

Friday 31 October 2003

pda Group awarded four exclusive Research Permits in the autonomous region of Aragón, northern Spain.

It was announced today in Zaragoza that the *pda* Group through its associated company *pda Iberica S.L.* has been awarded four exclusive Research Permits to explore for hydrocarbons in the autonomous region of Aragón, northern Spain. Each Permit is for an initial six year term. The Managing Director of the *pda* Group, Chris Atkinson is "delighted by the award which has taken nearly 2 years to obtain". He commented that "given the new geological knowledge *pda* has on the area, together with the attractive fiscal terms and commercial climate in Spain, this is a very exciting exploration project for a company such as ours".

The Abiego Permit lies within the Huesca Province of Aragón and comprises an area of 37,926 hectares bounded by the following Greenwich co-ordinates:

Point A	42° 15` N	0° 10` W
Point B	42° 15` N	0° 05` E
Point C	42° 05` N	0° 05` E
Point D	42° 05` N	0° 10` W

The Barbastro Permit lies within the Huesca Province of Aragón and comprises an area of 38,126 hectares bounded by the following Greenwich co-ordinates:

Point A	42° 10` N	0° 05` E
Point B	42° 10` N	0° 15` E
Point C	41° 55` N	0° 15` E
Point D	41° 55` N	0° 05` E

The Peraltilla Permit lies within the Huesca Province of Aragón and comprises an area of 25,484 hectares bounded by the following Greenwich co-ordinates:

Point A	42° 05` N	0° 05` W
Point B	42° 05` N	0° 05` E
Point C	41° 55` N	0° 05` E
Point D	41° 55` N	0° 05` W

The Binefar Permit lies within the Huesca Province of Aragón and comprises an area of 25,684 hectares bounded by the following Greenwich co-ordinates:

Point A	42° 00` N	0° 15` E
Point B	42° 00` N	0° 25` E
Point C	41° 50` N	0° 25` E
Point D	41° 50` N	0° 15` E

Hydrocarbon seepage (both gas and oil) has been reported in this area of Spain for many years and significant exploration campaigns were undertaken in the 1960`s, 1970`s and 1980`s by the Spanish companies VALDEBRO, ENPASA, ENIEPSA, and CAMPSA. To date only one commercial discovery has been made in Aragón, the Serrablo gas field, which was discovered in 1979 and lies approximately 60 kilometres northwest of the Abiego permit.

Two wells have been drilled on the *pda* acreage. Ebro-3, drilled by CAMPSA in 1979, encountered gas shows and was plugged and abandoned following mechanical problems. Huesca-1, drilled by ENIEPSA in 1984, was plugged and abandoned as a dry hole. The Permits are covered by approximately 450 line kilometres of 2D seismic acquired by CAMPSA and ENPASA/ENIEPSA between 1977 and 1982.

pda has conducted preliminary seismic interpretation and mapping of a significant structural trend that to date remains undrilled. The company has undertaken field based geological studies and advanced geochemical fingerprinting of seeps in and around the Permits during 2000, 2001 and 2002. Integration of this work with the results of previous exploration in the area suggests that two petroleum systems exist in the region and that only one has been explored for in the past.

Work planned in 2003-4 will reassess the prospectivity of the area. This will include further geochemical seep analysis, reprocessing of all existing 2D seismic data and re-mapping to incorporate state of the art structural and stratigraphic concepts.

