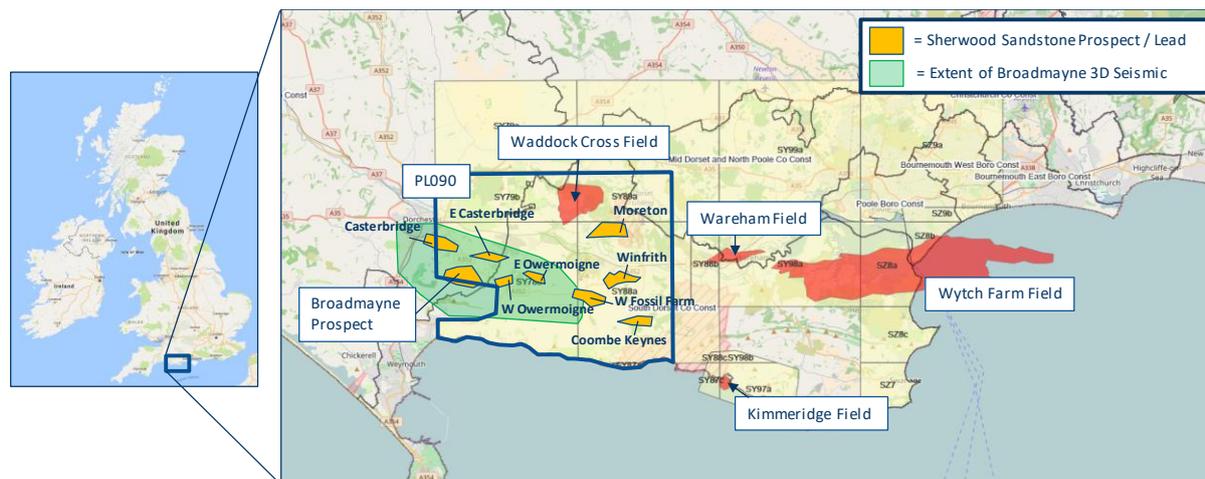


Onshore UK: Licence PL090 (Waddock Cross and Broadmayne)

Introduction

In August 2016, United Oil & Gas acquired First Oil's stake in the PL090 licences, onshore UK. These include an existing onshore field and access to significant exploration opportunities.

The PL090 licences are situated in the Wessex Basin - a long-established productive basin that contains Wytch Farm, the largest oil-field in onshore Europe.



PL090 licence location and neighbouring oil-fields. The Wytch Farm, Wareham, and Kimmeridge Fields are all operated by Perenco.

Licence Summary

There are two parts to the PL090 licence – the Waddock Cross Field itself, and the exploration acreage beyond the boundaries of the field. United Oil & Gas hold a 26.25% stake in the Waddock Cross Field (with an area of 19km²), and an 18.95% stake in the exploration licence (183km²). Both licences are operated by Egdon Resources and do not expire until 2024.

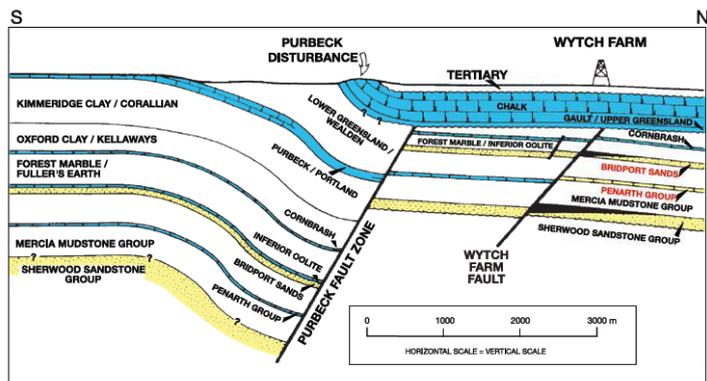
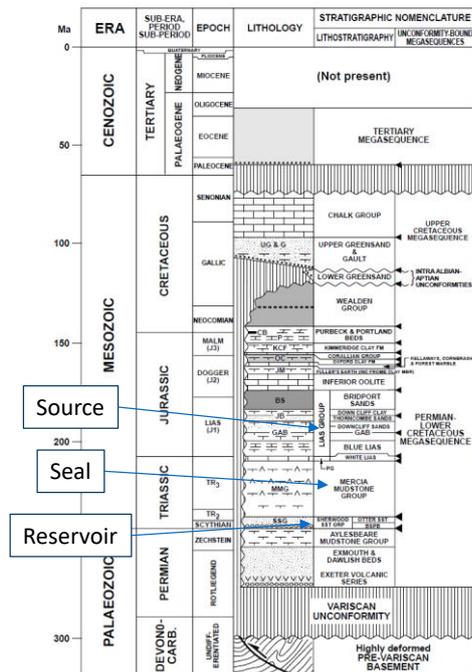
PL090 Waddock Cross Field (26.25% equity)

- Shallow (~600m subsurface) field with a large in-place volume of oil held in Jurassic Bridport Sandstone reservoirs (29 million barrels gross) and net 2C resources of 320,000bbls (ERC Equipoise CPR estimates).
- After appraisal wells in 2004 and 2005, the Waddock Cross Field was brought into production in 2013. After disappointing oil rates due to higher than anticipated water-cut, the field was shut-in.
- Existing 3D seismic has recently been reprocessed with positive results. The operator is now completing reservoir modelling and well-cost estimates ahead of well-planning with a potential spud date in early 2019.

- A successful well here could deliver rates in excess of 200bopd, with payback within 6 months

PL090 Exploration (18.95% equity)

- United Oil & Gas believe this to be some of the most prospective onshore exploration acreage in the UK.
- Numerous exploration targets have been identified in the licence.
- The Triassic Sherwood Sandstone reservoir is a particularly interesting target. In the neighbouring Wytch Farm Field, only 15km to the east, these same reservoirs have produced over 450mmbbls of oil. The prospects identified in PL090 lie in a similar structural setting to Wytch Farm, and are on a potential migration route for oil spilling out of the field to the west. Work by ERC Equipoise on the Broadmayne prospect suggests it has gross prospective resources of 4mmbbls.
- New 3D seismic data was acquired over the PL090 exploration targets in 2013. Reprocessing of this data has recently been completed and is in the process of being interpreted ahead of a potential drilling decision. With well-planning and site preparation work to be completed, drilling is unlikely before 2020.



Stratigraphy and structural setting of the Wytch Farm Field (from Underhill and Paterson, 1998). The Sherwood Sandstone play is being targeted in a similar setting 15km to the west in United Oil & Gas's PL090 exploration licence.