



Tuesday, December 4th 2011
Press Release

Energean Oil & Gas spuds WKO-1X well in West Kom Ombo, Egypt

Energean Oil & Gas, announces that it has spudded the WKO-1X well in the West Kom Ombo Field Concession located in Upper Egypt covering a total area of 31,521 km². Energean Oil & Gas holds a 80% working interest and is the operator of the block, Groundstar Resources Limited holds a 10% carried interest through the exploration drilling stage.

The WKO-1X is the first of two committed exploration wells for the Second Exploration Period in the West Kom Ombo concession. The well will explore the interpreted Prospect-A1 with the primary objective being the Lower Cretaceous Six Hills F & E sandstones.

The well it's expected to reach a total depth of approximately 2,370 meters in about 30 days, with the land rig "ST-2" from Sino Tharwa Drilling Company. The second well is planned to be drilled in Prospect-B1 to evaluate the exploration potential of the SW side of the block and to determine the thickness of the sedimentary section. The strategic objective of these two exploratory wells is to fulfill the work commitments of the second exploration phase by September 16th of 2011.

After seven months of the acquisition of the West Kom Ombo Concession the Company has accomplished the completion of 25 km of access road from the Luxor-Kharga highway to the Prospect-A1 drilling location, furthermore 95 Km of road completed from Prospect-A1 to Prospect-B1, additionally the setting of all infrastructure and equipment and the rig mobilization to spud the first well on schedule.

Mathios Rigas, Chief Executive Officer of Energean Oil & Gas stated: *"We are very excited for the beginning of our first drilling operations internationally specially in the promising WKO Block. The drilling program commenced on time and we look forward with anticipation to the results, as we seek to advance exploring the area and enrich our portfolio of assets in Egypt."*

About Energean Oil & Gas

Energean Oil & Gas through its subsidiaries is a private international oil and gas exploration and production group of companies with a Mediterranean and North African Region focus with oil and gas assets currently operated in Greece and Egypt. Aegean Energy (Egypt) Limited – a subsidiary of Energean Oil & Gas – operates also the offshore East Magawish concession in the Gulf of Suez. For further information about Energean Oil and Gas, please visit www.energean.com

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