

**Magnolia Petroleum Plc ('Magnolia' or 'the Company')**  
**Commencement of 10 Well Drilling Programme with Continental Resources in  
Oklahoma**

Magnolia Petroleum Plc, the AIM quoted US onshore focused oil and gas exploration and production company, is pleased to announce the commencement of a 10 well drilling programme, as announced on 2 October 2015, targeting the proven Woodford formation in the prolific South-Central Oklahoma Oil Province ('SCOOP') play in Oklahoma, where an estimated total of 3.2 billion barrels of conventional oil have been recovered from 60 reservoirs. Magnolia has a 0.525% working interest in each of the 10 new wells, which are operated by Continental Resources ('Continental').

Drilling has commenced on the Sympson 10-6H Well ('Sympson' or 'the Well'), the first of five wells which are to be drilled in November 2015. The remaining five wells of the programme will be drilled by March 2016, with one well in January 2016, a further three in February 2016 and the last in March 2016. The 10 new wells are targeting gas in the Woodford formation, the primary source rock for conventional hydrocarbon reservoirs in the SCOOP where Continental has had considerable success. All 10 wells are lower risk increased density wells located in two sections, which maximise the recovery of reserves on leases that are held by production.

The Continental-operated drilling programme forms part of Magnolia's strategy to more evenly balance its oil / gas product mix, which currently stands at 56% / 44%. Gas markets have local supply / demand dynamics which tend to be independent of global oil prices, providing further diversification to Magnolia's producing well portfolio.

Rita Whittington, COO of Magnolia, said, "With the 10 Continental operated wells due to be drilled by March 2016 and a further 10 non-Continental operated wells at various stages of drilling and completion, we continue to make excellent progress in rolling out our strategy to prove up the reserves on our leases through drilling. As at 1 August 2015, Magnolia's proven reserves were independently valued at US\$21 million, which far outstrips our current market valuation and provides us with considerable asset backing. Combined with our internally generated revenues from production, which as at 1 August 2015 stood at 309 boepd, we are well placed to maintain our strong track record of growth at US\$45 oil, as we look to deliver on our objective to build a significant US onshore focused oil and gas company".

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### **Notes**

Magnolia Petroleum Plc is an AIM quoted, US focused, oil and gas exploration and production company. Its portfolio includes interests in 202 producing and non-producing assets, primarily located in the highly productive Bakken/Three Forks Sanish hydrocarbon formations in North Dakota as well as the oil rich Mississippi Lime and the substantial and proven Woodford and Hunton formations in Oklahoma.

### **Summary of Wells**

Category	Number of wells
Producing	202
Being drilled / completed	11
Elected to participate / waiting to spud	30
TOTAL	243