

Release: **Monterey Appraisal Well - Testing Update**

1 December 2006

Black Rock Oil & Gas plc

("Black Rock" or the "Company")

Monterey Appraisal Well - Testing Update

Summary

Black Rock (stock code: BLR), the UK-based exploration company with interests in Colombia and offshore UK, announces that the testing of the Monterey appraisal well 49/8c-4 in the Southern Gas Basin has been completed.

The well flowed natural gas (principally methane, ethane and propane) from several perforated intervals in the Carboniferous reservoir section during the well test period. Observed flow rates might have been impeded by relatively low reservoir quality and reservoir damage within the well. The Field Operator, Wintershall Noordzee is currently evaluating if higher flow rates could be achieved on production.

Well test

The well flowed at approximately 850,000 cubic feet/day through a 2 inch choke. In common with many vertical appraisal wells in the Southern North Sea, the gas flow rates were less than can be expected from a horizontal development well.

The drill stem testing results indicated reasonable reservoir permeability and pressure in intervals of the tested reservoir, while other intervals were tighter.

At present further detailed analysis of the well test data is being performed by the Field Operator with a view to returning to the well in the future. Amongst the options being considered is to sidetrack the appraisal well to the optimum reservoir interval and then complete the well as a horizontal producer.

Typically, such wells will have horizontal sections of 500m or more in order to obtain commercial rates and the well may also require hydraulic fracturing.

Given the current intention of the Field Operator to prepare for the Joint Venture a series of options for the development of Monterey, application has been made to and approval granted by the DTI to suspend the well.

A further announcement will be made in due course.

For further information, please contact:

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Editors' Notes:

Black Rock has holdings in the North Sea, Celtic Sea and Colombia. In the North Sea, Black Rock has a 15% interest in Blocks 49/8c and 49/9d, operated by Wintershall Noordzee. The Monterey Gas Field is located in Block 49/8c. The 49/ 8c-4 well is designed to appraise the commerciality of the field although no formal resource or reserve has yet been prepared under any of the accepted standards such as the SPE or CIM.

Discovered in 1989, the field is located approximately 15 kilometres west of the Windermere gas platform and south of the Schooner and Ketch gas fields. The water depth in this location is about 35 metres. As previously announced, funding for up to US\$4.274 million (approximately £2.4 million) in respect of the Monterey 49/8c-4 has been provided by Gemini Oil & Gas Fund II, L.P.

("Gemini") without recourse in return for an entitlement for Gemini to receive interest and principal repayments based on Black Rock's share of future revenues from the Monterey Gas Field. Gemini will therefore receive no repayment of the funds provided until the Monterey Field is taken into production with the Company's cash flow position being further hedged by the Gemini payments being capped at 33% of Black Rock's gross revenue less its share of operating costs in any month.

Qualified Person

Dr John Cubitt (a Director of the Company) has been involved in the oil and gas production industry for more than 26 years. Dr John Cubitt is a registered Chartered Geologist (CGeol) and has a BSc and PhD in geology. He has compiled, read and approved the technical disclosure in this regulatory announcement.

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