

**Regal Petroleum plc**  
("Regal" or the "Company")

**30 November 2009**

**UKRAINE OPERATIONS UPDATE**

Regal, the AIM-listed (RPT) oil and gas exploration and production group operating in Ukraine, Romania and Egypt, is pleased to provide an update on its drilling programme in Ukraine, where the Company is developing the Mekhediviska-Golotvshinska (MEX-GOL) and Svyrydivske (SV) gas and condensate fields.

Regal is drilling a series of "new generation" wells using two new Saipem-operated Lewco 2000hp rigs. These wells are intended to establish additional production from the proven Visean aged reservoirs ("B-sand") and to appraise and develop the deeper Tournaisian ("T-sand") and Devonian ("D-sand") aged reservoirs.

The first of these new generation wells, MEX-106, is producing from the B-sand reservoirs at a stable rate of 75,000 m<sup>3</sup>/d (2.6 MM scf/d) of gas and 12 m<sup>3</sup>/d (75 boepd) of condensate (521 boepd in aggregate).

The second well, SV-58, has now been completed, perforated and flared at surface and is currently being prepared for test from B-sand intervals via a production test separator. Test production rates will be announced in due course.

The third well, SV-61, spud on 5 September 2009, is making good progress and is presently at a depth of 4,890 metres where 9 5/8" casing has been run and cemented.

The fourth well, SV-66, was spud on 23 November 2009 and has reached a depth of 1,110 metres where 20" casing is being run.

**MEX-106**

MEX-106 has been on continuous production since 25 September 2009 predominantly from the B-20 and also the B-23 reservoir intervals and is currently producing at a stable rate of approximately 75,000 m<sup>3</sup>/d (2.6 MM scf/d) of gas and 12 m<sup>3</sup>/d (75 boepd) of condensate (521 boepd in aggregate).

As announced on 1 October 2009, a mechanical obstruction has been lodged in the well and it is now planned to undertake a coiled tubing conveyed fishing operation before the perforation of the T-sand and D-sand reservoir intervals can be undertaken. Once the obstruction has been removed, the perforation programme will be resumed and these deeper reservoirs will be tested. A further update will be made with respect to the outcome of this intervention in due course.

The MEX-106 well was spud on 11 January 2009 in the MEX-GOL field and was drilled to a total measured depth of 6,020 metres, passing through B-sand, T-sand and D-sand reservoir intervals.

**SV-58**

Gas has been flowed to surface and flared from the recently completed SV-58 well and preparations are underway to test this well through a test separator. B-sand reservoir intervals were perforated in the B-21 (5167 – 5172 metres), B-22 (5241 – 5249 metres, 5264 – 5303 metres, 5325 – 5343 metres) and B-23 (5412 – 5416 metres) sequences as well as the newly discovered B-24 limestone layer

perforated at depths of 5499 – 5501 metres, 5518 – 5529 metres, 5543 – 5549 metres, 5550 – 5558 metres, 5561 – 5568 metres and 5573 - 5579 metres. Test production rates will be announced in due course.

SV-58 was spud on 26 February 2009 in the SV field and was drilled to a total measured depth of 6,309 metres, passing through B-sand, T-sand and D-sand reservoir intervals.

However, due to very high pressures encountered in previously untested gas-bearing (B-27) sands at 5,695 metres and 5,734 metres, it is considered possible that the T-sands and D-sands are also highly pressured. Consequently, these intervals will not be perforated at this time as the aggregate pressures may exceed the 10,000 psi safety rating of the surface equipment. It is intended to measure the pressures of the T-sands and D-sands in the SV-61 well by means of cased hole Drill Stem Tests in Q1 2010, which will allow a further review of the likely pressures in the deeper reservoirs in the SV-58 well.

### **SV-61**

SV-61 was spudded on 5 September 2009 in the SV field and is making good progress, having reached a depth of 4,890 metres where 9 <sup>5</sup>/<sub>8</sub>" casing has been run and cemented.

The drilling performance of this well is a significant improvement when compared to the MEX-106 and SV-58 wells taking advantage of experience gained in drilling those wells.

### **SV-66**

The SV-66 well, the fourth new well, was spudded on 23 November 2009, and is presented at a depth of 1,110 metres where 20" casing is being run.

### **David J Greer, CEO of Regal, commented:**

"We are very pleased with progress on our drilling campaign. With SV-58 now being prepared for production testing, SV-61 cased and cemented at its third casing point and SV-66 having reached its first casing point in less than a week, the level of activity in the field is at unprecedented levels. We eagerly await the results of the SV-58 production testing and we are confident that we will be able to remove the obstruction in MEX-106 and get access to the T-sands and D-sands to test for further production".

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Ronan McElroy, PhD Geology, SPE, Chief Technologist of Regal Petroleum plc, has reviewed and approved the technical information contained within this press release in his capacity as a qualified person, as required under the AIM Rules.

Definitions:

ATM	atmosphere
boepd	barrels of oil equivalent per day
hp	horsepower
m <sup>3</sup> /d	cubic metres per day
mm	millimetres
MM	million
psi	pounds per square inch
scf/d	standard cubic feet per day
"	inch