



25 April 2012

### **Solan oil field development gets Secretary of State's consent**

Chrysaor Limited (Chrysaor) is delighted to announce that it has received approval for the development of the Solan oil field from the Secretary of State for Energy and Climate Change, together with its partner Premier Oil (Chrysaor 40%, Premier 60%).

Solan is a Jurassic field and is expected to produce approximately 40 million barrels of oil over its lifetime, with initial production of around 24,000 barrels of oil per day. First oil is targeted to commence in the fourth quarter of 2014.

The field is contained within UK licence P164 covering UK block 205/26a in 135 metres of water off the West of Shetlands. It was originally discovered in the 1990s but remained inactive until it was rescued by Chrysaor in 2007 as part of DECC's fallow discovery initiative. Chrysaor carried out two successful appraisal drilling campaigns, in 2008 and 2009, before approaching potential partners. Premier farmed-in to the field in 2011.

An agreement has been entered into with Awilco Drilling for the provision of the WilPhoenix for Solan drilling commencing in the second quarter of 2013. It is expected that the packages for the procurement and fabrication of the topsides and jacket will be awarded shortly to the UK's Burntisland Fabrications, while the contract for the installation of the jacket, topsides and subsea tank has been awarded to Heerema.

As agreed at the time Premier joined the project in May 2011, Premier has been appointed operator and will lead a joint team to execute the field development plan. Chrysaor will, subject to the necessary DECC consents, become production operator upon completion of the development plan. Contingent on achieving certain future economic thresholds agreed with Premier; Chrysaor also has the option to increase its share in the field to 50%.

Chrysaor's Managing Director and CEO Phil Kirk said: "Solan was a fallow discovery until Chrysaor took ownership in 2007. The development consent from the Secretary of State is excellent news and is testament to the hard work and technical skills of the team over the last four years. I am especially pleased that a number of UK oil sector service, supply and fabrication companies will directly benefit from the project in addition to the wider UK economy."

For further information contact:

**Chrysaor**

Phil Kirk, MD and CEO

Tel: +44 20 3178 7738

**Kreab Gavin Anderson**

Ken Cronin, Kate Hill, Andy Jones

Tel: +44 20 7074 1800

## **NOTES TO EDITORS**

### **About Chrysaor**

Chrysaor Holdings Limited is wholly owned by the management team, Barclays Natural Resource Investments ('BNRI') which is a division of Barclays Capital, and a fund managed by Natural Gas Partners ('NGP').

Chrysaor is an exploration and production company primarily focused on the development and commercialisation of dormant oil and gas discoveries and incremental reserves.

Chrysaor Limited is a UK wholly owned subsidiary of Chrysaor Holdings Limited and owns 40% of the Solan licence P164 covering UK block 205/26a and 100% of the Phoenix discovery in licence P1578 covering UK block 13/22b.

Chrysaor has an experienced management team, with a proven track record of delivering real value in both public and private companies latterly as part of the CH4 Energy Limited ("CH4") team that operated the Markham, J3-C, Windermere and Chiswick fields in the UK & the Netherlands.

The Chiswick field was successfully developed by CH4; from gaining operatorship in January 2006 to platform install in August 2006 and first gas in Q1 2007. At the same time as developing Chiswick CH4 installed a low-pressure compression platform at Markham significantly increasing recoverable reserves in the area and enabling further third-party tiebacks. After the Chiswick & Markham compression platforms were installed CH4 was sold to Venture Production PLC in 2006 for €225 million.