



## PRESS RELEASE

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### **Hurricane Exploration discovers light oil in basement prospect, West of Shetlands**

Hurricane Exploration plc ("Hurricane") is pleased to announce that it has discovered light oil at its Lancaster basement prospect in Block 205/21a, West of Shetlands. Hurricane has a 100% interest in the licence block. Although the discovery is potentially very significant, data gathered during drilling, logging and production testing requires further analysis before estimates of potential reserves and productivity can be determined.

This is the first time a basement reservoir has been planned and drilled as an exploration target in the UKCS and it demonstrates the validity of Hurricane's geological model and view that basement reservoirs are a target for oil exploration in the UK. It is also believed to be the first confirmation of significant volumes of light oil in the West of Shetlands.

The Lancaster operation was successfully completed to the highest standards of health, safety and environmental protection which is testament to the professionalism and successful team work undertaken by Hurricane, Senergy (drilling services) and Dolphin Drilling (rig operator).

#### Highlights:

- Light oil (34-39.2° API)
- Oil flowed to surface during operations over reservoir section under its own energy
- Hurricane's geological model for basement reservoirs demonstrated as valid
- Target basement reservoir zones fractured and permeable
- Hydrocarbons encountered below originally-mapped structural closure
- First time a basement reservoir targeted as an exploration well in the UKCS
- Basement drilling undertaken within budget and confirmed as technically viable
- Basement drilling extended by 225m (vertical depth) due to positive drilling data
- Well suspended for further testing and/or appraisal

Unfortunately, efforts to carry out a comprehensive production test were curtailed due to malfunctioning test equipment and inclement weather.

Hurricane is however in the process of embarking on a thorough evaluation of the wealth of data gathered during the drilling, logging and incomplete testing operations of this well. The preliminary results are extremely encouraging and Hurricane intends to return to the Lancaster prospect in 2010 either to:

- re-enter the Lancaster well to undertake an extended well test; or
- drill an appraisal well

Dr. Robert Trice, Chief Executive and Exploration Director of Hurricane Exploration plc commented:

"We are delighted that the Lancaster discovery has validated our geological model regarding this prospect. The existence of light oil in the Lancaster reservoir not only significantly de-risks our other basement prospects but is also extremely positive news for West of Shetlands exploration. We have clearly taken huge strides forward with this well but further testing and/or drilling operations will be required before we can confirm the discovery's true commercial potential."

**Contact details:**

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Notes to editors:

**Fractured basement reservoirs** are a specific type of fractured reservoir associated with igneous and metamorphic rocks and are typically found as buried hill and faulted horst combination traps. Some of the globally most significant fractured basement reservoirs include Aguila Nafoora (Libya), Bach Ho (Vietnam), La Paz (South America) and Zeit Bay (Egypt). Exploration interest in basement reservoirs has increased due to recent successes in Yemen and Vietnam. Hurricane believes that fractured basement reservoirs represent a significant untapped hydrocarbon play in the UKCS.

**Hurricane Exploration plc** is an oil and gas exploration company headquartered in the UK. It is privately-funded and was founded in 2005 by Dr Robert Trice, a recognised industry specialist in fractured reservoir evaluation, and James Hudleston, a successful business entrepreneur. Hurricane's current business is based on UK exploration, but the company has the intention to expand its current exploration portfolio by acquiring acreage outside of the UK.

Hurricane comprises a small technical team who are focused on realising shareholder value through the exploration of niche hydrocarbon plays. Such plays have become viable due to a number of factors including a greater understanding of the regional geology, advances in technology and a supportive oil price. The Hurricane team share the belief that corporate growth can be achieved through an innovative and creative approach to exploration, coupled with the application of specialist geoscience technology and niche expertise within the company.

Hurricane is committed to operating safely and with no adverse effects to the environment. Consequently Hurricane operates a fully certified environmental management system.

Hurricane is the Operator of two offshore and two onshore licences in the UK and has a portfolio which includes third-party verified contingent resources, ready to drill prospects and exploration leads.

Further information on Hurricane can be found on [www.hex-plc.com](http://www.hex-plc.com).

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