



Thursday 20 July 2006

Serica Energy plc secures drilling rig for UK North Sea

LONDON, July 20 /CNW/ - Serica Energy plc ("Serica") (TSX Venture: SQZ; AIM: SQZ) announces that it has secured the use of the Ensco 92 jack-up drilling rig to drill an exploration well to test the "Oak" prospect in UK offshore Block 54/1b. The well will be operated by Peak Well Management Limited on behalf of Serica.

It is anticipated that the well will be drilled in October 2006. Serica holds a 100% interest in the Block and has received a number of offers regarding a potential farm-in which are currently being reviewed.

Paul Ellis, Chief Executive, commented:

"Securing the Ensco 92 rig adds a second well to our 2006 exploration drilling programme in the UK North Sea. We now anticipate that in October this year we shall be drilling both the Block 23/16f Columbus prospect in the Central North Sea and the Block 54/1b Oak prospect in the Southern Gas Basin.

We shall also be adding further rig time to that which we have already secured for our 2007 exploration programme, which includes exploration, appraisal and development wells in the UK and Indonesia."

Background Notes

Serica Energy plc is an international oil and gas exploration company with operations in Indonesia, the UK North Sea and Spain. The Company's ordinary shares are listed in London on AIM and on the Canadian TSX Venture Exchange under the symbol "SQZ". The 2005 Annual Report and Accounts are available at www.serica-energy.com and www.sedar.com.

Peak Well Management Limited is part of The Peak Group which in May 2006 was acquired by The Ability Group (AGR) of Norway. Ability Group is now established as the world's leading independent well operator.

Forward Looking Statements

This disclosure contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, some of which are beyond Serica Energy plc's control, including: the impact of general economic conditions where Serica Energy plc operates, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities.

Serica Energy plc's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that Serica Energy plc will derive there from.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.



To receive Company news releases via email, please contact [heather\(at\)chfir.com](mailto:heather@chfir.com) and specify "Serica press releases" in the subject line.
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