

13 November 2008

## **Sound Oil plc**

### Citarum PSC Operations Update

Sound Oil is pleased to announce the start of new operations activity on the Citarum Production Sharing Contract (PSC), onshore Java, Indonesia. This update is based on latest information received from the Operator BPREC.

### Seismic Acquisition Programme

Preliminary operations have commenced for a programme of 1250 km of new seismic acquisition over several areas of the PSC. These surveys will fulfill the 750 km first period (Years 1-3) and 500 km Year 4 seismic commitments on the PSC.

Surveys will commence over the Subang, Purwakarta, Sumedang and Majalengka areas in the eastern part of the block. The remainder of the programme will be acquired over the Jonggol and Pangkalan areas in the west of the block, including lines to tie the Pasundan-1 well drilled in 2007.

A topographic survey team is currently working in the field and full mobilization of the shot-hole drilling and seismic recording crews is expected in the next three weeks. The full programme is anticipated to be completed in May 2009. The interpreted results will be used to determine drilling locations for the remaining three exploration commitment wells on the PSC.

### Testing Operations on Pasundan-1 Well

The Pasundan-1 well, which was suspended at a total depth of 10412 feet on 27 September 2007, will be re-entered in order to conduct an additional drill stem test (DST) of the Baturaja Formation.

The test, designated DST#3, will be conducted over the interval 6778 to 6788 feet through the previously installed 7-inch liner. It will evaluate the hydrocarbon potential of the cavernous zone developed in the upper part of the Baturaja carbonate reservoir. In view of the considerable fluid losses to this zone during the drilling phase it is thought necessary to produce approximately 10,000 barrels from the test to obtain a representative sample of the formation fluid. A lower zone of the Baturaja Formation (DST 2, 8024-8069 feet) was tested in September 2007 and flowed at a rate of 3000 barrels of water per day.

Civil works have been undertaken to excavate mud pits, lined with geo-membrane, capable of holding the volume of fluids expected to be produced. Additionally, remedial work has been carried out on the site access road to enable the mobilization of a heavy work-over rig to conduct the operation. The rig has been mobilized from its present location and is expected to be on site by 15 November. The entire operation is anticipated to last two weeks.

Sound Oil plc is a 20% partner (through its wholly owned subsidiary Mitra Energia Citarum Limited) in the Citarum PSC which is operated by BPREC (a wholly owned subsidiary of Pan Orient Energy Holdings Limited). The Pasundan-1 exploration well is located approximately 50 km southeast of Jakarta, Indonesia.

*Dr Michael Cope BSc PhD CGeol, Head of Exploration at Sound Oil, a qualified petroleum geologist, has reviewed the technical information contained in this news release.*

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