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## **SINGLETON SNX-10 WELL OPERATIONAL UPDATE**

- **NEW WELL SUCCESSFULLY IN PRODUCTION**
- **AVERAGE TESTED FLOW RATES OF c.250 BOPD**
- **WELL PERFORMANCE SUBSTANTIALLY AHEAD OF PRE-DRILL EXPECTATION**
- **INCREASE IN FIELD OIL PRODUCTION OF 50% TO c. 750 BOPD**
- **POSITIVE RESULT SUGGESTING FURTHER MATERIAL ADDITIONAL RESERVE POTENTIAL**

Providence Resources P.l.c., the London (AIM) and Dublin (IEX) listed oil and gas exploration and production company, is pleased to announce that it has successfully brought the Singleton SNX-10 development well on to production and that the flow rates considerably exceed the pre-drill estimate.

The SNX-10 development well was brought on to production on 27<sup>th</sup> April and following an initial clean up period, well testing has confirmed the SNX-10 well producing at an average rate of c. 250 BOPD. The success of the well is substantially above the pre-drill estimate, which was expected to be 150 BOPD. Total Singleton field production is now c. 750 BOPD, or c. 950 BOEPD when the associated gas production\* is included. Providence holds a 99.125% interest and operates the Singleton field, with Noble Energy holding the remaining 0.875%.

A review of the data supports the revised Singleton reservoir model which was used to locate the SNX-10 well. This model has also revealed a significant number of other projects that could further enhance both the production rates and ultimate reserve potential of the Singleton Field. Providence has already high-graded a number of these projects with a view to potential execution later in 2009. In addition, drilling and completion technologies such as geo-steering, bespoke concentric jet pump completion design and acid stimulation were instrumental in the SNX-10 success and will now become integral tools in the next steps in the re-development of the Singleton Field.

Speaking today, Tony O'Reilly, Chief Executive of Providence, said:

"The results have been exceptional, not only has there been a material increase in daily production rates at Singleton with the addition of this new well, but equally importantly, the results support our pre-drill reservoir modeling, which sends out a strong signal for further reserve and production additions through future drilling and well re-completion.

"Despite having almost reached our 2010 Singleton production goal of 1,000 BOEPD, we are continuing to evaluate further potential projects for execution during 2009 which should continue to increase production rates and grow the reserve base."

\* Only a small proportion of the produced gas is used for operations, with the remaining portion currently being flared. The Company is in the process of finalising plans to monetize this flared gas.

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## **NOTES TO EDITORS**

### **About Providence**

Providence Resources P.I.c. is an independent oil and gas exploration company listed on the AIM market in London and on Dublin's IEX market. The Company was founded in 1997, but with roots going back to 1981 when its predecessor company, Atlantic Resources Plc was formed by a group of investors led by Sir Anthony O'Reilly. Providence's active oil and gas portfolio includes interests in Ireland (offshore), the United Kingdom (onshore), the United States (onshore and offshore) and West Africa (offshore Nigeria). Providence's portfolio is balanced between production, appraisal and exploration assets, as well as being diversified geographically. Comprehensive information on Providence and its oil and gas portfolio, including all press releases, annual reports and interim reports are available from Providence's website at [www.providenceresources.com](http://www.providenceresources.com).

### **About Singleton**

The Singleton Oil Field is located 7 km north of Chichester in onshore licence PL 240 in the Weald Basin, South of England. The field consists of two east west trending elongate horst blocks divided by a narrow graben. The wells produce from the Jurassic-aged Great Oolite formation, consisting predominantly of oolitic grainstones deposited during transgressive/regressive episodes. Since production commenced in 1986, the field has produced c. 3.7 MMBO, which represents a recovery factor to date of c. 3.5%. Published data from similar fields in the area suggest an ultimate recovery factor of up to c.10% should be achievable. Recent studies (2008) suggested an original oil in-place resource of up to c.107 MMBO, a 50% increase over previous estimates which indicates that there is up to c. 7 MMBO of potential remaining reserves. The produced oil is a 37° API gravity crude and is trucked to the Holybourne Rail terminal. Excluding the new results from X-10, current production from the field is averaging c. 500 BOPD and c. 1.2 MSCFGD\* (c. 700 BOEPD) from six wells. Providence holds a 99.125% interest and operates the Singleton Field, with Noble Energy holding the remaining 0.875%.

### **About L99/02-SWD (SNX-10)**

During 2008, Providence commissioned a number of internal and third party studies to assess the redevelopment potential and ultimate resource base of the Singleton Field. These studies confirm that increased recovery rates are possible and as a result, Providence commenced a phased programme of targeted development drilling, well stimulation and work-over activities with the objective of both accelerating production and increasing reserves. The SNX-10 well represented the first phase of this field redevelopment, with the well programmed to target potential zones of under swept oil within the Singleton Field. In March, the Company completed drilling operations on the L99/02-SWD (SNX-10) development well at its Singleton Field in the Weald Basin, onshore United Kingdom. This development well was drilled to a total measured depth (MD) below rotary table of 13,001 ft (4,158 ft true vertical depth subsea) using the Larchford Drillmaster 1 drilling rig.

The SNX-10 development well targeted two Middle Jurassic intervals which form the primary reservoirs for the Singleton Field. Analysis of the well log data demonstrate that the well encountered a total cumulative net reservoir section of c. 1,060 ft MD. Analysis of the log results confirm that both reservoir zones are hydrocarbon bearing. Reservoir quality is in line with pre-drill expectations, however 'sweet spots' exhibiting logged porosities of up to 21% were encountered. This well is the first on the field to be geo-steered with the total well length and trajectory being refined during drilling using real-time down-hole data. This technology allowed for the optimization of the well path as the hydrocarbon bearing reservoir intervals were being drilled.

### **Terms used in this Announcement**

MMBO Millions of Barrels of Oil

BOPD Barrels of Oil per Day

BOEPD Barrels of Oil Equivalent per Day

MSCFGD Millions of Standard Cubic Feet of Gas per Day

This Announcement has been reviewed by John O'Sullivan, Exploration Manager, Providence Resources P.I.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 19 years and is a fellow of the Geological Society of London. Definitions in this press release are consistent with SPE guidelines.