



## **BARRYROE WELL SUCCESSFULLY FLOWS OIL AND GAS**

- **WELL FLOWS AT A STABILISED RATE OF 3,514 BOPD & 2.93 MMSCFGD (4,000 BOEPD)**
- **ANALYSIS CONFIRMS HIGHLY MOBILE LIGHT SWEET OIL**
- **UPPER GAS BEARING ZONE BEING PREPARED FOR TESTING**

Providence Resources P.L.C., ('Providence') the London (AIM) and Dublin (ESM) quoted oil and gas exploration and production company is pleased to provide an operational update on its ongoing well operations in the North Celtic Sea Basin, offshore southern Ireland. The 48/24-10z Barryroe appraisal well is located in c. 100 metre water depth, c. 50 kilometres offshore Ireland in Standard Exploration Licence (SEL) 1/11 in the North Celtic Sea Basin. Providence (80%) operates SEL 1/11 on behalf of its partner Lansdowne Oil & Gas plc (20%).

A 24' thick net pay interval in the oil bearing basal Wealden sandstone section was perforated as the first phase of the well testing programme. Stabilized flow rates of 3,514 BOPD & 2.93 MMSCFGD (4,000 BOEPD) were achieved through a 68/64" choke with a well head pressure of 517 psia without the use of artificial lift. The well was tested using vacuum insulated tubing over just the upper c. 2,600' of the total c. 7,400' test string length due to equipment availability constraints. As expected, laboratory reservoir fluid analysis confirms that the oil is light with a gravity of 42° API and a wax content of 20%. The oil is highly mobile with an in-situ reservoir viscosity of 0.68 centipoises and a gas-oil ratio of c. 800 SCF/STB.

The upper gas bearing basal reservoir zone is currently being prepared for testing and flow rates from this section are planned to be comingled with the basal oil zone to assess any additional flow rate potential. After these operations are completed, it is planned to suspend the well for potential sidetrack drilling. All data obtained from these operations will be integrated with the 3D seismic acquired in 2011.

Commenting on today's announcement, Tony O'Reilly, CEO of Providence said:

*"We are pleased to report flow rates of 3,514 BOPD which materially exceed our stated pre-drill target of 1,800 BOPD. The well has also confirmed that the basal sands are laterally continuous, highly productive and that the oils are of a very high quality. Our comprehensive wire-line logging programme has revealed the seismic signature of the basal sands and can therefore be used to map these intervals directly in the 3D seismic volume for field volumetric determinations and sidetrack well planning. The most recent development planning carried out by RPS Energy cites the*

use of high angle oil production wells which should provide significant incremental production potential over this simple vertical well.

*“Given that we only assumed operatorship of Barryroe in late 2010, I would like to pay tribute to all of the team members who have helped to deliver such a successful outcome to this programme (site survey, 3D acquisition/processing, rig procurement, drilling & testing) within such a challenging 15 month timeline.”*

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## **ABOUT PROVIDENCE**

Providence Resources Plc is an Irish based oil and gas exploration company whose shares are traded on the AIM market in London and on Dublin's ESM market. Providence's portfolio of production, appraisal and exploration assets includes licence interests in Ireland (offshore) and the United Kingdom (onshore & offshore). In 2011, Providence announced plans to invest with its partners upwards of \$500 million in the drilling of a number of exploration and development wells in 6 different basins offshore Ireland. This multi-year programme represents the largest drilling campaign ever carried out offshore Ireland. [www.providenceresources.com](http://www.providenceresources.com).

## **ABOUT BARRYROE**

The Barryroe licence lies directly below the Seven Heads Gas Field and has previously been successfully tested at flow rates of 1,300 and 1,500 BOPD from the Middle Wealden and 1,600 BOPD from the basal Wealden, from three exploration and appraisal wells. The reservoir sands are of Cretaceous Middle and Lower Wealden age located between c. 4,500' TVDSS and 7,550' TVDSS. The oil is light (30 to 42° API) with a wax content ranging from 12 to 22 per cent. Providence holds an 80% interest in the licence and operates on behalf of its partner Lansdowne Oil and Gas Plc (20%).

In 2010 a third party audit carried out by RPS Energy for Lansdowne Oil & Gas plc indicated combined Middle and Lower Wealden P50 and P10 STOIP estimates for Barryroe of 373 MMBO and 893 MMBO, respectively. The corresponding 2C and 3C Barryroe technically recoverable contingent resources are 59 MMBO and 144 MMBO, respectively.

In 2011, Providence entered into a MOA with Shell Trading and Marketing to agree an oil off-take agreement for future Barryroe oil production.

## **GLOSSARY**

TVDSS	True Vertical Depth Subsea
° API	Measurement Of Oil Gravity
BOPD	Barrels of Oil per Day
BOEPD	Barrels of Oil Equivalent per Day
MMSCFGD	Millions of Standard Cubic Feet of Gas per Day
SCF/STB	Standard Cubic Feet/Stock Tank Barrel

**ANNOUNCEMENT**

This announcement has been reviewed by John O'Sullivan, Technical Director, Providence Resources P.l.c. John holds a B.Sc. in Geology from University College Cork, Ireland, an M.Sc. in Applied Geophysics from the National University of Ireland, Galway and a M.Sc.in Technology Management from The Smurfit School of Business at University College Dublin. John is presently working part-time on a PhD dissertation at Trinity College, Dublin. John has worked in the offshore business for 20 years and is a fellow of the Geological Society of London and member of The Petroleum Exploration Society of Great Britain. Definitions in this press release are consistent with SPE guidelines.

SPE/WPC/AAPG/SPEE Petroleum Resource Management System 2007 has been used in preparing this announcement.