



27 January 2010

## EGDON RESOURCES PLC

("Egdon" or "the Company")

### Update on Dukes Wood-1 drilling operations

The Directors of Egdon Resources plc (AIM:EDR) are pleased to provide an update on operations at the Dukes Wood-1 well in Nottinghamshire licence PEDL118.

The Dukes Wood-1 well recommenced drilling operations on 11 January 2010 using the British Drilling and Freezing Limited rig 28 ("BDF28"). The well reached a total depth of 793 metres measured depth (615.7 metres true vertical depth) on 20 January 2010. All formations were penetrated very close to the pre-drill prognosis. Oil shows were observed in a number of the target formations whilst drilling. Analysis of the wireline log data over the primary objective for this well, the Ashover Grit unit 5 ("AG5"), indicates a total net pay thickness of 4.7 metres (4 metres vertical thickness) with porosity averaging 20% and oil saturations in excess of 50%.

Whilst encouraged by these results only an extended well test will determine the full production potential of the AG5 and other zones. The well has been cased and perforated over a 5 metre interval in the AG5 and completed for test production. Testing operations are expected to commence during February 2010, as soon as all approvals are obtained and equipment and personnel mobilised.

Four other intervals of interest have also been identified within the well, the Sub-Alton Crawshaw, Loxley Edge Rock, Ashover Grit unit 4 and Wingfield Flags. The total potential net pay across these formations is 21.64 metres (measured depth) and these zones may be perforated and tested at a later date.

Egdon holds a 65% interest in and is operator of the PEDL118 licence. Joint venture partner Terrain Energy Limited holds a 25% interest in the licence and on completion of the on-going farm-in Angus Energy will hold a 10% interest.

The BDF28 rig is currently being rigged down and will then be moved to the Kirklington oil field to drill a sidetrack of the Kirklington-2 production well.

Further announcements will be made as operations progress.

Commenting on the well results Mark Abbott managing Director of Egdon said;

*"The Dukes Wood-1 well provides the first modern data from the Eakring-Dukes Wood field and will provide useful information for the development of our long term plans to rejuvenate the field. We are encouraged by the initial analysis of the well results which have indicated the presence of a number of zones capable of oil production. We now look forward to the outcome of the production testing of the Ashover Grit and potentially other formations over the coming months. Our near-term focus now turns to the Kirklington sidetrack in adjacent licence PEDL203."*

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## **Company Background**

Egdon Resources plc is an established UK-based exploration and production company primarily focused on onshore exploration and production in the hydrocarbon-producing basins of the UK and Europe.

Egdon holds interests in twenty four licences in the UK and France and has an active programme of exploration, appraisal and development within its balanced portfolio of oil and gas assets. Egdon is an approved operator in both the UK and France.

Egdon has production from the Keddington and Kirklington oil fields in the East Midlands and the Avington oil field in Hampshire. Further oil and gas production is anticipated from Eakring-Dukes Wood, Waddock Cross and Kirkleatham in 2010.

Egdon Resources plc listed on AIM in January 2008, following the demerger of its gas storage business, Portland Gas plc (now renamed Infrastrata plc). The pre-demerged business was formed in 1997 and listed on AIM in December 2004.

[www.egdon-resources.com](http://www.egdon-resources.com)

## **The Eakring Dukes-Wood Oil Field**

The Eakring-Dukes Wood oil field was discovered in 1939 and produced from a number of shallow sandstone reservoirs of Carboniferous age from 1940 until 1966. The total production by 1966 was 6.5 million barrels out of mapped oil in place of 25.6 million barrels. The remaining wells on the field were plugged and abandoned by BP in the 1990s. Egdon believes there is potential to rejuvenate the field to take advantage of increased oil price, improved technology and the recognition of undrilled and un-drained parts of the field.

In accordance with AIM rules - guidance for mining, oil and gas companies, the information contained in this announcement has been reviewed and signed off by the Managing Director of Egdon Resources plc Mark Abbott, a Geoscientist with over 23 years experience.