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TELLUS - ANOTHER OIL DISCOVERY IN PL338

Lundin Norway AS, a wholly owned subsidiary of Lundin Petroleum AB (Lundin Petroleum), operator of production licence 338, has completed well 16/1-15 on the Tellus prospect as an oil discovery. The well has been successfully tested and a comprehensive logging and coring program has been acquired. The well will now be sidetracked to appraise the Tellus discovery to ensure it will be included in the Luno development program.

Oil was proven in a 50 meter column including a 3 meter thick lower Cretaceous sandstone with excellent reservoir quality overlying porous, fractured basement. The oil is of the same type as found in Luno, and the Tellus discovery is most likely a northern extension of the Luno field.

Two successful reservoir tests have been completed. The first test was perforated in a fractured basement interval and produced 650 BOPD, through a 40/64" choke. This is the first successful full scale basement test on the Norwegian continental shelf. The second test was perforated in the overlying sandstone interval and produced 3900 BOPD through a 40/64" choke. This test showed very good flow properties and good pressure support.

An estimate of the discovered resources will be announced once the sidetrack has been completed.

Lundin Petroleum is the operator of PL338 with 50 percent interest. Partners are Wintershall Norge ASA with 30 percent and RWE Dea Norge AS with 20 percent interest.

Ashley Heppenstall, President and CEO of Lundin Petroleum comments: *"We are very pleased with this latest discovery which has proven a likely extension of the Luno field. The location of the Tellus discovery to the Luno field will allow us to fast track the development of Tellus by including it into the Luno development plan. The basement discovery is also material and has the potential to open further prospectivity in the Greater Luno area and provides us with excellent data in relation to the earlier Luno South basement discovery."*

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