



Press Release

Energean Oil & Gas announces the successful completion of the PA-35 production well on Prinos Field

Athens, February 17, 2011 - Energean Oil & Gas is pleased to announce the successful completion, testing and placement on production of the PA-35 infill well on Prinos Field. Reaching a total depth of 2,975 meters, ahead of budget in terms of both time and cost, the well is the first of a series of drilling activities and other interventions included in the "Prinos 5000" project. The project aims to increase the daily production from the Prinos Development License to 5,000 boed within 2011.

The PA-35 was carried out by the recently modernized Jack-up Rig GSP Saturn and its primary objective was to produce oil from the B and C reservoirs into an undeveloped compartment of Prinos Field. The specific target area was selected on the basis of a detailed reservoir modeling built recently by the Company's in-house team of Engineers and G&G experts.

The well has confirmed the presence of both the B and C reservoirs that were found in the area at the depths of 2,859 m MD and 2,909 m MD, respectively. Several oil-bearing intervals were indentified clearly during drilling these zones and by the subsequently acquired Geological and Petrophysical logs.

The acquired log data has also unraveled the presence of oil-bearing zones of the reservoirs, thus, increasing considerably the upside production potential of PA-35. These zones are now kept as future recompletion intervals that will be exploited following the establishment of the reservoir model for the A1 and A2 reservoirs that is currently in progress.

The PA-35 well was placed on production at a stabilized rate of 1,000 bopd bringing Energean's daily production up to 3,000 boed. Moreover, the total reserves of the PA-35 are estimated to be 1.8Mmbb and the Company will proceed in more drilling activities to ensure the optimum development of the field. The next intervention on schedule will be the recompletion of the "Epsilon" well that has already been commenced as part of the "Prinos 5000" project.

Commenting on the results, Mr. **Mathios Rigas, Chairman & Managing Director of Energean Oil & Gas**, stated: *"We are very pleased with the first results of our "Prinos 5000" program. The production of the first well has met our expectations, and will hopefully be a trend that continues as we complete the rest of our program to boost production and secure the sustainable growth of our Company."*

For any media inquiries kindly contact Ms Katerina Varsami, e-mail: kvarsami@energean.com and phone: +30 210 9464 910