

# Europa Oil & Gas



## Update on Key Assets

*introduction*

*uk*

east midlands production base  
uk onshore exploration

*romania*

carpathian exploration and appraisal

*france*

aquitaine hpht gas project

*new ventures*

# Europa Oil & Gas

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## introduction

# Europa Oil & Gas



AIM listed European focused E&P

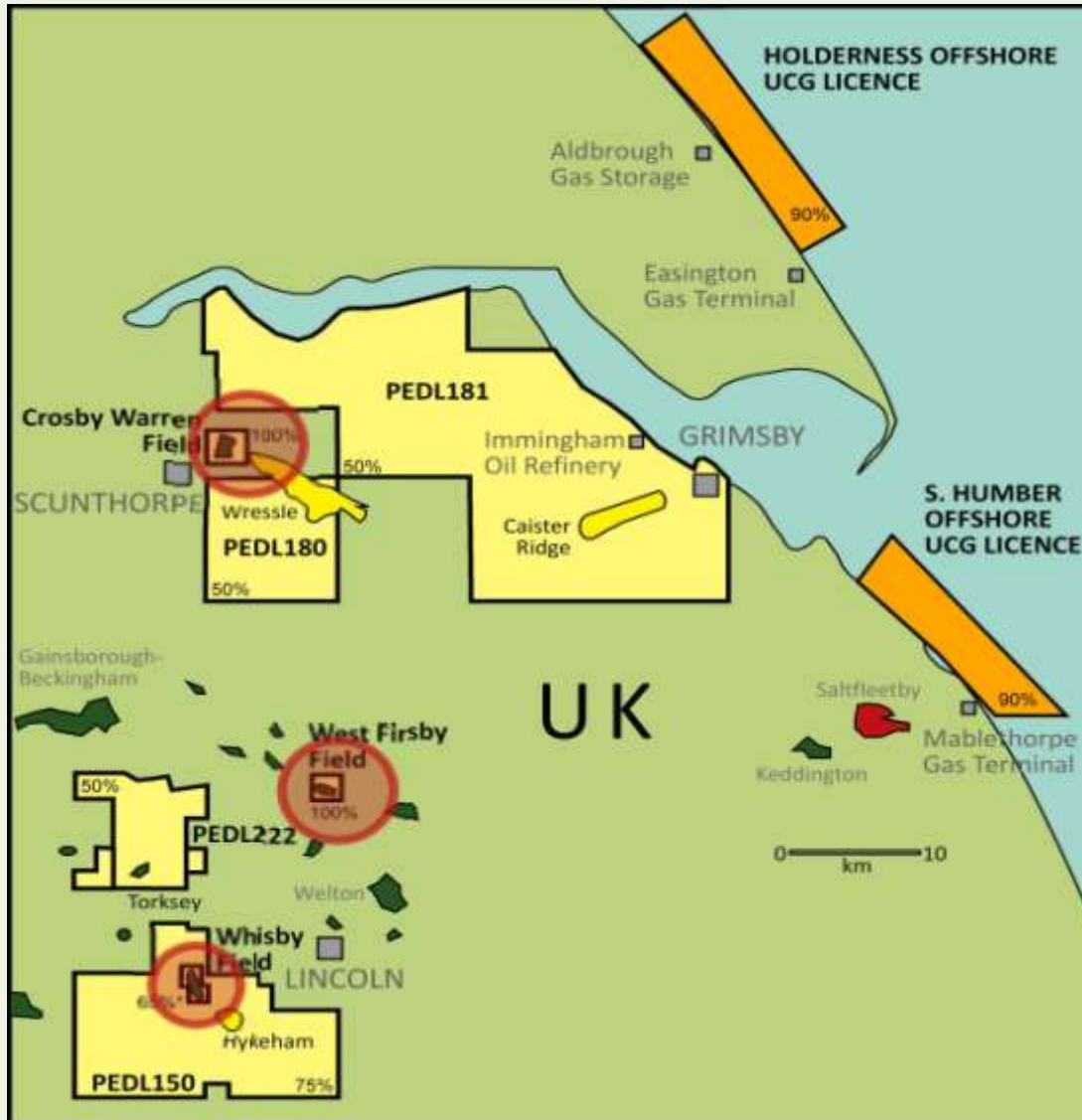
Asset base across UK, France, Romania

Mix of producing, appraisal and exploration assets

Current Market Cap c.£30 million

FY 2010 Revenues £3.1 million

# east midlands production base



3 producing oilfields:

2 operated 100%

1 non-operated 65%

exploration and  
unconventionals

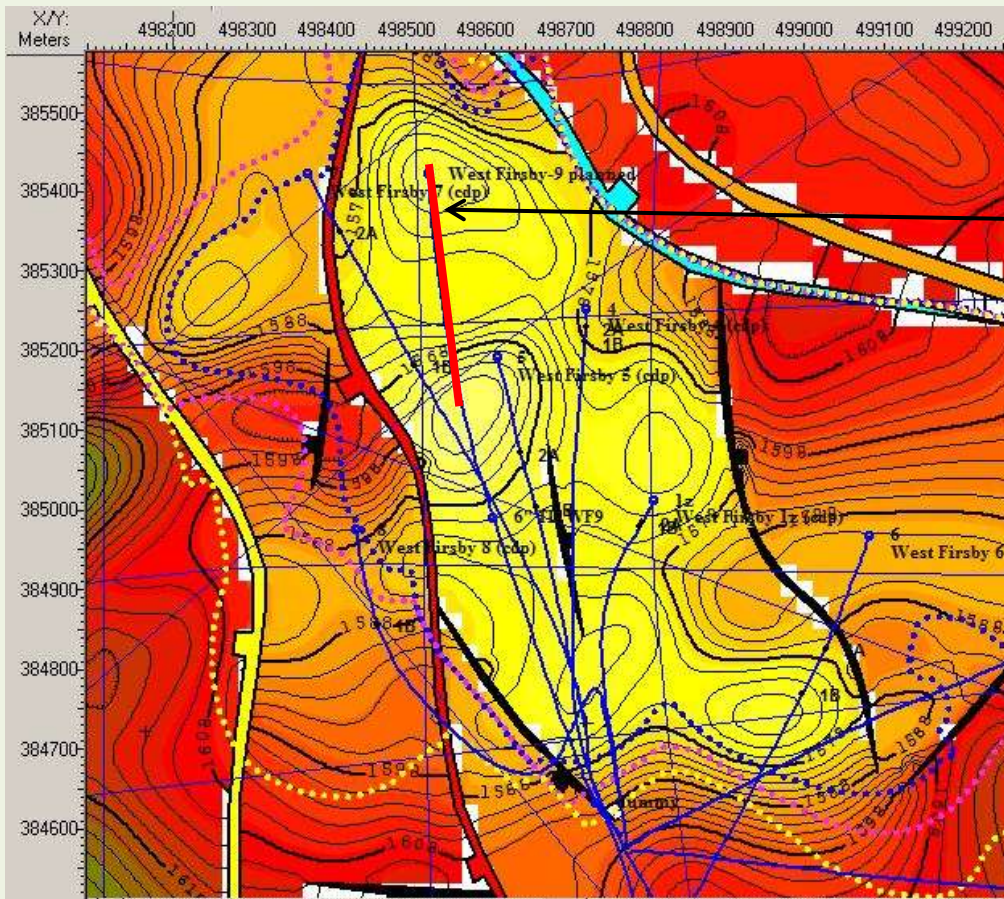
# east midlands production base

## West Firaby Drilling Results

Recently completed WF-9. Two zones completed and tested on beam pump:

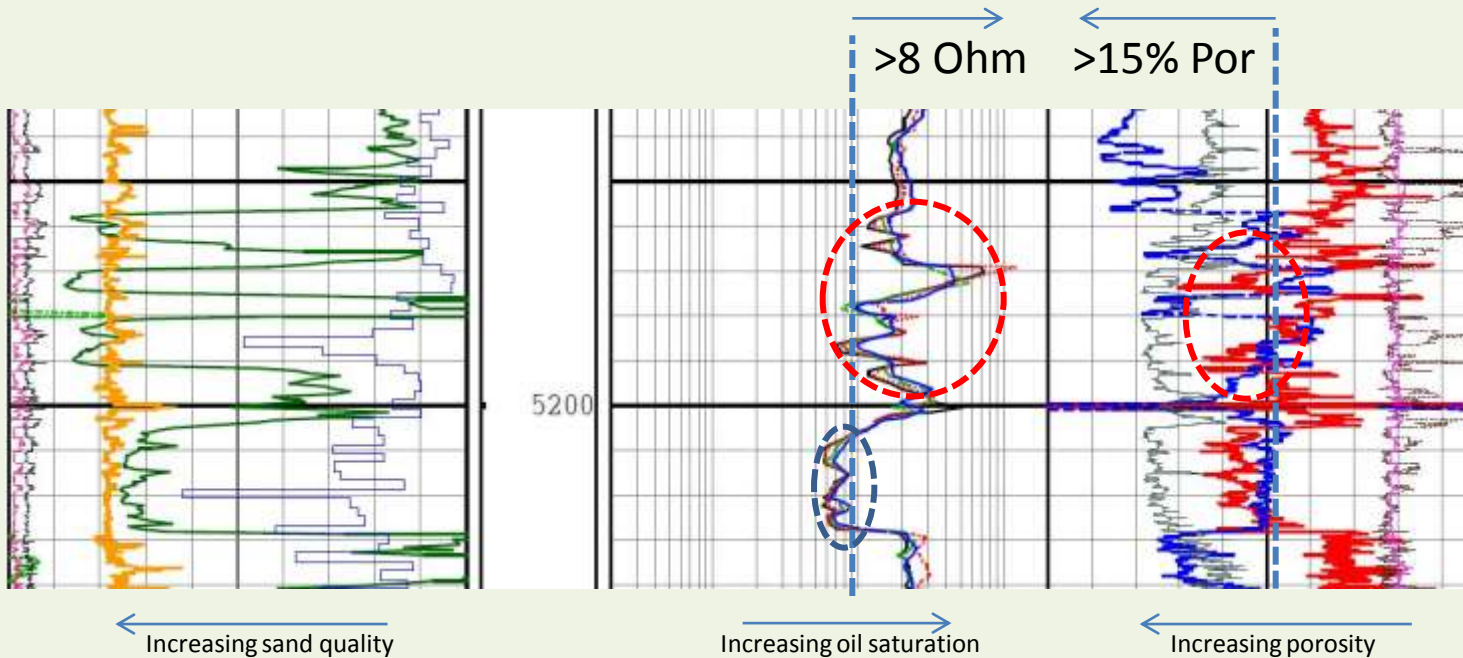
Zone 2: Test Rate 80bopd dry oil, suffered wax build-up and gas production

Zone 1: Test rate 40bopd, 330bwpd, drawdown only 300psi – lots of flow upside



WF-9 placed in northern part of field in high position in Zone 2

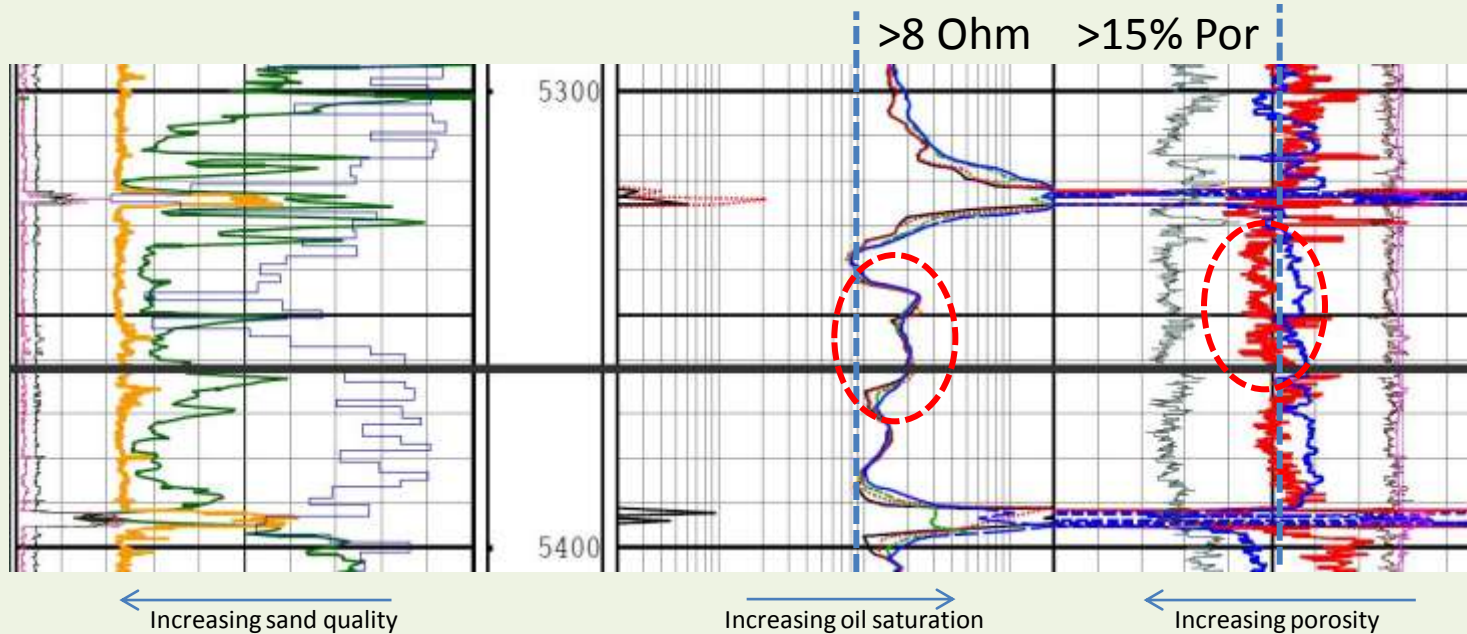
## east midlands production base



### WF-9 Zone 1

- Approx. 250 feet net measured thickness of reservoir
- Upper three sand units (1A) reading above 8 ohm pay cutoff
- Lower two sands in 1A with over 15% porosity
  
- Approx. 12% oil cut on test, beam pump only draws down c.300psi
- Lower part of 1B water-wet - this is reason for high water cut
- Jet Pump will drawdown the well to c.1,200psi to produce much higher rates
- WF-3 well was recently re-completed as a water injector – capable of 1500bwpd

## east midlands production base



### WF-9 Zone 2

- Approx. 230 feet net measured thickness of reservoir
- Most of the sequence reading above 8 ohm pay cutoff
- Upper part of sequence over 15% porosity
- Clear as to why dry oil, but unclear why only 80bopd
- Unlikely to be formation damage – openhole completion
- Wax build-up or inability of beam pump to cope with gas breakout
- Jet pump to mitigate against these two issues

# east midlands production base

## West Firsby

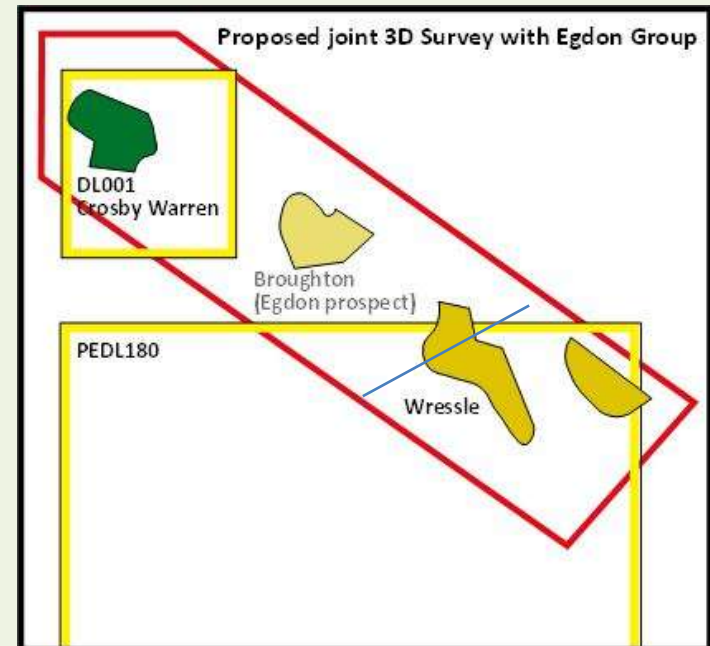
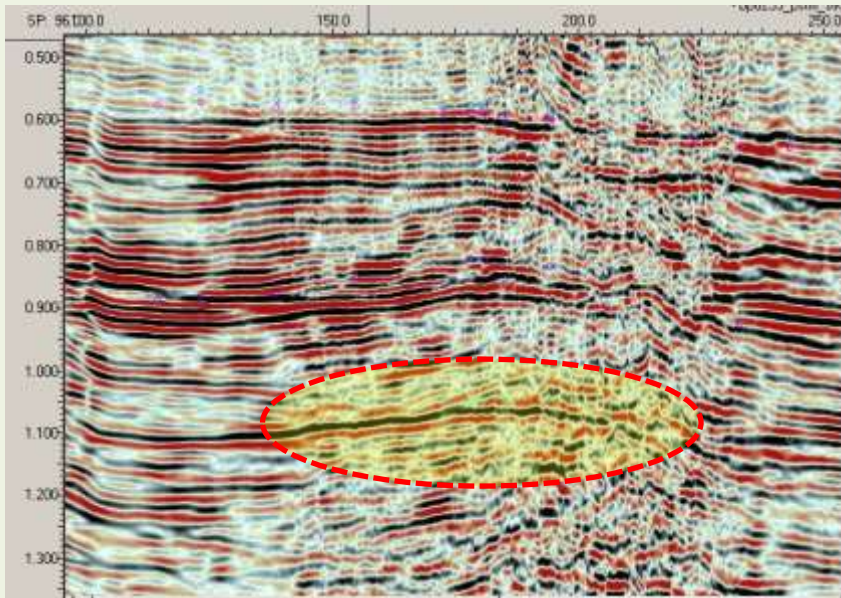
### Forward Programme

- Produce from Zone 2 on beam pump for next few weeks
- Workover WF7 to bring back on-line to give additional 100bopd
- Change WF9 over to Jet Pump for additional upside

# east midlands production base – uk onshore exploration

## Crosby Warren Area

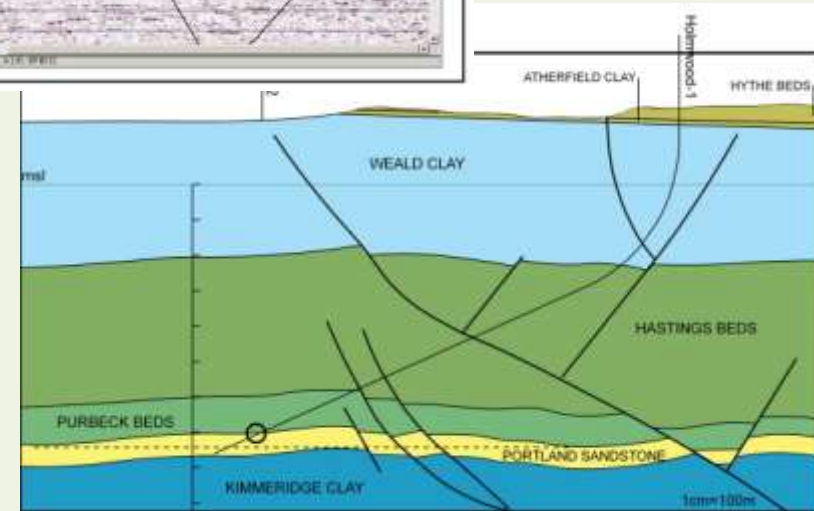
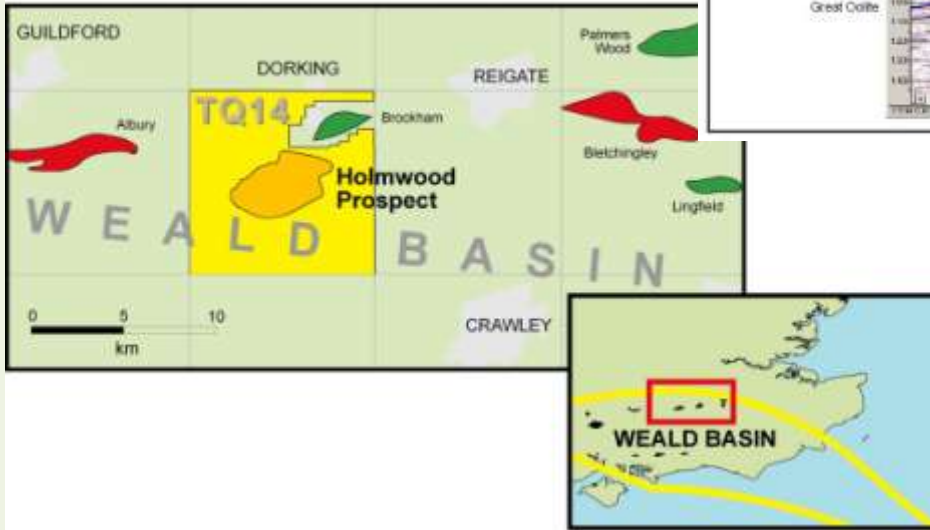
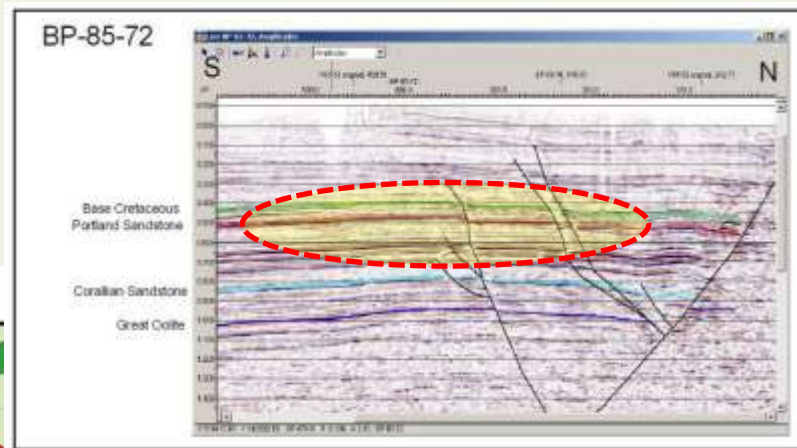
- Field producing c.50bopd from 2 wells (one part-time)
- Feasibility Study of CW-1 re-frac now complete
- Original frac (15 fold increase in oil rate after the job)
- New frac should significantly increase production rates
- Estimated cost only \$2.50/bbl for incremental production – highly profitable
- Planning in progress for a joint 3D survey with Egdon Group to cover CW and Wressle Prospect (8mmbo, gross)



# uk onshore exploration

## Holmwood

- Low risk structural play on northern margin of the Weald (P50 PR - 22mmbo)
- Situated close to Brockham and Albury Fields
- Sensitive area
- Planning application phase now reaching conclusion – hope to be in front of committee late April



# romanian carpathians – appraisal and exploration

## Barchiz

### Background

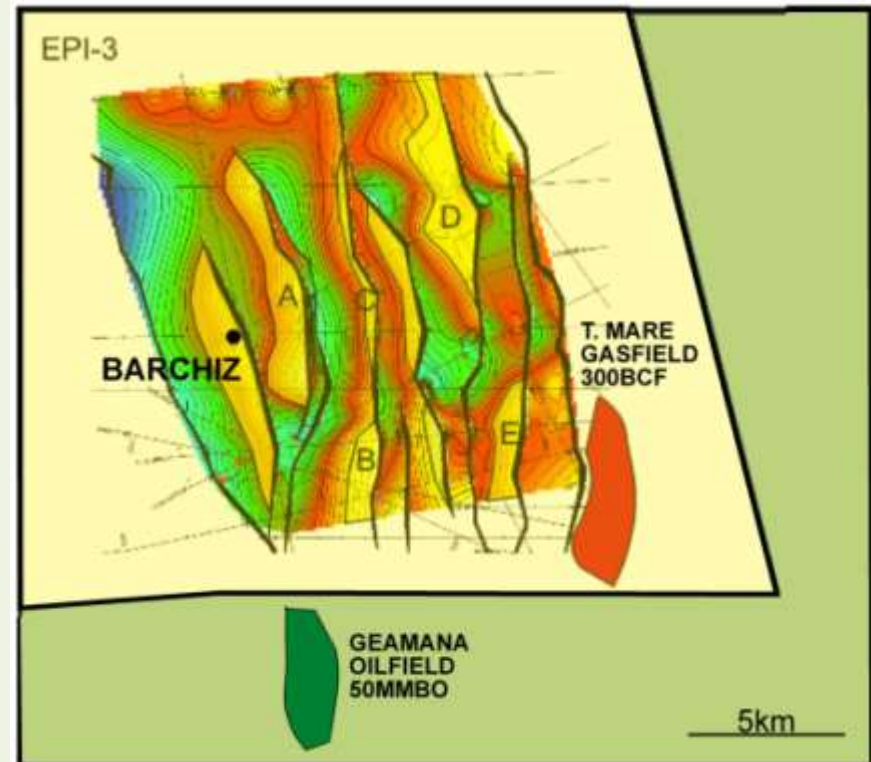
Barchiz-1 drilled in late 2010

Encountered oil-bearing Oligocene Sandstones at c.500m depth

Recovered modest amounts of oil in DST string

Well terminated before reaching main objective

Prospect remains effectively untested

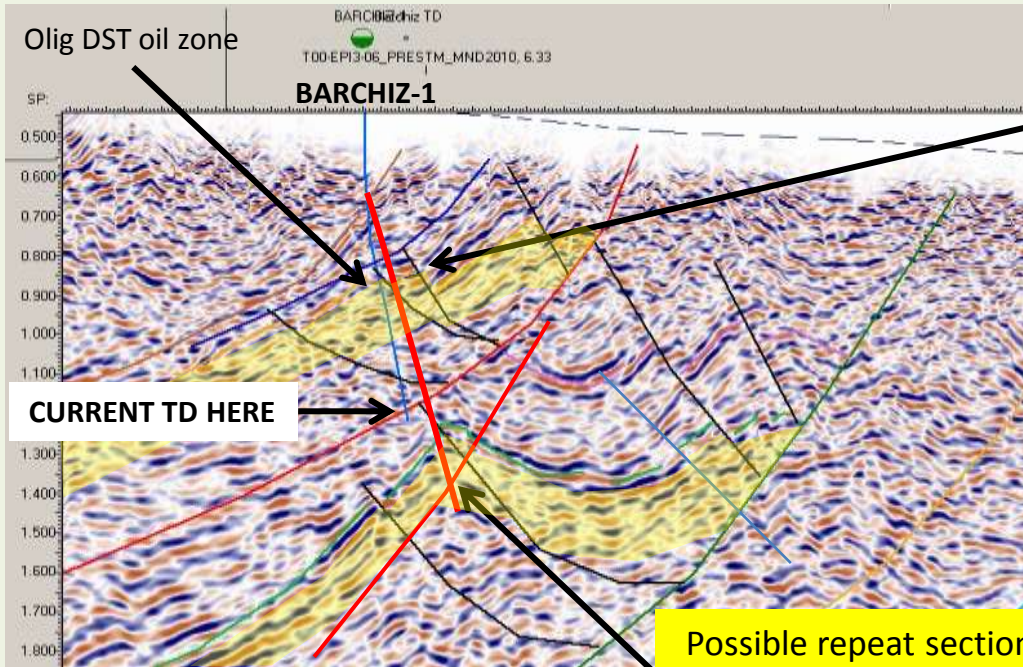


# romanian carpathians – appraisal and exploration

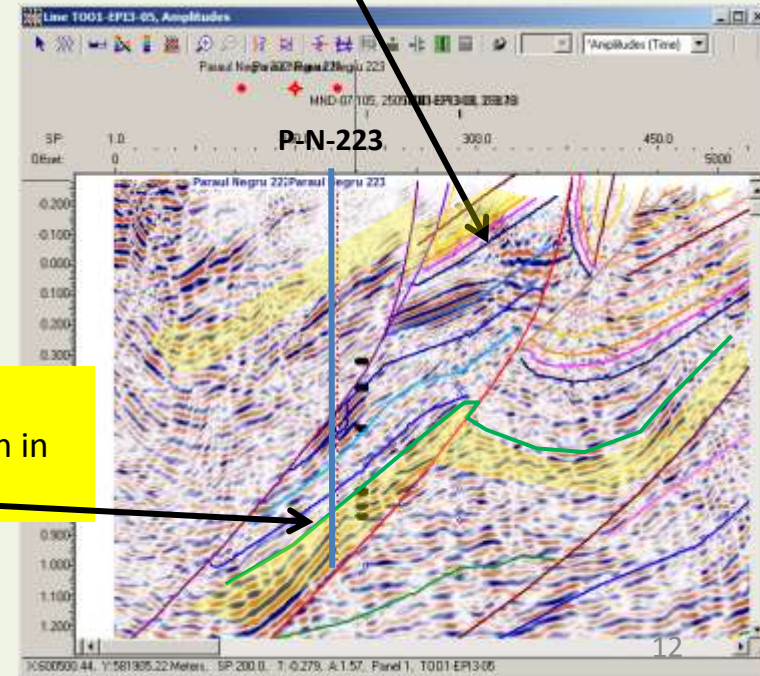
## Barchiz

### Technical Rationale

Paraul Negru-223 shows clear evidence of repeat Oligocene section in a downdip position from Barchiz  
Strong likelihood of repeat section of Oligocene beneath current TD of Barchiz-1



Shallow Oligocene reservoir  
(Oil-bearing in Barchiz-1)



Possible repeat section of Oligocene reservoir as seen in Paraul Negru-223

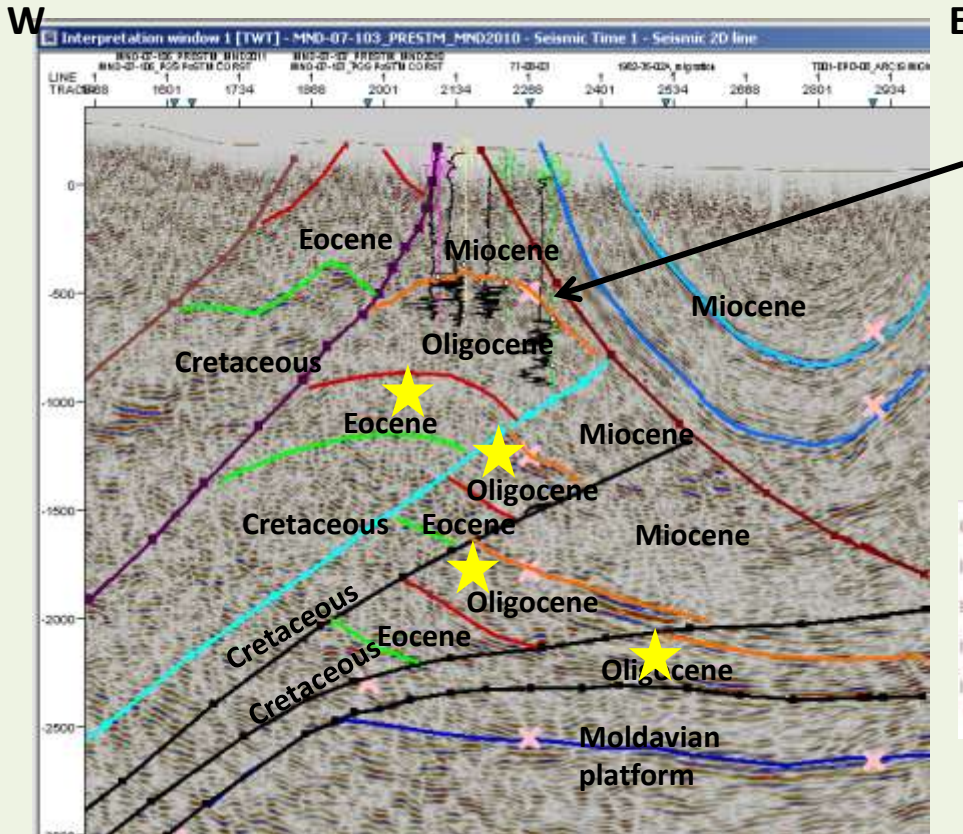
# romanian carpathians – appraisal and exploration

## Barchiz

### Forward Programme

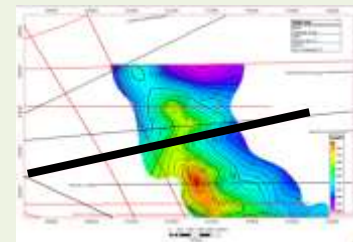
Planning deepening of Barchiz-1

Agreeing terms for licence extension to explore further in the Tazlaul Mare part of the licence



T-M Gas Condensate Field

★ Core Tazlaul Mare Potential



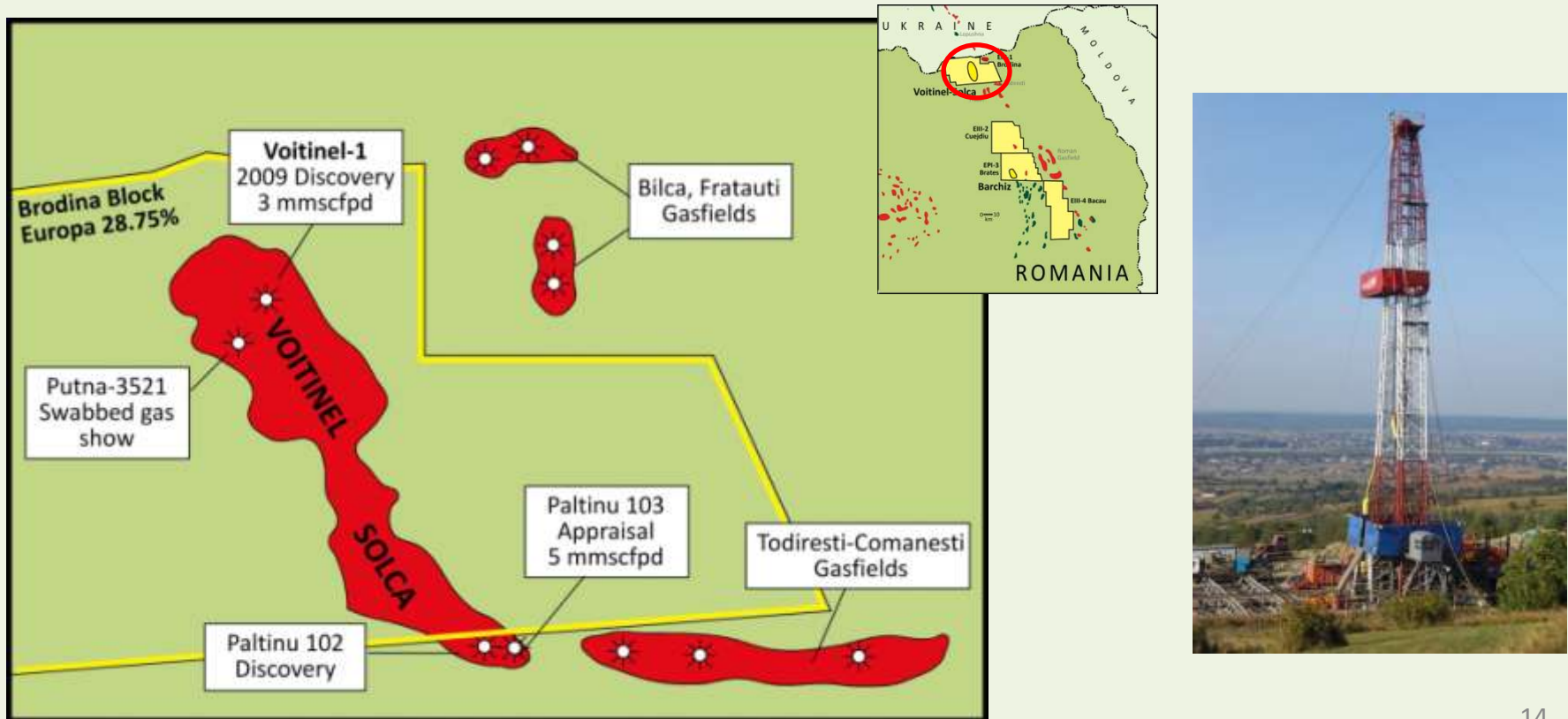
MND-07-103 interpreted seismic profile

# romanian carpathians – appraisal and exploration

## Voitinel Discovery

415bcf in upside case for Voitinel-Solca (equivalent to 15mmbo recoverable net to Europa)

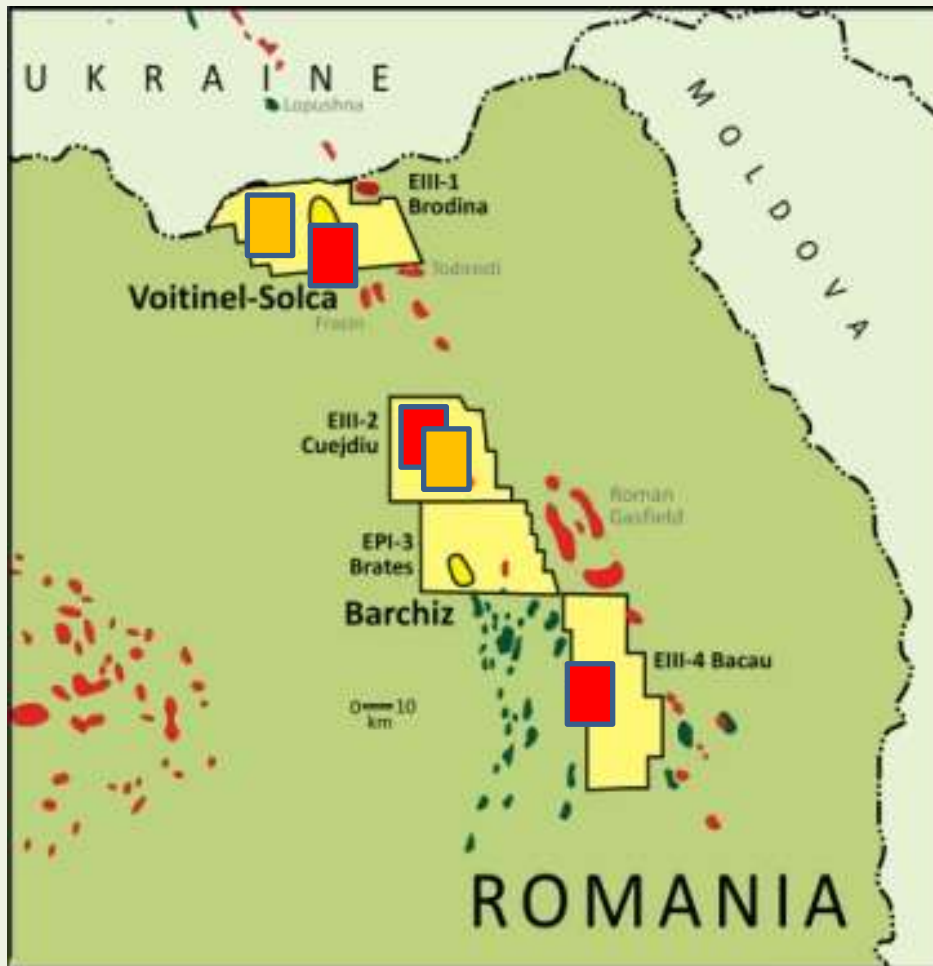
Forward Plan: Low risk appraisal well late 2011. Solca exploration well Q4'11/Q1'12





## romanian carpathians – appraisal and exploration

Strong exploration acreage position in the prolific Romanian Carpathians oil play  
Significant future exploration drilling potential

2010 seismic campaign will guide the 2011 activity in these licences



-  2010 Seismic programmes
-  2011 Seismic Programmes

# aquitaine hpgt gas

## Berenx Play

Ultra-high impact deep gas project near existing infrastructure

Number of gas kicks in fractured carbonate sequence

Berenx-2 tried to test a fracture, but

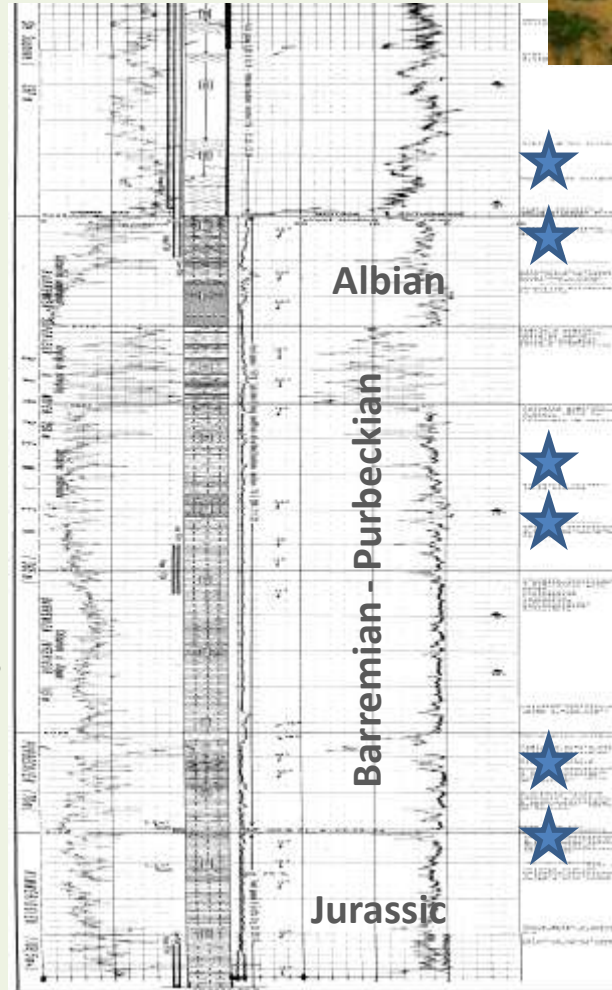
- cemented in liner
- used small guns
- only saw the matrix and therefore
- produced modest volumes dry gas

Other nearby wells produce significant volumes from fracture systems – up to 80mmscfd

Identifying fracture-prone areas for well on 3D seismic is a key tool

**Appraisal goal is to test the fractures properly with a new well**

## Berenx-1, 2



5,600m

**B-1bis: 50% mudgas**

**B-1: 6m<sup>3</sup> kick, C1-C5**

B-1bis: 40% mudgas  
5,800m

B-1bis: 50% mudgas

**B-1bis: 2m<sup>3</sup> gas kick,  
10m<sup>3</sup> gain**

6,000m

**B-2: 2,5m<sup>3</sup> gas kick**

6,200m

# aquitaine hpht gas

## Berenx

Contingent Resources in excess of **1.5TCF potential**

3D reprocessing with CGG has greatly improved seismic image

Additional 3D is key to assessing reserves,

well location and exploration upside

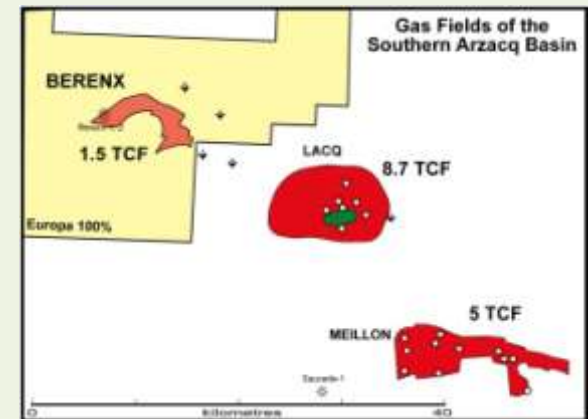
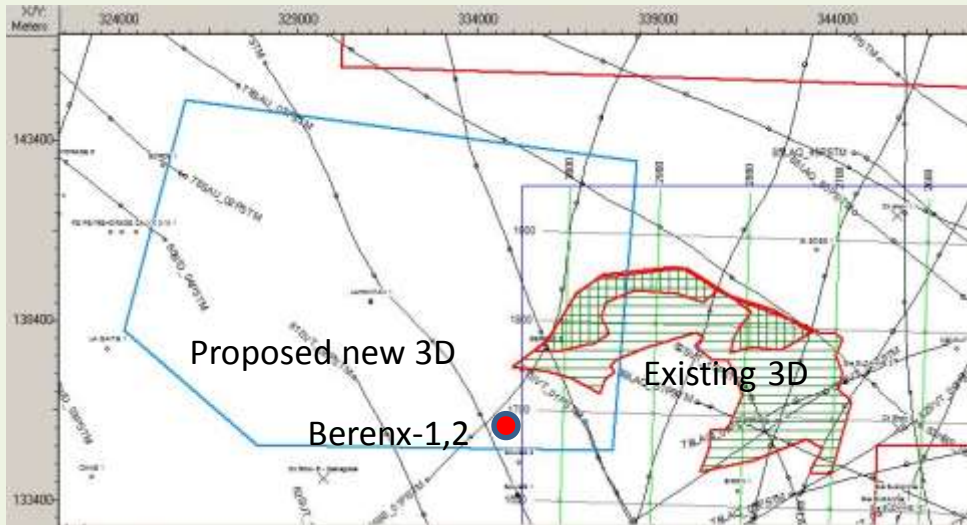
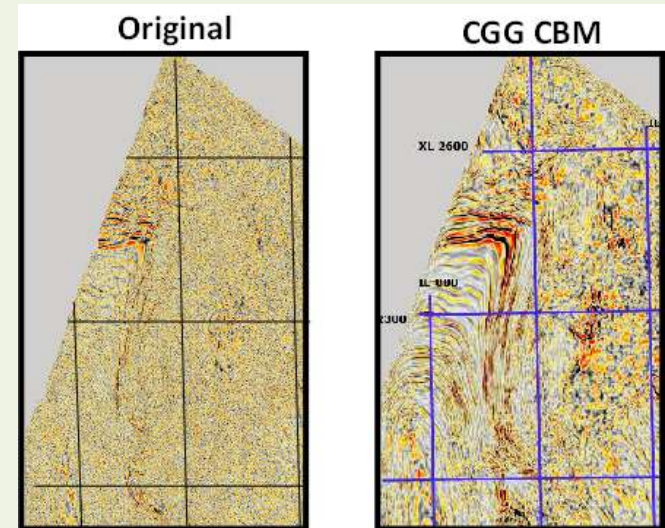
Planning for appraisal/exploration well commenced with NRG

## Forward Programme

NRG to develop well plan to AFE stage

Plan 3D survey for acquisition Q4

Obtain Permit renewal in Q4

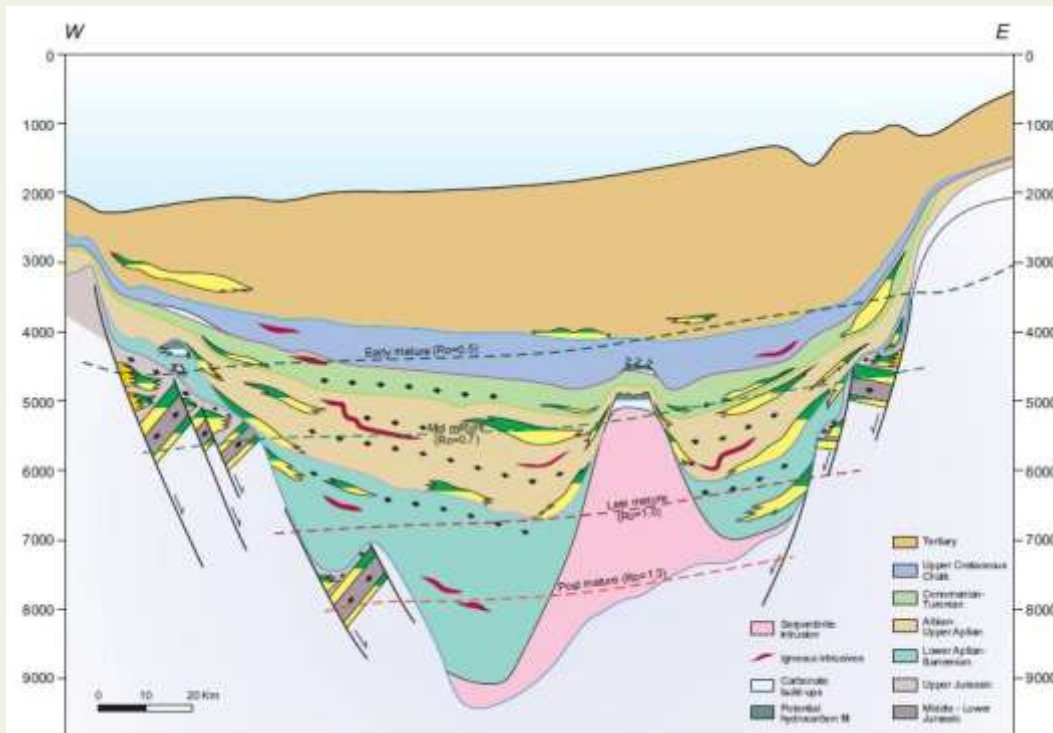


# new venture activity

## Strategy

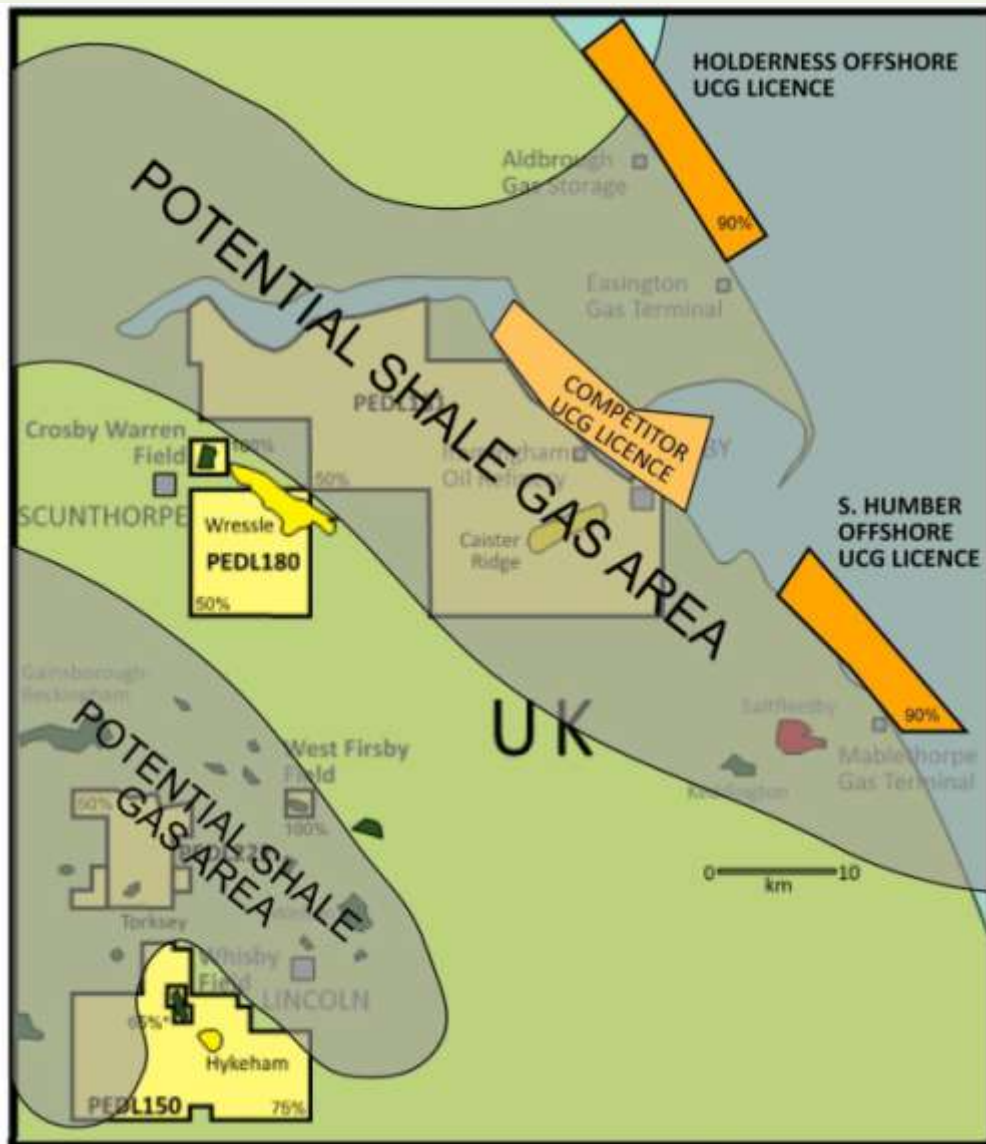
- Seeking to add higher impact exploration projects to complement current portfolio
- Early entry into high impact areas of the region from Atlantic Margin to Mediterranean
- Participation in Licensing Rounds and Open Door areas
- Would also move on appropriate farm-ins and M&A deals

Example of current opportunity:



High impact stratigraphic plays in Atlantic margin setting

## unconventional resources



Europa holds existing licence position of over 200,000 gross acres in the East Midlands

Significant shale gas potential in 'Mid-Carboniferous' black marine shales in the deeper basinal areas – proven 120m thick in the region

Two large licence areas acquired for Underground coal Gasification in the near offshore

UCG is a new technology to unlock vast energy reserves in conjunction with CCS

## reserves and resources

- Contingent Resources\* Growth
  - Predominantly from **Voitinel** and **Berenx**
  - Target now is to mature these to Reserves status

Million barrels of oil equivalent	1C (≈proven)	2C (≈proven+probable)	3C (≈proven+probable+possible)
2009 Position	2	4	25
2010 Target	19	119	300
Current	19	172	270

\* Discovered Resources not yet approved for development

## newsflow

Activity	Value Impact	Revenue Generator	Risk	Timing
Crosby Warren frac	<b>Moderate-High</b>	Near Term	Moderate-Low	Q2 2011
Barchiz Well	<b>High</b>	Medium Term	Moderate	H2 2010
West Firsby-9	Moderate	<b>Immediate</b>	Low	On production, to be optimised Q2
Voitinel	<b>Potential Company Maker</b>	Medium Term	Low	H2 2011
Berenx	<b>Company Maker</b>	Longer Term	Moderate	Seismic, 2011, Drilling 2012
Carpathian Oil Play	<b>High</b>	Medium Term	Mod-High	2011 onwards
UK UCG/Shale	<b>Very High</b>	Long Term	Mod-High	2012 onwards

## summary



- Excellent balanced spread of assets across 3 EU jurisdictions
- Appraisal/exploration assets are key value drivers for 2011
- Key Projects for 2011:
  - Berenx Multi-TCF Gas Appraisal 3D
  - Voitinel Gas Discovery Appraisal
  - Barchiz Oil Play
  - UK Exploration/Development 3D seismic
- Up to 350mmboe Contingent Resources to mature to Reserves
- Exploration upside in the Carpathians and UK
- Production growth from current drilling and further well work
- New Venture – M&A push for 2011



**thank you**

# finances

## Accounts to 31 July 2010

<b>£'000</b>	<b>12 months to 31 July 09</b>	<b>12 months to 31 July 10</b>
Production, bopd	213	178
Revenue	2,936	3,091
Cost of sales	(1,694)	(1,836)
Exploration write-off	(297)	(2,020)
Total cost of sales	(1,991)	(3,856)
Gross (loss) / profit	945	(765)
Administrative expenses	(545)	(709)
Finance income	224	37
Finance costs	(248)	(262)
(Loss) / profit before tax	376	(1,699)
Tax	(356)	(263)
<b>(Loss) / profit after tax</b>	<b>20</b>	<b>(1,962)</b>