

Dreamliner MST well on production, successful project

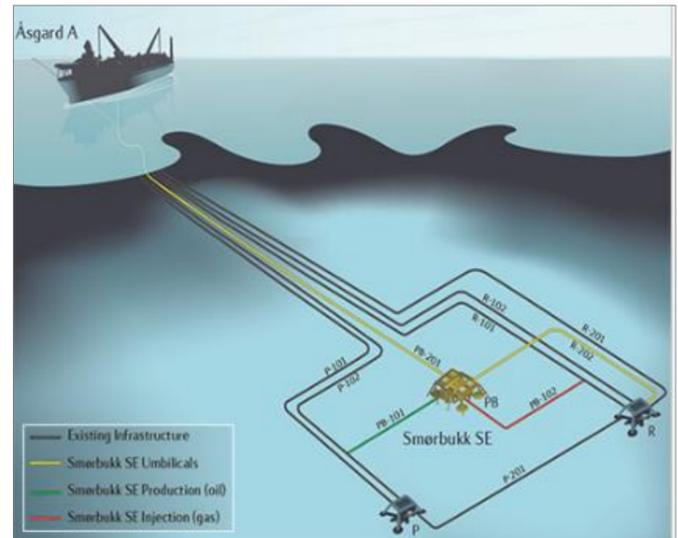
On September 4th, Statoil announced commencement of production from the Smørbukk South well which has Fishbones' Dreamliner MST system installed in one of the laterals. The development project including a dual lateral oil producer was completed two and a half years after project sanction, on time and below budget. Statoil considers the offshore project at the Åsgard field a world class project in production from tight formations.

The field was discovered in 1985, but due to low permeability, the expected volumes were regarded as not economical to develop. The hydrocarbons in the Smørbukk South Extension project are located in reservoirs with varying porosity ranging from what Statoil describes as "bricks to tiles".

Initial production rates are in accordance with Statoil's pre-drilling expectations, and although it's early days, the project is so far considered a success.

"This is an important step forward in testing and implementing a technology that enables increased oil recovery from reservoirs where methods of fracking is not feasible. The experience gained with long reservoir sections and «fishbones» opens up several new projects both at the Åsgard field and elsewhere on the NCS," stated the asset owner representative, Ove Andre Pettersen.

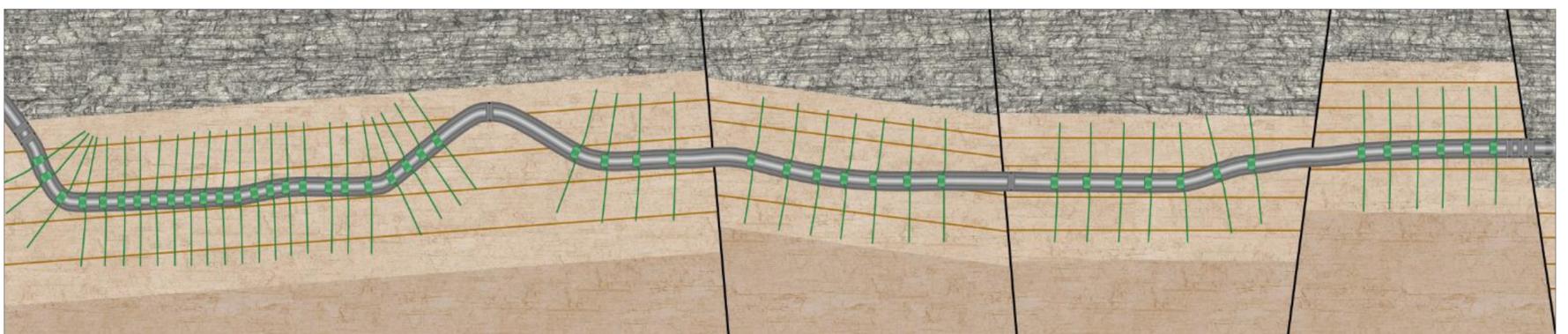
Fishbones deployed 48 Dreamliner subs over the 2012m (6,600ft) open hole interval to a TD of 6546m MD (21,474ft). Subsequent mud circulation over a period of 6 hours, utilizing only rig pumps, effected drilling of 144 needles creating laterals extending in a radial pattern from the mother bore. The main objectives for using Dreamliner MST were to connect the reservoir without the risk for stimulating into the higher permeable gas formation below the target sand.



Smørbukk South Extension layout. Source: Statoil



Dreamliner MST sub on drill floor



Schematic of lateral with 48 each Dreamliner MST subs

"We are very pleased to learn that installation of Dreamliner technology assists Statoil to increase the window of available hydrocarbons in their portfolio. The concept of Fishbones technology is to connect the well with the reservoir. The results from Smørbukk South indicate that the Dreamliner installation has successfully met this main objective. Significant credit is given to our partners Statoil, Eni and Lundin for their excellent support during the 3-year long Joint Industry Project, going from a conceptual idea to delivering qualified Dreamliner technology for an offshore well installation. We would also like to thank Innovation Norway and the Norwegian Research Council for their contribution.", states Fishbones CEO Eirik Renli.