



## Submitting Plan for Development and Operations (PDO) for Ærfugl

**Aker BP ASA (Aker BP) has, on behalf of the joint venture partners, submitted the Plan for Development and Operations (PDO) for Ærfugl to the Norwegian Ministry of Petroleum and Energy (MPE).**

The Ærfugl field, including Snadd Outer, is a unique gas condensate field, nearly 60 km long and just 2-3 km wide, situated close to the Aker BP-operated Skarv FPSO, approximately 210 km west of Sandnessjøen.

The PDO covers the full-field development and includes the resources in both the Ærfugl and Snadd Outer fields which are planned to be developed in two phases. The first phase includes three new production wells in the southern part of the field tied into the Skarv FPSO via a trace heated pipe-in-pipe flowline, in addition to the existing A-1 H well. Production is planned to begin in late 2020.

The second phase is subject to further maturation, but the reference case includes two additional wells in the northern part of the field and one in Snadd Outer also tied into the Skarv FPSO with an estimated production start late 2023. Other alternatives will be looked at to select the optimized concept.

### Highly attractive and robust development

The total remaining reserves for the full-field development are estimated at approximately 275 million barrels of oil equivalents.

Total investments in the Ærfugl project are estimated at NOK 8.5 billion (real terms) with NOK 4.5 billion in the first phase and NOK 4.0 billion in the second phase (reference case) respectively.

The Ærfugl development represents a significant opportunity with highly attractive and robust economics. In addition, the Ærfugl development will extend the economic field life of the Skarv FPSO and allow for increased recovery from the Skarv field itself.

### SURF and SPS contracts awarded

On 11th December, Aker BP, on behalf of the Ærfugl partners, entered into Ærfugl field development contracts with Subsea 7 for Subsea Umbilical Riser Flowline (SURF) and with Aker Solutions for Subsea Production System (SPS).

The contracts' cover Phase 1 of the project with an option for the Phase 2 scope.

The Ærfugl partnership awarded the contracts to Subsea 7 and Aker Solutions based on the implementation of new technology and safe, cost-effective solutions. The Ærfugl project will be organized and executed as a part of Aker BP's alliance model.

Both contracts were awarded following the approval by the MPE for making early project commitment, and subject to the final approval of the PDO.

*Joint Venture partners in Ærfugl (Skarv Unit) are Aker BP ASA (operator, 23.835%), Statoil Petroleum AS (36.165%), DEA Norge AS (28.0825%) and PGNiG Upstream Norway AS (11.9175%). Partners in Snadd Outer (PL 212 E) are Aker BP ASA (operator, 30%), Statoil Petroleum AS (30%), DEA Norge AS (25%) and PGNiG Upstream Norway AS (15%).*

**PS:** In November 2017, the Ministry of Petroleum and Energy approved a new name for Ærfugl (formerly Snadd).

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### About Aker BP:

*Aker BP is a fully-fledged 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 'AKERBP'. More about Aker BP at [www.akerbp.com](http://www.akerbp.com).*

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