

Glossary of Oil and Gas Terms

“Appraisal well”	A well drilled to follow up a discovery and evaluate its commercial potential
“bbl”	Barrel of oil, condensate or natural gas liquids
“Bcf”	Billion cubic feet of gas
“Bcfe”	Billion cubic feet of gas equivalent
“bcpd”	Barrels of condensate per day
“Bnbbl”	Billion barrels
“boe”	Barrels of oil equivalent
“boepd”	Barrels of oil equivalent per day
“bopd”	Barrels of oil per day
“Btu”	British thermal unit, being the amount of energy required to heat 1 pound (0.454 kg) of water by 1 °F (0.556 °C) at a constant pressure of one atmosphere
“Contingent Resources”	Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorised in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by their economic status
“deg API”	A measure of how heavy or light petroleum liquid is compared with water
“Dwt”	Dead weight tonnage
“Farm-in”	To acquire an interest in licence from another party
“Farm-out”	To assign an interest in licence to another party
“field”	An area consisting of either a single reservoir or multiple reservoirs, all grouped on or related to the same individual geological structural feature and/or stratigraphic condition
“First Oil”	First successful crude oil production
“Formation”	A body of rock that is sufficiently distinctive and continuous that it can be mapped
“Ft”	Feet
“GOR”	Gas Oil Ratio
“GIIP”	Gas Initially In Place

“Hydrocarbons”	Compounds formed primarily from the elements hydrogen and carbon and existing in solid, liquid or gaseous forms
“IFRS”	International Financial Reporting Standards
“Joint Venture or JV”	A group of companies who share the cost and rewards of exploring and producing oil and gas
“km”	Kilometre
“km²”	Square kilometre
Lead	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation in order to be classified as a prospect
“Major”	Major international oil company
“m”	Metres
“Mbbbl”	Thousand barrels of oil, condensate or natural gas liquids
“Mbopd”	Thousand barrels of oil per day
“Mcf”	Thousand cubic feet of gas
“Mcfpd”	Thousand cubic feet of gas per day
“mmbbl”	Million barrels of oil, condensate or natural gas liquids
“mmboe”	Million barrels of oil equivalent
“mmBtu”	Million Btu
“mmcf”	Million cubic feet of gas
“mmcfe”	million cubic feet of gas equivalent
“mmcfpd”	Million cubic feet of gas per day
“mmtpa”	Million metric tonne per annum
“NPV8”	Net present value discounted at 8% per annum
“Operator”	A company which organises the exploration and production programmes in a permit or licence on behalf of all the interest holders in the permit or licence.
“OML”	Oil Mining Licence
“OPL”	Oil Prospecting Licence
“Probable”	Probable reserves are those unproved reserves which analysis of geological and engineering data suggests are more likely than not to be recoverable. In this context, when probabilistic methods are used, there should be at least a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated Proved plus Probable reserves.

“Prospective Resources”	Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity
Prospect”	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.
“Proved”	Proved reserves are those quantities of petroleum, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate
“psi”	Pounds per square inch
“reservoir”	A subsurface body of rock having sufficient porosity and permeability to store and transmit fluids
“spud”	To commence drilling a well
“STOIP”	Stock Tank Oil Initially In Place
“Tcf”	Trillion cubic feet of gas
“working interest (WI)”	FHN’s share of the field based on FHN’s equity share of the field including pre-payback and post pay-back equity percentages and before deduction of royalties
“1P”	Proven
“2P”	Proven and probable
“3P”	Proven, probable and possible
“3D”	Three-dimensional