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14<sup>th</sup> May 2010

## Press Release

FOR IMMEDIATE RELEASE

### **Midmar Energy UK Ltd Obtain Planning Permission for Appraisal Work**

Midmar Energy UK Ltd ("Midmar"), the oil and gas exploration and production company, today announces that it has received planning permission from Kent County Council to drill two appraisal wells and to carry out a 90 day Extended Well Test in Bidborough, Kent.

The proposed site is located within PEDL 248 licence which Midmar obtained in 2008 in the 13<sup>th</sup> UK Landward Licensing Round. Midmar's Geoscientists have re-assessed the previous regional well records as well as reviewing and interpreting seismic data that is available. The existing information shows the presence of hydrocarbons and the company have concluded that there is a strong potential for recoverable hydrocarbons utilising enhanced recovery techniques. The proposed wells will test prospects identified during a drilling campaign by Conoco in 1981, which had oil shows.

Extensive research was carried out by Midmar to ensure the most suitable site location was selected. Independent experts were used to assess a variety of areas to ensure that the proposals were acceptable, in association with consulting interested parties.

Midmar is committed to maintaining the highest standard of operations and will continue to maintain high levels of environmental standards and best practices in health and safety it has demonstrated in all of its operations.

Preparatory work for the site and operations will begin shortly and work will start on the construction of the site later this year, with drilling in the first quarter of 2011.



**Commenting on the announcement, Mr Philip Silk, Planning Supervisor of Midmar, said:**

*"Extensive surveys were carried out by the Company to ensure that the proposals were acceptable, demonstrating the Company's commitment to best practice. This has enabled the planning process to progress relatively quickly and a positive decision to be reached. Midmar are extremely grateful to all parties that have been involved in the process and the comments and advice that has been received to make our proposal acceptable."*

**Commenting on the announcement, Dr Thomas Redman, Managing Director of Midmar, said:**

*"We are very pleased with the decision that has been reached by Kent County Council. This is a very exciting time for the Company as we look at appraising this prospect that has great potential. We now look forward to making progress with this project over the coming months."*

**ENQUIRIES:**

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**NOTES TO EDITORS:**

**MIDMAR ENERGY**

Founded in 1995, Midmar Energy, the entrepreneurial oil and gas exploration and production company, has to date, achieved its growth by acquisition of existing onshore oil fields and the enhancement of the reserve potential and recovery rates for these fields.

Midmar Energy is focused upon maximising existing reserves and developing new reserves through the application of its outstanding technical skills and experience. The Company currently has two UK onshore licences, which were awarded in the 13th UK Onshore Licensing Round.

Midmar has a strong management and technical team with extensive technical and industry expertise. The Company's management has extensive international oil and gas exploration and production experience gained over many years in the industry as well as outstanding technical skills.

Midmar intends to continue its expansion in oil and gas exploration and production in both the UK and internationally. Further information on Midmar can be found on the Company's website at <http://www.midmar.co.uk>