



15 July 2010

Bowleven plc ('Bowleven' or 'the Company')

### IE-3 appraisal well - drilling update

Bowleven, the West Africa focused oil and gas exploration group listed on AIM, is pleased to announce that the IE-3 appraisal well has reached a final depth of 3,048 metres.

The Company has run a suite of wireline logs and has taken samples and pressure data. The information collected indicates that the well has encountered multiple hydrocarbon bearing reservoirs comprising both gas condensate and light oil.

The objective of the IE-3 well was to appraise the extent and communication of the upper Isongo reservoir updip of the previous wells drilled on the IE field and also to target additional deeper Isongo reservoirs.

The early indications from the well are positive. The well result indicates that we have encountered gas condensate in the upper Isongo sand objective in communication with and extending structurally updip of the highest known gas in IE-2z. In addition, logging and sampling of the deeper prognosed secondary objectives have identified further potentially significant multiple stacked reservoirs containing light oil and gas condensate pay.

Further detailed analysis, including test data, is now required to fully evaluate the impact for our reserves base and to reduce the remaining risks around the development of the IE field area. The Company is now preparing to conduct a multiple test programme of up to four drill stem tests. Following testing the intention is to move the rig to the MLHP-5 exploration well location (Sapele-1).

Further announcements will be made on completion of the full test programme.

#### **Kevin Hart, Chief Executive said:**

“We are very pleased with results obtained so far from the IE-3 appraisal well. The initial log evaluation is very encouraging as it confirms the upper sands are in pressure communication with IE-2z and highlights the presence of light oil and gas condensate at multiple additional horizons. Further evaluation is required, including testing, but the results to date are promising in the context of the IE field development area and for our Cameroon acreage as a whole.”

## **ENQUIRIES**

For further information please contact:

Bowleven plc

Kevin Hart, Chief Executive

00 44 131 524 5678

Kerry Crawford, Head of Investor Relations

00 44 131 524 5678

Brunswick Group LLP

Patrick Handley

00 44 207 404 5959

Deborah Spencer

RBS Hoare Govett

Stephen Bowler

00 44 207 678 8000

## Notes to the Editor:

Bowleven is a West Africa focused oil and gas group, based in Edinburgh and traded on AIM since December 2004.

On 12 August 2009, Bowleven entered into a farm-out agreement with Vitol E&P Limited (Vitol) in respect of the Etinde Permit (Etinde) Cameroon, comprising three shallow water blocks in offshore Cameroon, West Africa; namely Blocks MLHP-5, MLHP-6 and MLHP-7. The transaction comprises (1) the acquisition by Vitol of an initial 25% interest in Etinde, in return for funding a \$100 million gross work programme; and (2) an option for Vitol to acquire a further 25% interest, in return for funding an additional \$100 million gross work programme and paying \$25 million in cash to the Bowleven group to progress Etinde activities.

The initial phase of the Vitol transaction has completed and as a consequence, Bowleven now have a 75% operated equity interest in the Etinde Permit. Bowleven holds its interest in Etinde through its wholly-owned subsidiary EurOil Limited. In the event of option exercise by Vitol on or before 30 September 2010, this will be reduced to a 50% interest, with Vitol expected to take over the operatorship of the Permit. Under the production sharing contract (PSC), Société Nationale des Hydrocarbures (SNH), the National Oil Company of Cameroon, also has the right to elect to take a 20% participating interest in development activity on the acreage.

The Etinde Permit comprises approximately 2,316 km<sup>2</sup> of exploration acreage located across the Rio del Rey and Douala basins in the Etinde Permit. The Bowleven group has drilled four wells on the Permit since 2007, all of which have been successful. Drilling operations have now commenced on a multi well drilling programme on the Etinde Permit. The IE-3 appraisal well is the first well in the campaign. The IE-3 well was drilled to a final depth of 3,048 metres and the Company is currently preparing to conduct a multiple test programme of up to four drill stem tests. Following testing the intention is to move the rig to the MLHP-5 exploration well location (Sapele-1). Further announcements will be made on completion of the full test programme.

The drilling rig contract signed for the Etinde drilling programme is for the Noble Tommy Craighead jack-up, owned by Noble International, a subsidiary of Noble Corporation (NYSE:NE).

EurOil Limited also has a 100% equity interest in the Bomono Permit, onshore Cameroon, extending to approximately 2,328 km<sup>2</sup> in the Douala/Kribi Campo basin.

Bowleven holds, through its wholly-owned subsidiary FirstAfrica Oil Limited, a 100% equity interest in the EOV Permit offshore Gabon, which contains an existing oil discovery that is awaiting development. A sale and purchase agreement has been initialled for the disposal of the Group's entire interest in EOV. Government acknowledgement of the transaction has been requested (although not a legal requirement). Bowleven also has a 50% non-operated equity interest in the Epaemeno Permit, which is approximately 1,340 km<sup>2</sup> of exploration acreage onshore Gabon. Addax is operator of the Epaemeno Permit.

**GLOSSARY OF TERMS:**

The following are the main terms and abbreviations used in this announcement:

AIM                      Alternative Investment Market

Bowleven                Bowleven plc and/or its subsidiaries as appropriate