

July 17, 2007

# PANTHEON RESOURCES PLC

## **New Venture Added to Pantheon's Louisiana Portfolio**

- Pantheon expands activities in Louisiana
- Farming-into Bullseye prospect in Iberia Parish.
- Two prospects are to be tested with one well, scheduled to commence in fourth quarter 2007.
- Gross potential reserves are estimated at 12.5 million barrels of oil and 33 bcf of natural gas
- Adjacent to South Louisiana venture and close to existing production at the Laurel Ridge field.
- Pantheon now has three high impact prospects in its portfolio: Bullseye, South Louisiana and Padre Island.
- This new project is consistent with Pantheon's stated strategy to focus on hydrocarbon exploration onshore or near shore in the GoM

### **Details of Farm-in**

The Board of Pantheon Resources plc ("Pantheon") announces that it has farmed-into an oil and natural gas exploration venture in Iberia Parish, Louisiana. This is located to the south-west of and adjacent to Iberville Parish, where Pantheon has farmed-into its South Louisiana venture.

The farm-in covers one prospect, Bullseye, with leases covering 1,700 net acres. The Bullseye prospect is testing deeper untested fault blocks on the crest of the Laurel Ridge field. Laurel Ridge is a "turtle" feature (inverted basin) feature discovered in 1944 by Humble Oil (ExxonMobil).

At Bullseye the intention is to test two deeper geopressed targets with one vertical well. These have combined gross best estimate potential reserves (previously described as "P50 potential reserves") of 12.5 million barrels ("mmbo") of liquids and 33 billion cubic feet ("bcf") of natural gas.

Pantheon is participating with a 15% working interest ("WI"), carrying the farm-out company, Hawkeye Stratigraphic Inc., for a 25% back-in to casing point. At this point Hawkeye may elect to participate in the well. If this occurs, Pantheon's working interest would fall to 11.25% and its net revenue interest would be approximately 8.08%.

The cost of the first well is being finalised. However, it is estimated that the total expected total dry hole cost outlay to Pantheon is around US\$0.81 million. Pantheon is paying back-costs of just under US\$0.15 million.

The well is currently scheduled to commence in fourth quarter 2007. It is estimated to take approximately 30 days to reach total depth on a trouble-free basis. The drilling location has been approved. Title examination is underway. Golden Gate Petroleum will act as the operator, having farmed-into this prospect on similar terms.

## **Bullseye Prospect- Geology and Geophysics**

The Bullseye prospect's principal attributes may be characterised as:

- Two independent traps mapped by 3D seismic
- An offset well with logs indicating both pay and hydrocarbon shows
- Numerous successful direct local analogs for prospects similar to Bullseye

The Bullseye prospect is a deeper pool prospect with targets in the Miocene (Miogyp) and Oligocene (Cib Haz) between 12,400 feet ("ft") and 13,500 ft on the crest of the Laurel Ridge anticline. Laurel Ridge is a "turtle" feature (inverted basin) feature discovered in 1944. Laurel Ridge was discovered by Humble Oil (ExxonMobil). Laurel Ridge produced 146 billion cubic feet ("bcf") of natural gas and four million barrels of oil ("mmbo") from normal pressured sands between 10,100 feet ft and 10,600 ft. These sands are now depleted.

The initial Bullseye well location is 3,000ft offset to the Noble #1 Acosta well drilled in 2005. This well was plugged due to mechanical difficulties. Although the Oligocene target was not reached by the latter well, both electric and mud logs were obtained for the Miocene. Electric logs indicated some 50ft of low resistivity-low contrast pay. Mud log data indicated possible natural gas and condensate shows across the Miocene section.

In 2005, 3D seismic acquisition was completed after the abandonment of the Noble #1 Acosta. Analysis of this seismic data which had been calibrated to the lithology, identified a clearly independent stratigraphic trap in each of the Miocene and Oligocene zones.

The initial well is planned to test both Miocene and Oligocene. In surrounding analog fields both the Miocene and Oligocene reservoirs are considered high quality. Porosity ranges between 24 to 30% and permeability between 300 to 1,000mD. Producing well rates from these fields range from 500 to 1,000 barrels per day of oil and 4 to 10 million cubic feet of gas per day. A number of these analog fields are similar to Bullseye in terms of seismic characteristics and trap geometries

*In accordance with the AIM Rules, the information in this report has been reviewed and signed off by Mr Robert Rosenthal, (BSc Geology, MSc Geology), Technical Director at Pantheon Resources Plc, who has over 30 years relevant experience within the sector.*

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