

Regulatory Announcement

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Oilexco Updates Huntington Activities

CALGARY, ALBERTA--(Marketwire - Feb. 11, 2008) - Oilexco Incorporated ('Oilexco') (TSX:OIL) (LSE:OIL) announces that its wholly owned subsidiary Oilexco North Sea Limited and its partners have successfully completed the first phase of the appraisal of the Paleocene Forties sand and the Upper Jurassic Fulmar sand in its recently announced multiple zone light oil discovery on its 40% owned Huntington Prospect in Block 22/14b in the UK Central North Sea. Oilexco's partners in the discovery are Altinex Oil (UK) Limited (20%), E.ON Ruhrgas UK Exploration and Production Limited (25%), and Carrizo Oil and Gas, Inc (15%). In addition, the Company also provides an update on the Mallory exploration well in the adjacent Block 22/14a.

Huntington Appraisal Update

- At least 452 feet of oil column identified in Huntington Fulmar oil accumulation
- Huntington Forties oil accumulation mapped area enlarged
- Fast track development options being studied and tender for long lead items set to be issued

Following an extensive Paleocene Forties sand appraisal programme, where eight separate wells successfully encountered oil-bearing Forties sand over a seismically-mapped area, the Sedco 712 semi-submersible rig was moved a short distance to spud the 22/14b-8 well. This appraisal well was designed to evaluate the potential of the deeper Upper Jurassic Fulmar sands that flowed 390 API oil at a maximum rate of 4,624 bbls/d and associated gas at a rate of 1.6 MMcf/d through a 64/64 inch choke with a flowing tubing pressure of 310 psia, when tested in the Huntington discovery well in June 2007.

The objective of the 22/14b-8 well was to drill down the flank of the Huntington Fulmar structure to identify the oil/water contact location in the Fulmar sand in order to help determine the potential size of the Fulmar oil accumulation.

The Huntington 22/14b-8 well was spudded on December 18, 2007 and drilling was complete on January 28, 2008. On the way to the deeper objective, the Paleocene Forties sand was penetrated high to prognosis intersecting 95 feet of oil bearing sand, thus enlarging the mapped area of the Huntington Forties oil accumulation.

A thick sequence of Upper Jurassic Fulmar sand was encountered in the 22/14b-8 well bore at an elevation well below the top of the Fulmar sand intersected in the 22/14b-5 discovery well. Wireline logs indicate an apparent oil/water contact was intersected approximately 310 feet below the 'oil down to' level present in the discovery well. These results suggest a minimum 452 foot oil column is present in the Huntington Fulmar oil accumulation, as the crest of the structure has yet to be drilled.

To further delineate the extent of the reservoir, additional appraisal of the Huntington Fulmar oil accumulation is being planned using one of Oilexco's two long term contracted semi-submersible drilling rigs during the second half of 2008.

The extensive appraisal campaign at Huntington to date has significantly increased the partners' understanding of the potential of the reservoir and development studies have been initiated for the Huntington Field to identify fast track development solutions. Current work includes scoping of production facility and export options, including sub sea tie backs, Floating Production Vessels and fixed platforms. Tenders for long lead items are being issued and it is anticipated that a Field Development Plan can be documented and submitted to the DBERR in mid-2008.

Mallory Exploration Update

- Mallory and Huntington appear to be common oil accumulations

In December the Company also participated in the drilling of the Mallory 22/14a-7 exploratory well targeting oil in Upper Jurassic Fulmar sands. The 22/14a-7 well is located 4 miles to the northeast of the Company's Huntington oil discovery in the adjacent Block 22/14a. The Company participated in this well by paying 54% of the drilling costs for a 27% interest in all zones below the Lower Cretaceous Chalk to evaluate a possible extension to its Huntington Fulmar oil discovery.

The 22/14a-7 well successfully encountered Upper Jurassic Fulmar sands with an apparent oil/water contact within 12 feet in elevation to the apparent oil/water contact intersected by the Huntington 22/14b-8 appraisal well. This indicates the oil accumulations at Mallory and Huntington are possibly common. Further appraisal drilling is necessary to evaluate and delineate the extent and commonality of the oil accumulation.

Arthur Millholland, President and Chief Executive Officer, commented 'The continued success at Huntington

represents one of the most exciting developments in the UK North Sea in recent years. Whilst Huntington is one of a number of appraisal, development and exploration projects that Oilexco is progressing in 2008, the size of the discovery offers significant upside potential to the Company and we are pleased that the development studies are being rapidly progressed.'

About the Company

Oilexco is an oil and gas exploration and production company active in the United Kingdom. Oilexco's producing properties, exploration and development activities are located in the UK Central North Sea, specifically in the Outer Moray Firth and Central Graben areas. Oilexco operates in the United Kingdom through its wholly owned subsidiary, Oilexco North Sea, a company registered under the laws of England and Wales. Oilexco shares are listed for trading on the London Stock Exchange (LSE) and the Toronto Stock Exchange (TSX) under the symbol 'OIL'.

Forward Looking Statements

This disclosure contains certain forward-looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond Oilexco's control, including: the impact of general economic conditions in the areas in which Oilexco operates, civil unrest, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and obtaining required approvals of regulatory authorities. In addition there are risks and uncertainties associated with oil and gas operations, therefore Oilexco's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amounts of proceeds, which Oilexco will derive therefrom. All statements included in this press release that address activities, events or developments that Oilexco expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements include future production rates, completion and production timetables and costs to complete wells, and production facilities. These statements are based on assumptions made by Oilexco based on its experience perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances.

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