

ANNUAL STATEMENT OF RESERVES 2013 DNO INTERNATIONAL ASA



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1 Introduction and summary

1.1 Introduction

This reserves and resource evaluation report has been prepared in accordance with the Oslo Stock Exchange listing and disclosure requirements, circular no. 4/2013.

The report provides the status of hydrocarbon reserves and contingent resources as at 31 December 2013 for the license portfolio of DNO International ASA (DNO or Company). International petroleum consultants DeGolyer and MacNaughton (D&M) have carried out an independent assessment of the majority of the Company's assets. Assets with no or minor changes in reserves or resources since 31 December 2012 have been assessed by the Company.

1.2 Summary

As of 31 December 2013, DNO's remaining proven and probable (2P) company working interest (CWI) reserves are estimated at 507.1 million barrels of oil (MMbbls) including condensate and other liquids and 195.4 billion cubic feet (Bcf) of gas, equivalent in aggregate to 541.9 million barrels of oil equivalents (MMboe). These volumes represent the Company's commercial reserves, class 1-3, under the Norwegian Petroleum Directorate (NPD) classification. The comparable figure as at 31 December 2012 was 520.3 MMboe.

Total 2P reserves and 2C contingent resources on a net CWI basis to DNO, corresponding to class 1-7 under the NPD classification, are estimated at 641.3 MMboe at year-end 2013, up from 603.0 MMboe in class 1-7 from the year before.

2 Operational highlights 2013

During 2013, the Company further consolidated its position as a leading operator in the Kurdistan region of Iraq. At the Tawke field the Company continued to make good progress towards its ambitious capacity expansion plans, and in particular recorded great success with the application of horizontal drilling at the field. Elsewhere in Kurdistan, the Company commenced development of the Summail gas field, submitted a field development plan (FDP) for the Peshkibir oil field and continued appraisal drilling and early development of the Benenan and Bastora heavy oil fields. In Oman, production almost doubled year-on-year at Block 8 and in Yemen production was in line with expectations. The Company recorded significant exploration drilling success in 2013 with two new oil discoveries, and materially grew its exploration and appraisal portfolio with the addition of four new blocks located in both frontier and established hydrocarbons basins.

2.1 Kurdistan region of Iraq

At the Tawke field the Company began production from two new horizontal wells and one vertical production well in 2013. Production began from the Tawke-19 vertical well during the first quarter. The first horizontal well, Tawke-20, completed in July and set a record production rate for a Tawke well at 25,000 barrels of oil per day (bopd) having flowed an average rate of 8,000 bopd from each of ten fracture corridors tested in the Cretaceous reservoir. In September, the Tawke-23 horizontal well, located six kilometers away, reached a total depth of 2,800 meters and encountered continuous oil shows throughout a 930 meter horizontal section in the Cretaceous reservoir. The Company subsequently undertook an extensive test program and flowed an average rate of 9,000 bopd from each of the ten fracture corridors tested. Once testing was completed, production began at a rate of 32,500 bopd, a new record for a single well at the field. Both wells are subject to wellbore and surface facilities limitations.

The Tawke-17 exploration well was completed in June and, at 4,775 meters, is the deepest well drilled by the Company in the Tawke field to date. Its primary objective was to test the deeper prospective resource potential of Jurassic and Triassic reservoirs underlying the currently productive Cretaceous intervals. The well encountered oil and gas shows in the target formations and an extensive test program was undertaken focusing on seven, newly identified reservoir intervals with production potential. The Jurassic Sargelu reservoir interval flowed 1,500 bopd of 26° to 28° API oil. Triassic zones that were tested proved to be either tight or water bearing.

The Tawke-21 and Tawke-23 horizontal wells were spudded in the third quarter of 2013, targeting the western and northern areas of the Cretaceous reservoir, respectively. Both wells were drilling at year-end with no results available.

Gross full-year average daily production at the Tawke field was 36,693 bopd in 2013 (22,823 bopd on a net CWI basis to DNO).

The Peshkabir oil discovery was further evaluated in 2013. Following the submission of a Discovery Notice and Declaration of Commerciality to the Kurdistan Regional Government (KRG) in relation to the Peshkabir discovery (Peshkabir-1) during 2012, the Company submitted a FDP covering a limited extent of the structure during the fourth quarter of 2013. Preparations for further appraisal activity targeting undrilled areas of the large Peshkabir structure were undertaken in 2013, with an aim to test the significant upside potential.

At the Dohuk license the Company signed a Gas Sales and Purchase Agreement (GSPA) with the KRG in September 2013 to supply gas from the previously discovered Summail field. The gas will help displace diesel currently used to generate electricity in a 500 MW power plant in the city of Dohuk located 40 kilometers from the field. Gas will be sold on a take-or-pay basis for the duration of the Production Sharing Contract (PSC) or until deliveries reach one trillion cubic feet. The price of gas will range between USD 3 and USD 4 per thousand cubic feet over the life of the contract. The GSPA is the first such agreement to be signed with a state buyer in Kurdistan. Gas will be transported by a new 36-inch pipeline to what is intended to become the regional gas gathering and distribution network. Following the fast-track development of the Summail field, the Company will shift its focus to appraisal of the Dohuk license oil potential.

At the Erbil license, both the Benenan and Bastora fields were further appraised with successful results. The Benenan-3 well was completed in 2013 and temporary production facilities installed to initiate early sales. The Benenan-4 appraisal well was designed to test an undrilled part of the Benenan field. The well encountered strong oil shows and good porosity across several intervals in the Najmeh formation, proving oil outside the previously mapped closure and confirming significant upside to oil in place volumes. The Company intends to test the well and incorporate it into an early production phase together with the Benenan-3 well, with early production facilities installed in 2013. This phase is designed to gather information on fluid and reservoir properties, long-term productivity and, vertical and lateral communication in reservoir intervals. At the Bastora field, the Bastora-2 well was drilled and completed, with temporary production facilities installed during 2013. The well's purpose was to appraise and test the Qamchuga reservoir. Early production and further evaluation at the Benenan and Bastora fields will continue during 2014 to better define the upside potential identified. Longer term, the Company has initiated studies to determine the full field development options for both the Benenan and Bastora fields.

2.2 Yemen

DNO drilled wells on each of its operated licenses in Yemen during 2013. The Salsala-1 exploration well, drilled on Block 32 in October, led to a new oil discovery on the Meshgha structure. The well was directionally drilled to a total depth of 4,147 meters and encountered oil shows in the Shuqra formation which was perforated over a 32 meter interval, acidized and tested. The well flowed naturally at a rate of 5,900 bopd of 36° API oil before being choked back to 3,400 bopd due to

limited surface storage capacity. Although oil shows were also encountered in the underlying Kohlan formation, testing of this interval resulted in a low oil rate.

On Block 43 the Nabrajah-9S3 pilot well was drilled and the follow-up Nabrajah-18S/S2 well initiated. The purpose of the wells is to evaluate additional potential in the Shuqra dolomite and basement formations.

Three wells were completed on Block 47: Yaalen-4, Yaalen-4S and Yaalen-5. All wells were designed to be future Qishn producers as part of the Yaalen field development.

Production in Yemen decreased slightly year-on-year in 2013, due to natural decline in the Company's mature fields.

Gross full-year average daily production from the Yemen fields was 9,707 bopd in 2013 (3,906 bopd on a net CWI basis to DNO).

2.3 Oman

At Block 8 offshore Oman, drilling of the Bukha-4 well and geological side-track was completed in April 2013. The well is currently under observation and technical studies are undertaken to assess potential future options to establish the well as a gas producer.

During the second quarter, the West Bukha-5 and West Bukha-3 well interventions were completed. The Wasia reservoir interval in the West Bukha-5 well was perforated and successfully stimulated, with good flow rates achieved. Following perforation and acid treatment, the West Bukha-3 well intervention was found initially to have insufficient pressure to flow across the test vessel. However, since year-end, the well has been successfully brought into production. In December the Company commenced a rig-based workover of the West Bukha-5 well. Reprocessing of the West Bukha 3D seismic data and a review of the reservoir model are underway to evaluate possible new drilling targets in Block 8.

Gross full-year average daily production at the West Bukha and Bukha fields was 13,814 bopd and 36.2 million cubic feet per day (MMcfd) of marketable gas (6,446 barrels of oil equivalents per day or boepd) in 2013 (10,130 boepd on a net CWI basis to DNO).

2.4 Ras Al Khaimah

Flowing the partially depleted Wasia reservoir on an intermittent basis, the Saleh field produced 9,910 barrels of condensate and 95.9 million cubic feet of gas net to the Company.

Drilling of the offshore Saleh-8 well was concluded in September. The 5,205 meter well, including a 327 meter horizontal section, targeted the Thamama reservoir and delivered initial rates of 15 MMcfd of gas and 1,000 barrels per day of condensate. The well subsequently exhibited a decline in flowing well head pressure and rates, along with increasing water production. Saleh-8 has been tied into the existing infrastructure to enable production and pressure monitoring. In the interim, artificial lift studies are being undertaken on the partially depleted upper Wasia reservoir.

2.5 Tunisia

At the Fkirine license onshore Tunisia, reprocessing and interpretation of 2D seismic data is ongoing. At the Hammamet offshore license, a 2D seismic acquisition is required to better define three identified prospects.

3 MD&A

3.1 Disclaimer

The report, including this Management's Discussion and Analysis (MD&A), contains and was prepared, *inter alia*, on the basis of forward-looking information and statements. Such information and statements are based on management's current assumptions, expectations, estimates and projections and are therefore subject to risks and uncertainties that could cause actual results, performance or events to differ materially. The Company can give no assurance that those assumptions, expectations, estimates and projections will occur or be achieved and readers should not place undue reliance on forward-looking statements. Forward looking statements are generally identifiable by their use of terms such as "expect", "believe", "estimate", "may", "plan", "could", "will", "intend", "schedule" and similar terms or expressions. There are a number of factors that could cause actual results or events to differ materially from those underlying forward-looking information and statements. These factors include, among others: technical, geological and geotechnical conditions; economic and market conditions in or affecting the geographic areas and industries that are or will be major markets for DNO; oil and gas price fluctuations; market acceptance of new products and services; changes in laws and governmental regulations; political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities; delays or advancements in the approval of projects and delays in the reimbursement for shared costs; the risk of doing business in developing countries and countries subject to international sanctions; fluctuations in interest rates or currency exchange rates; and other such factors that may be discussed from time to time in the MD&A. All forward-looking statements contained in the report, including this MD&A, are expressly qualified in their entirety by the cautionary statements contained in this disclaimer. Additionally, DNO makes no representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of these forward-looking statements and the MD&A, and neither DNO nor any of its directors, officers or employees will have any liability to the readers resulting from reliance on these forward-looking statements and this MD&A.

3.2 Assumptions and methodology

DNO's reserve updates are done in accordance with standard guidelines advised by the Society of Petroleum Engineers (SPE)^{1,2} and comply with the Oslo Stock Exchange disclosure requirements, circular no. 4/2013.

The estimation and auditing of reserves are undertaken in accordance with generally accepted engineering and evaluation principles. It should be noted that reserves information is imprecise due to inherent uncertainties in, and the limited nature of data upon which the reserves are predicated.

DNO has an independent reserve review committee, consisting of competent professional geoscientists, engineers and economists, to facilitate the reserve review and reporting process and ensure compliance with standards and procedures. The committee collects and coordinates the review of all technical data, and provides a full report of the Company's reserves and resources to the Managing Director for review and approval.

For the 2013 reporting, D&M has carried out the reserve assessment for the following DNO assets:

- Kurdistan: Tawke, Peshkabir, Bastora, Benenan and Summail
- Oman: Bukha and West Bukha
- UAE: Saleh and RAK B
- Yemen: Nabrajah Deep, Salsala and Yaalen

¹ For a full description of these guidelines and definitions, see www.spe.org

² http://www.spe.org/industry/reserves/docs/Reserves_Audit_Standards_2007

Assets with no or minor changes in reserves or resources since 31 December 2012 have been assessed by the Company. Economically recoverable reserves have been calculated based on the input for the technical reserves and economic parameters such as license terms and projected future oil prices.

The reserves reported here are restricted to those volumes expected to be economically recovered prior to the expiry date of the license.

3.3 Oil price

The forward curve for Brent blend as at 31 December 2013, adjusted for quality differences, has been used for economic evaluation of reserves and calculation of net entitlement reserves.

For fields in the decline phase with relatively limited remaining field life, fluctuations in the oil price could have a significant impact on the profitability and also the economic cut-off point for production.

3.4 Ownership

DNO's interest in most licenses in its portfolio is governed by a production sharing agreement, which sets out the manner in which oil and gas produced in the license is to be shared between the government and the holders of that license. Under such an agreement, the ownership of unexploited resources remains with the government whereas exploration and production activities are to be carried out by the license holders.

DNO and its joint venture partners, if any, typically bear all risks and costs of exploration, development and production in these licenses. In return, if exploration is successful, DNO recovers its share of investments and operating costs from what is referred to as 'cost oil', being a percentage of oil and gas produced and sold, after deduction of the government's royalty (if any). In addition to cost oil, DNO is entitled to receive a share of the remaining production, after payment of the royalty and deduction of cost oil, which is normally referred to as 'profit oil'. Profit oil is shared among the government, on the one hand, and DNO and its joint venture partners, on the other hand, in accordance with percentage(s) set out in the production sharing agreement.

DNO's total entitlement is equal to the sum of its entitlements to cost oil and profit oil and takes into account DNO's share of any cost oil attributable to joint venture partners whose costs have been carried or advanced by DNO.

The government is sometimes entitled to receive a share of oil and gas production as a royalty payment in addition to a percentage of profit oil. In certain cases the government may also have a participating interest in the license itself through a government controlled enterprise. If so, the government will receive a corresponding share of profit oil through the government-controlled enterprise.

In the Kurdistan region of Iraq, DNO's participating interest in the Tawke PSC is 55 percent. DNO also funds a carried government interest of 20 percent in the license. DNO's share of cost oil therefore is 75 percent, while its share of the profit oil is 55 percent.

DNO's CWI share of production varies in each period, depending on cost oil received during that period. In tables 1 and 3 below, the CWI estimates for licenses in Yemen, Oman and the Kurdistan region of Iraq reflect carried interests in the relevant licenses (if any) and DNO's additional share of cost oil resulting from funding such carried interest.

The volumes of net entitlement in table 2 are based on economic evaluations of the license agreements, and include a volume representing the notional tax paid by the government on behalf of the contractors.

In Ras Al Khaimah, the fiscal structure for DNO's licenses is a tax/royalty regime. No taxes and royalties are paid until the development costs have been recovered, making the threshold field size for commerciality small and enhancing the economics of a field development. The Saleh and RAK B concessions are fiscally linked. DNO's entitlement share under this structure is equal to its participating share.

DNO believes that reporting CWI volumes facilitates comparison of hydrocarbons reserves across countries and regions that have different tax regulations or tax regimes. The volumes shown in table 3 are therefore based on DNO's CWI.

Net entitlement volumes are based on estimates related to future costs and oil prices. The net entitlement volumes may therefore fluctuate over time, even if there are no changes in the underlying reserve figures.

3.5 Independent expert assessment of reserves

D&M has carried out an independent assessment of the majority of the Company's assets. Assets with no or minor changes in reserves or resources since 31 December 2012 have been assessed by the Company. Class 1-3 commercial reserves are estimated based on production profiles applying assumptions defined by DNO.

4 Reserves by field

Volumes classified as reserves are those quantities of oil and gas which are anticipated to be commercially recovered from known accumulations from a given date to the end of the field life and within the license period. A summary of the remaining 2P reserves per field as at 31 December 2013 is given in table 1 (CWI) and table 2 (net entitlement). Table 3 shows a reconciliation of the changes in the reserves from 31 December 2012 (CWI) with all working interest and net entitlement volumes stated net of royalty.

4.1 Kurdistan region of Iraq

4.1.1 Tawke PSC

The Tawke field has a proven history of strong production performance; significantly the lack of water production indicates good communication throughout productive oil zones within the reservoirs. The field is covered extensively by high quality seismic data and ongoing drilling leads to refinements of the Company's reservoir models and enhances the understanding of field dynamics and ultimate production potential.

The gross remaining 2P reserves for the Tawke field are 713.6 MMbbls of oil (442.4 MMbbls on a net CWI basis to DNO), down from 722.2 MMbbls at year-end 2012. The reduction is due to production in 2013.

The produced volumes from the Tawke field in 2013 were 14.4 MMbbls (39,433 bopd) and cumulative production at end 2013 was 63.4 MMbbls. DNO plans to further expand production capacity at the field from current level of 100,000 bopd to 200,000 bopd by end 2014. Further drilling of development wells will be necessary to achieve optimal drainage and reservoir management.

For the Peshkabir field, where an initial FDP was submitted during the fourth quarter of 2013, the estimated 2P reserves are 32.2 MMbbls (20.0 MMbbls on a net CWI basis to DNO). This is based on the current limited appraisal status; significant contingent resources have been estimated for the field.

4.1.2 Erbil PSC

The Bastora and Benenan discoveries are both estimated to contain large volumes of oil in place. However the heavy nature of the oil and current limited information on reservoir properties lead the Company to adopt a comparatively low recovery factor estimate at this stage. The Bastora reserves are slightly up and currently estimated to be 11.9 MMbbls on a gross basis, with 5.5 MMbbls estimated on a net CWI basis to DNO. The Benenan reserves are currently estimated to be 58.0 MMbbls on a gross basis (27.0 MMbbls on a net CWI basis to DNO), up from 30.8 MMbbls at end 2012.

4.1.3 Dohuk PSC

In 2013, a FDP for the Summail gas field was submitted, a gas sales purchase agreement signed and development activities initiated on a fast track basis. The gross remaining 2P reserves for the Summail gas field are 340.3 Bcf gas (165.0 Bcf gas on a net CWI basis to DNO). In barrels of oil equivalent terms, this equates to 60.6 MMbbls gross (29.4 MMbbls on a net CWI basis to DNO).

4.2 Yemen

4.2.1 Block 32 Tasour and Godah

As at end 2013, remaining recoverable 2P reserves for the Tasour field have been estimated to be 1.6 MMbbls on a gross basis and 0.6 MMbbls on a net CWI basis to DNO. The Godah field remaining recoverable 2P reserves have been estimated to be 0.9 MMbbls on a gross basis and 0.3 MMbbls on a net CWI basis to DNO.

4.2.2 Block 43 Nabrajah

As at end 2013, remaining recoverable 2P reserves for the Qishn field have been estimated to be 1.8 MMbbls on a gross basis and 1.2 MMbbls on a net CWI basis to DNO. Remaining recoverable 2P reserves for the deeper formations have been estimated to be 1.0 MMbbls on a gross basis and 0.6 MMbbls on a net CWI basis to DNO.

4.2.3 Block 47 Yaalen

The Yaalen field was first drilled in 2008, and confirmed as a commercial discovery by the Yaalen-3 well in 2010. A first phase development has been initiated and three development wells were drilled in 2013. As at end 2013, remaining recoverable 2P reserves for the Yaalen field have been estimated to be 6.5 MMbbls on a gross basis and 3.1 MMbbls on a net CWI basis to DNO.

4.2.4 Block 53 Sharyoof and Bayoot

As at end 2013, remaining recoverable 2P reserves for the Sharyoof field have been estimated to be 0.9 MMbbls on a gross basis and 0.3 MMbbls on a net CWI basis to DNO. For the Bayoot field the remaining recoverable 2P reserves have been estimated to be 2.4 MMbbls and 0.7 MMbbls on a net CWI basis to DNO.

4.3 Ras Al Khaimah

As at end 2013, Thamama recoverable 2P reserves have been removed from Saleh field estimates while the Wasia recoverable reserves have been moved to contingent resources. RAK B reserves have been moved to contingent resources, since the development of this field is contingent on development of the adjacent Saleh field.

4.4 Oman

Gross remaining recoverable 2P reserves for West Bukha and Bukha field, adjusting for gross full year 2013 production of 7.4 MMboe, are estimated to be 10.5 MMbbls of oil, condensate and other liquids and 60.7 Bcf of marketable gas (10.8 MMboe), of which 10.7 MMboe is net to DNO on a CWI basis.

5 Contingent resources

Contingent resources are those quantities of oil and gas which are estimated, on a given date, to be potentially recoverable from known accumulations, but which are not currently considered to be commercially recoverable, or where a FDP has not yet been submitted. DNO's reported contingent resources are included as resources class 4 (in the planning phase), class 5 (development likely but undecided) and class 7 (not yet evaluated) under NPD's classification system.

DNO holds a total of 99.4 MMboe in NPD class 4-7 on a net CWI basis to DNO. The contingent resources are well distributed across the DNO portfolio, with the most significant contributors located in Kurdistan. This includes Peshkibir, Tawke Euphrates, Bastora, Benenan and heavy oil on Summail.

Table 1 – Remaining reserves per field as of 31.12.2013 (CWI)

Reserves gross and company working interest (CWI)										
Region/License/Field	Proved (1P)					Proved + Probable (2P)				
	Gross liquids	Gross Gas		Interest	CWI	Gross liquids	Gross Gas		Interest	CWI
	(MMbbls)	(Bscf)	(Mmboe)	(%)	(MMboe)	(MMbbls)	(Bscf)	(Mmboe)	(%)	(MMboe)
Developed Assets										
Kurdistan Tawke PSC	342.3			62.0 %	212.2	713.6			62.0 %	442.4
Yemen Block 32 Tasour	1.0			39.8 %	0.4	1.6			39.8 %	0.6
Yemen Block 32 Godah	0.5			39.8 %	0.2	0.9			39.8 %	0.3
Yemen Block 43 Nabrajah	1.1			64.7 %	0.7	1.8			64.7 %	1.2
Yemen Block 43 Nabrajah Deep	0.3			64.7 %	0.2	1.0			64.7 %	0.6
Yemen Block 53 Sharyoof	0.8			31.6 %	0.3	0.9			31.6 %	0.3
Yemen Block 53 Bayoot	2.1			31.6 %	0.7	2.4			31.6 %	0.7
Oman Block 8 Bukha	0.6			50.0 %	0.3	0.9			50.0 %	0.5
Oman Block 8 West Bukha	5.8	40.2	7.2	50.0 %	6.5	9.6	60.7	10.8	50.0 %	10.2
Total Developed					221.5					456.9
Under Development Assets										
Kurdistan Erbil PSC Bastora	5.3			46.5 %	2.5	11.9			46.5 %	5.5
Kurdistan Erbil PSC Benenan	17.6			46.5 %	8.2	58.0			46.5 %	27.0
Kurdistan Dohuk PSC Summail	0.0	269.3	48.0	48.5 %	23.3	0.0	340.3	60.6	48.5 %	29.4
Kurdistan Tawke PSC Peshkabir	5.1			62.0 %	3.1	32.2			62.0 %	20.0
Yemen Block 47 Yaalen	3.7			48.5 %	1.8	6.5			48.5 %	3.1
Total Under development					38.9					85.0
TOTAL DNO International ASA					260.4					541.9

All volumes represent pre-tax share. Gross volumes include royalty, whereas CWI figures are net to DNO after royalty, and include DNO's share of cost oil attributable to joint venture partners whose costs have been carried or advanced by DNO.

Table 2 – Remaining reserves per field as of 31.12.2012 (net entitlement)

Reserves net entitlement									
Region/License/Field	Proved (1P)			Proved + Probable (2P)					
	Gross liquids	Gross Gas		Net entitlement	Gross liquids	Gross Gas		Net entitlement	
	(MMbbls)	(Bscf)	(Mmboe)	(MMboe)	(MMbbls)	(Bscf)		(Mmboe)	(MMboe)
Developed Assets									
Kurdistan Tawke PSC	342.3			61.6	713.6			118.5	
Yemen Block 32 Tasour	1.0			0.3	1.6			0.4	
Yemen Block 32 Godah	0.5			0.1	0.9			0.2	
Yemen Block 43 Nabrajah	1.1			0.5	1.8			0.8	
Yemen Block 43 Nabrajah Deep	0.3			0.1	1.0			0.4	
Yemen Block 53 Sharyoof	0.8			0.2	0.9			0.2	
Yemen Block 53 Bayoot	2.1			0.4	2.4			0.4	
Oman Block 8 Bukha	0.6			0.2	0.9			0.2	
Oman Block 8 West Bukha	5.8	40.2	7.2	3.2	9.6	60.7	10.8	5.3	
Total Developed				66.6				126.4	
Under Development Assets									
	Proved (1P)			Proved + Probable (2P)					
	Gross liquids	Gross Gas		Net entitlement	Gross liquids	Gross Gas		Net entitlement	
	(MMbbls)	(Bscf)	(Mmboe)	(MMboe)	(MMbbls)	(Bscf)		(Mmboe)	(MMboe)
Kurdistan Erbil PSC Bastora	5.3			1.2	11.9			2.2	
Kurdistan Erbil PSC Benenan	17.6			4.5	58.0			11.6	
Kurdistan Dohuk PSC Summail		269.3	48.0	17.9		340.3	60.6	21.0	
Kurdistan Tawke PSC Peshkibir	5.1			1.2	32.2			7.1	
Yemen Block 47 Yaalen	3.7			1.3	6.5			2.1	
Total Under development				26.1				43.9	
TOTAL DNO International ASA				92.7				170.3	

All volumes represent pre-tax share. Gross volumes include royalty, whereas net volumes are after royalty. The net entitlement reserves in Yemen, Oman and Kurdistan are based on economic evaluation of the license agreements and include a volume related to the notional tax paid on behalf of the contractors by the government. The estimates include DNO's share of cost oil attributable to joint venture partners whose costs have been carried or advanced by DNO.

Table 3 – Reserve development (CWI)

<i>Million barrels oil equivalents</i>	Developed Assets		Under development (transitional assets)		TOTAL	
	1P/P90	2P/P50	1P/P90	2P/P50	1P/P90	2P/P50
Balance as of 31.12.2012	234.1	476.7	10.2	43.6	244.3	520.3
Production	-14.1	-14.1			-14.1	-14.1
Acquisitions						
Divestments						
Extensions and discoveries						
New developments			26.4	49.3	26.4	49.3
Revision of previous estimate	1.5	-5.8	2.3	-7.9	3.8	-13.7
Balance as of 31.12.2013	221.5	456.9	38.9	85.0	260.4	541.9

The estimates represent DNO's pre-tax share excluding royalty but including DNO's share of cost oil attributable to joint venture partners whose costs have been carried or advanced by DNO.