

**Serica Energy Plc**  
("Serica" or the "Company")

**SERICA ENERGY PROVIDES AN OPERATIONS UPDATE**

London, 25 September 2007 - Serica Energy plc (TSX Venture & AIM: SQZ) is pleased to provide an update on operational activity across its portfolio in its core regions of Western Europe and South East Asia.

**Western Europe**

- Spudding of first Columbus appraisal well, UK North Sea
- 2D seismic programme and farm-out onshore Spain

UK North Sea

The first appraisal well on the Columbus discovery on Block 23/16f spudded yesterday, at a step out location three kilometres north of the initial discovery well. Well 23/16f-12, in which Serica has a 50% interest, is being drilled with the SEDCO 704 drilling rig. The purpose of the well is to confirm most likely resource estimates, investigate further reserve upside and gather sufficient data to prepare a field development plan for submission in 2008.

As announced by Serica on 20 December 2006, the Columbus discovery well encountered a gross gas column of at least 125 feet in the Palaeocene Forties sandstone. A total of 85 feet of the reservoir was tested and the stabilised average production rates on a 56/64 inch choke during a five hour period were 17.5 million cubic feet of gas per day and 1,060 barrels per day of 47.5 degrees API condensate.

The most likely net contingent resources of oil equivalent lying in Block 23/16f attributable to Serica's 50% interest are 10.8 million barrels, according to an independent report carried out by RPS Energy Limited on behalf of Serica following the drilling of the discovery well. Serica's partners in Block 23/16f are Endeavour Energy UK Limited (25%) and EOG Resources United Kingdom Limited (25%).

Spain

Serica is currently carrying out a 330 kilometre 2D seismic survey on its four onshore licences in Aragon Province, in the north-eastern part of the country. Serica has entered into a contract with Beach Petroleum Limited under which Serica will farm out a 25% interest in the licences and will retain a 75% interest and operatorship.

**South East Asia**

- Rig contracted to drill two high impact exploration wells on Biliton PSC in Indonesia in Q4 2007
- Installation of field wellhead support tower and drilling / completion of three development wells on Kambuna field to be completed in Q1 2008
- 3D seismic survey completed in Block 06/94, offshore Vietnam

Indonesia

The Global Santa Fe GSF 136 drilling rig has been contracted for the drilling of two wildcat, high impact, exploration wells on the Biliton PSC, located offshore in a virtually unexplored basin in the central Java Sea, commencing in Q4 2007. The previously contracted rig was damaged during operations for another company, but Serica moved quickly to contract the GSF 136 in its place and minimise the delay to its drilling programme. Serica will operate the wells and retains a 45% interest following a farmout to Nations Petroleum Company Ltd., which will bear the majority of the costs of the drilling programme.

In the Glagah-Kambuna PSC offshore North West Sumatra, the development programme for the Kambuna gas/condensate field is well underway with first production expected at the end of 2008. The field wellhead support tower has been built and will be installed Q4 2007, following which two development wells will be drilled from the tower and the Kambuna #2 well will be recompleted. In addition, offshore and onshore pipeline route surveys will be carried out in preparation for the tender

for pipeline supply and installation, whilst negotiations for the sale of the gas and condensate are expected to conclude shortly.

### Vietnam

The acquisition of a 780 square kilometre 3D seismic survey has been completed in Block 06/94, Con Son Basin offshore Vietnam, in which Serica has a 33.3% interest. The block lies immediately south of the producing Lan Tay and Lan Do gas fields and immediately east of the Dua and Blackbird oil discoveries.

### **Serica's Chief Executive, Paul Ellis, commented:**

*"Serica is set for an extremely active period of exploration, appraisal and development drilling with operations on six wells in the UK North Sea and Indonesia over the next six months. In addition, seismic surveys are being conducted in Spain and Vietnam, whilst preparations for 2008 drilling in Norway and in the UK Southern Gas Basin are also underway.*

*"We look forward to the results of the Columbus appraisal well, which is being drilled at a significant step out location from the original discovery well and which, if successful, will confirm the potential of the field and put Serica in a position to prepare a field development plan."*

### **Enquiries:**

#### **Serica Energy plc**

Paul Ellis, Chief Executive Officer	<a href="mailto:paul.ellis@serica-energy.com">paul.ellis@serica-energy.com</a>	+44 (0)20 7487 7300
Chris Hearne, Finance Director	<a href="mailto:chris.hearne@serica-energy.com">chris.hearne@serica-energy.com</a>	+44 (0)20 7487 7300

#### **JPMorgan Cazenove**

Steve Baldwin	<a href="mailto:steve.baldwin@jpmorgancazenove.com">steve.baldwin@jpmorgancazenove.com</a>	+44 (0)20 7588 2828
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#### **Tristone Capital Limited**

Majid Shafiq	<a href="mailto:mshafiq@tristonecapital.com">mshafiq@tristonecapital.com</a>	+44 (0)20 7355 5872
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#### **Pelham Public Relations – UK**

James Henderson	<a href="mailto:james.henderson@pelhampr.com">james.henderson@pelhampr.com</a>	+44 (0)20 7743 6673
Alisdair Haythornthwaite	<a href="mailto:alisdair.haythornthwaite@pelhampr.com">alisdair.haythornthwaite@pelhampr.com</a>	+44 (0)20 7743 6676

#### **CHF – Canada**

Kelly Cody	<a href="mailto:kelly@chfir.com">kelly@chfir.com</a>	+1 416 868 1079
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### **Forward Looking Statements**

This disclosure contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, some of which are beyond Serica Energy plc's control, including: the impact of general economic conditions where Serica Energy plc operates, 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 foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Serica Energy plc's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that Serica Energy plc will derive therefrom.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

To receive Company news releases via email, please contact [kelly@chfir.com](mailto:kelly@chfir.com) and specify "Serica press releases" in the subject line.