

Deltic Energy Plc / Index: AIM / Epic: DELT / Sector: Natural Resources

8 July 2024



**Deltic Energy Plc ("Deltic" or "the Company")  
Formal Award of UKCS Licence - 33<sup>rd</sup> Offshore Licensing Round**

[Deltic Energy Plc](#) the AIM quoted natural resources investing company with a high impact exploration and appraisal portfolio focused on the Southern and Central North Sea is pleased to announce that it has accepted one of the two licences that were provisionally awarded by the North Sea Transition Authority ("NSTA") in Tranche 3 of the UK's 33<sup>rd</sup> Offshore Licensing Round ("33<sup>rd</sup> Round").

Licence P2672 (Deltic 100% WI) is located immediately to the west of the West Sole gas field and covers blocks 47/5e, 47/10c and 48/6c and contains the Pharos and Teviot discoveries. Deltic's preliminary evaluation, completed as part of the application process, has resulted in an updated understanding of the structural setting, which suggests that the Pharos discovery and the Blackadder prospect are in fact a single Leman Sandstone structure.

Deltic's preliminary volumetrics for the two discoveries on the licence are summarised below:

Project ID	Discovery Well	Prospective Resources (BCF)			GCoS %
		P90	P50	P10	
Blackadder/Pharos	47/05d-6	66	165	293	65%*
Teviot	47/10-8	9	17	27	65%*

\*Both wells encountered gas-bearing Leman Sandstone, however neither well was flow tested so there is residual risk related to reservoir effectiveness.

The 47/05d-6 well, drilled by a consortium led by Dana Petroleum in 2013, targeted what was originally interpreted to be a standalone prospect formerly called Pharos, however updated structural mapping indicates the well intersected the materially larger Blackadder structure in a downdip location.

The initial 3 year Phase A work programme commitments for the licence are focused on the reprocessing of legacy 3D seismic data to improve reservoir imaging and refine the structural model in order to further de-risk the Blackadder structure at nominal cost.

**Graham Swindells, CEO of Deltic, commented:**

*"The Blackadder project has many analogous attributes to the Selene prospect, where the reworking of legacy datasets has unearthed a potential missed pay opportunity of material scale. Blackadder's location, in close proximity to existing infrastructure that requires new third party gas to defer decommissioning, should enhance its value in a mature basin where new licences are likely to become increasingly scarce. Over the coming year we will progress our work on the legacy data in preparation for farm-out, in anticipation of drilling an appraisal well on Blackadder in due course."*

**\*\*ENDS\*\***

For further information please contact the following:

**Deltic Energy Plc**  
Graham Swindells / Andrew Nunn / Sarah McLeod

Tel: +44 (0) 20 7887 2630

**Allenby Capital Limited** (Nominated Adviser)  
David Hart / Alex Brearley (Corporate Finance)

Tel: +44 (0) 20 3328 5656

**Stifel Nicolaus Europe Limited** (Joint Broker)

Tel: +44 (0) 20 7710 7600

### Reporting Standard

Estimates of resources have been prepared in accordance with the PRMS as the standard for classification and reporting.

### Qualified Person's Review

Andrew Nunn, a Chartered Geologist and Chief Operating Officer of Deltic, is a "Qualified Person" in accordance with the Guidance Note for Mining, Oil and Gas Companies, June 2009 as updated 21 July 2019, of the London Stock Exchange. Andrew has reviewed and approved the information contained within this announcement.

### Glossary of Technical Terms

<b>BCF:</b>	Billion Cubic Feet
<b>Geological Chance of Success (GCoS):</b>	or prospective resources, means the chance or probability of discovering hydrocarbons in sufficient quantity for them to be tested to the surface. This, then, is the chance or probability of the prospective resource maturing into a contingent resource. Prospective resources have both an associated chance of discovery (geological chance of success) and a chance of development (economic, regulatory, market and facility, corporate commitment and political risks). The chance of commerciality is the product of these two risk components. These estimates have been risked for chance of discovery but not for chance of development.
<b>P90 resource:</b>	reflects a volume estimate that, assuming the accumulation is developed, there is a 90% probability that the quantities actually recovered will equal or exceed the estimate. This is therefore a low estimate of resource.
<b>P50 resource:</b>	reflects a volume estimate that, assuming the accumulation is developed, there is a 50% probability that the quantities actually recovered will equal or exceed the estimate. This is therefore a median or best case estimate of resource.
<b>P10 resource:</b>	Reflects a volume estimate that, assuming the accumulation is developed, there is a 10% probability that the quantities actually recovered will equal or exceed the estimate. This is therefore a high estimate of resource.
<b>PRMS:</b>	the June 2018 Society of Petroleum Engineers ("SPE") Petroleum Resources Management System
<b>Prospective Resources:</b>	Are estimated volumes associated with undiscovered accumulations. These represent quantities of petroleum which are

	estimated, as of a given date, to be potentially recoverable from oil and gas deposits identified on the basis of indirect evidence but which have not yet been drilled
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