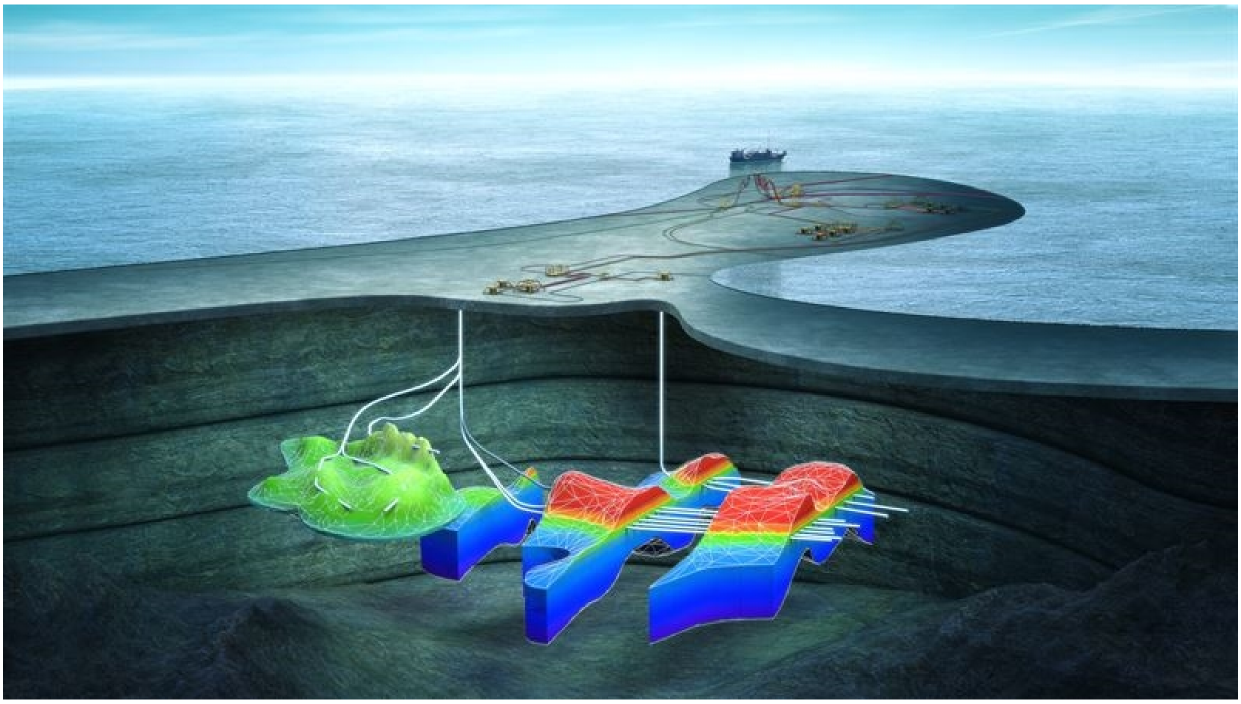
Kobra East & Gekko (KEG) on stream ahead of plan

Aker BP (OSE: AKRBP) (OTCQX: AKRBF; AKRBY) is pleased to announce that production has started from Kobra East & Gekko (KEG) in the Alvheim area. KEG is operated by Aker BP, with ConocoPhillips Skandinavia AS as partner.



When submitting the Plan for Development and Operation (PDO) for KEG to the Ministry of Petroleum and Energy in June 2021, the target was start-up of production in the first quarter of 2024.

“The KEG project execution is a fantastic example of what we can achieve with the alliance model, working as one team with our suppliers towards a common goal and with shared incentives,” says Aker BP CEO, Karl Johnny Hersvik.

“The successful start-up of production from KEG also represents a new chapter in Alvheim’s proud history of being among the most cost-efficient oil and gas producers on the Norwegian shelf with a resource base that has multiplied since start-up,” Hersvik adds.

World class drilling performance
In addition to starting up the production from KEG several months earlier than estimated, the project has been delivered under the original budget of NOK eight billion.

“This has really been a one team project where alliance partners and strategic suppliers have delivered safely and efficiently and with a continuous search for improvements,” says KEG project manager, Ronny Åsbø.

The KEG development has involved a real marathon under the seabed, as about 42 kilometres from a total of four multi-branch wells in the reservoir have been drilled. Drilling costs make up a major part of the investments in the project.

“The drilling performance at KEG has been world class. This has contributed significantly to the safely and successful “below budget and ahead of schedule” deliveries. There have as well been very good deliveries from the other delivery lines in the project” Åsbø points out.

CO_2 emissions per barrel significantly reduced
The KEG development comprises the two discoveries Kobra East and Gekko in licence 203. The field has been developed with subsea installations connected to the production vessel on the Alvheim field (Alvheim FPSO), which is located in the Norwegian part of the central North Sea near the UK border.

Recoverable reserves in KEG PDO are estimated at around 40 million barrels of oil equivalents (mmboe).

With KEG in production, CO_2 emissions per barrel will be significantly reduced and oil production from the Alvheim FPSO substantially increased.

Bringing Alvheim to 2040
“The KEG project adds important volumes to the existing production capacity at Alvheim FPSO and will enable extended lifetime up to 2040. The ongoing Tyrving project, which is estimated to come on stream in 2025, will add further production to the FPSO,” says Alvheim Director, Ine Dolve.

“The partnership also sees great opportunities for adding further discoveries to the existing infrastructure in the area,” adds Dolve.

Since the start-up of production from Alvheim in 2008, nearly 600 million barrels of oil equivalent have been produced from the area.

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About Aker BP:
Aker BP is a company engaged in exploration, field development and production of oil and gas on the Norwegian continental shelf. The company operates the field centres Alvheim, Edvard Grieg, Ivar Aasen, Skarv, Ula and Valhall, and is a partner in the Johan Sverdrup field. Aker BP is headquartered at Fornebu, Norway, and is listed on Oslo Børs under the ticker AKRBP. More about Aker BP at www.akerbp.com.