

# Statement

12 August 2014

## Plans to Evaluate the West Newton Gas Prospect & Update on Crawberry Hill

Rathlin Energy (UK) Limited is the first company to have drilled exploratory oil and gas wells in our East Yorkshire licence area since the 1970's. Two wells, at Crawberry Hill and West Newton, were successfully drilled in 2013 and testing of conventional hydrocarbon targets in the West Newton well was carried out in 2014. The results of the tests have been very encouraging with the recovery of natural gas together with the capture of important data on the characteristics of the sub-surface prospects. The next well at West Newton, for which Rathlin has planning permission, will help assess whether this discovery could be the basis for a conventional commercial gas development. We expect to undertake this phase of work in 2016.

At Crawberry Hill the decision has been taken, on technical and commercial grounds, not to carry out further exploratory work at the existing site. This decision has been taken in light of all the information derived from each of the exploration wells and against the background of continuing depression in world energy prices, which currently show little sign of recovery. After thorough analysis, Rathlin has concluded that the costs associated with testing the Crawberry Hill well cannot be justified, relative to probability of commercial success. We continue to believe in the overall prospectivity of the geology in the Crawberry Hill area but the current well site is not a preferred location for further drilling or completion investment and, as a result, the well will be abandoned and the site restored.

The works involved will be carried out in accordance with the terms and conditions of Rathlin's licence, the environmental permits and safety regulations governing our operations and within the timetable set by the planning permission granted by East Riding of Yorkshire Council.

Rathlin has reached an important point in the programme of exploration in East Yorkshire. We look forward with great enthusiasm and optimism to the next phase of our operations which will be focused on the West Newton area.

## Contact us

For more information about our work please visit our website at:  
[www.rathlin-energy.co.uk](http://www.rathlin-energy.co.uk)

Our 24-hour operational helpline number is:  
**0800 1959154**

Rathlin Energy (UK) Ltd  
8 Wimpole Street,  
London, W1G 9SP  
Tel: 0207 2689860