

Stock Data

Share Price:	1.65p
Market Cap.:	£9.2m
Shares in issue:	598.5m
52 week high/low:	2.00p/0.90p

Company Profile

Sector:	Oil & Gas
Ticker:	EOG
Exchange:	AIM

Activities

Europa Oil & Gas plc is an independent oil and gas E&P company with a strategic focus on onshore exploration, appraisal, development and production assets in the UK, in addition to high impact exploration projects in the offshore regions of Ireland and Morocco.

Company website:

www.europaoil.com

1-year share price performance



[Source: LSE](#)

Past performance is not an indication of future performance.

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Europa Oil & Gas (Holdings) plc

The Wressle oil field, in which Europa holds a 30% working interest, has achieved flow rates in excess of 950 boepd from the primary Ashover Grit reservoir. This has been attained on a restricted choke setting and no formation water has been produced as the well continues to clean up. This is very positive news for the company given that the reported flow rate exceeds initially forecasted rates by a substantial margin and further operations to increase gas handling capacity could increase hydrocarbon flow rates further still.

Europa holds a 30% working interest in the Wressle oil field which is located on UK onshore licences PEDL 180 and PEDL 182. The company's partners are Union Jack Oil with 40% and Egdon Resources UK Limited with 30% and operatorship of the asset.

Following the completion of coiled tubing operations on 19 August 2021, the Wressle-1 well has exceeded initial expectations significantly. As early as 24 August 2021, Europa reported that the well had achieved flow rates well in excess of 500 bopd, which was the forecast flow rate, following a successful proppant squeeze operation. However, following a period of stabilised production, the well has now achieved instantaneous flow rates of 964 boepd.

This production is predominantly oil which has delivered flow rates in excess of 884 bopd from the Ashover Grit reservoir. This is augmented by 480,000 cfpd of gas, equivalent to some 80 boepd from a restricted choke setting of 30.5/64ths and with high wellhead flowing pressure. The company reports that no formation water has been seen as the well continues to clean up.

Europa notes that in spite of initial forecast production rates being exceeded comfortably, the full output potential of Wressle-1 is yet to be fully tested due to capacity constraints with the gas handling equipment.

The operator plans to remove these constraints and increase well output further in order to complete the testing of Wressle-1's maximum potential. This will enable the Wressle partners to define a plateau production rate which correlates the well's behaviour to the installed production facilities, longer term output objectives and also prudent reservoir management.

Egdon has reported to the partners that revision to the Environmental Permit has been received which will enable the installation of a combustion plant to facilitate gas to electric power generation on site.

Since the completion of the proppant squeeze and coiled tubing operations in July and August 2021 respectively, the oil and gas flow rates from Wressle-1 have exceeded expectations significantly. With further production upside potential, coupled with a higher oil price environment compared to that at the beginning of the year, Europa stands to generate revenue streams comfortably in excess of those anticipated prior to the commencement of the current work programme.

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