



**Trondheim, 15 September, 2008**

### **Frøy Development Receives Full Support**

**Det norske oljeselskap ASA submitted on Friday 12 September a Plan for Development and Operation (PDO) for the Frøy Field to the Norwegian Ministry of Petroleum and Energy, with support from both partners in Production License (PL) 364.**

Det norske oljeselskap ASA is operator and a 50 percent owner in PL 364. Premier Oil Norge AS is 50 percent partner in the license.

This is the first time in 12 years that an independent Norwegian oil company submits a PDO. Recoverable reserves from the Frøy Field are estimated at 56 million barrels, with an initial production of about 28,000 barrels per day.

Erik Haugane, CEO of Det norske, is very pleased with the decision now made by the license partners. He believes that the authorities will endorse the plan.

– Det norske is very pleased that Premier Oil Norge now has given its full support to the plan. With today's oil prices, we expect to produce oil for more than 30 billion NOK. This represents significant value for both the license holders as well as the Norwegian society.

#### **Major Agreement**

Det norske has already entered into a Heads of Agreement with Teekay Petrojarl AS regarding lease of a jack-up production unit for the Frøy Field. The Contractor shall build and operate the production unit, which is estimated to start producing on the Frøy Field during Q3 2012. The duration of the Lease and Operation Contract will be 10 years, with an optional extension for another five years (five times one year). The Agreement is based on current market terms.

#### **New Platform**

Frøy will be developed with a jack-up platform containing drilling and production facilities. Oil will be stored in a tank located on the seabed prior to offloading to shuttle tankers for transport to the market. The produced gas, together with water, will be injected into the reservoir as pressure support, thus enhancing recovery. The field will be produced with eight wells. A drilling unit on the platform renders it possible to maintain an active development program throughout the field's lifetime. On a license basis, investments are expected to amount to NOK 2.1 billion from 2012, this is mainly related to drilling activities. The field will be operated from Trondheim with base functions located in Stavanger.

#### **About the Frøy Field**

The Frøy Field is located in the vicinity of the Heimdal Field, 200 km west of Haugesund. This is an area containing several smaller oil discoveries that have not been developed. In addition, there is promising exploration potential in the area, and more exploration wells will be drilled in adjacent licenses over the next years. Det norske is the operator of two licenses in this area, and license partner in two other licenses. Det norske aims to develop this area further by utilizing the Frøy platform as a hub in support of such a development. The platform will be accommodated to receive production from other fields.

In January 2008, the license partners decided to prepare a Plan for Development and Operation (PDO) for the field, and Det norske and Premier have since cooperated on the final PDO. The

Heads of Agreement is conditional upon finalization of the negotiation of the Lease and Operation Contract after approval by the Board of Directors of Teekay Petrojarl AS, as well as approval by the Boards of Directors of Premier Oil plc. and Det norske. It is also conditional upon approval of the PDO for the Frøy Field by the authorities.

Investor Contacts:

Erik Haugane, CEO, tel. +47 90 72 16 55

Finn Øistein Nordam, CFO, tel. +47 98 28 93 82

Knut Evensen, Vice President Investor Relations, tel. +47 95 07 76 22

*About Det norske:*

*Det norske is the second-largest operating company on the Norwegian Continental Shelf with 24 operatorships and interests in a total of 46 licenses. In 2008, the company will participate in the drilling of eight to nine exploration wells, whereof three are operated by us. Det norske's scope of activities is limited to the Norwegian Continental Shelf (NCS).*

*Det norske currently employs a staff of 120, and the strong growth rate continues. The company's registered office is located in Trondheim. Headquarter functions are divided between Oslo and Trondheim. The company also has offices in Harstad and Stavanger.*

*Det norske oljeselskap ('DET NOR') emerged as a result of the combination between Pertra and DNO's Norwegian operations.*

*For more information about Det norske, see [www.detnor.no](http://www.detnor.no)*