

Onshore Southern England

PEDL 234: Weald Basin

Loxley Gas Appraisal / Development Project



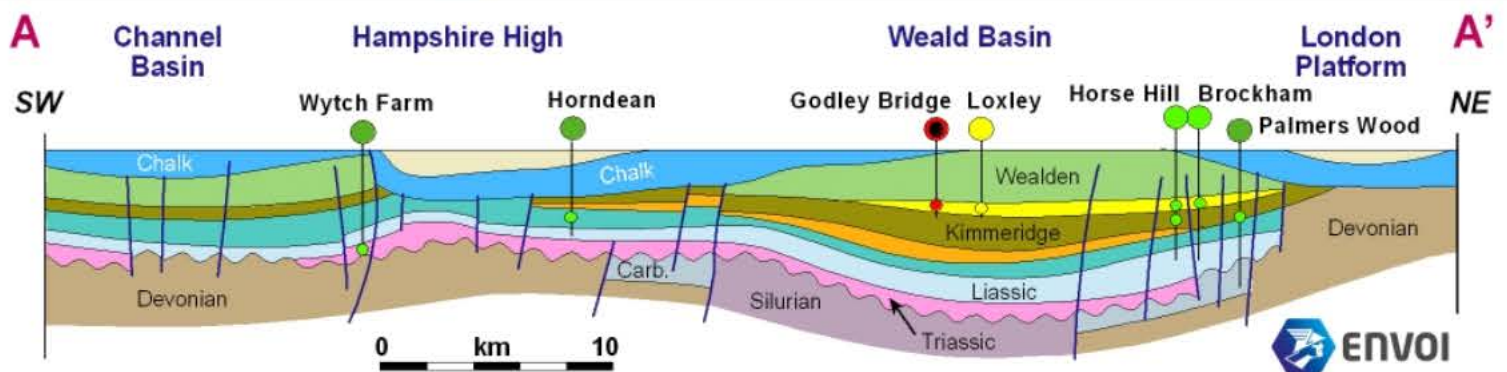
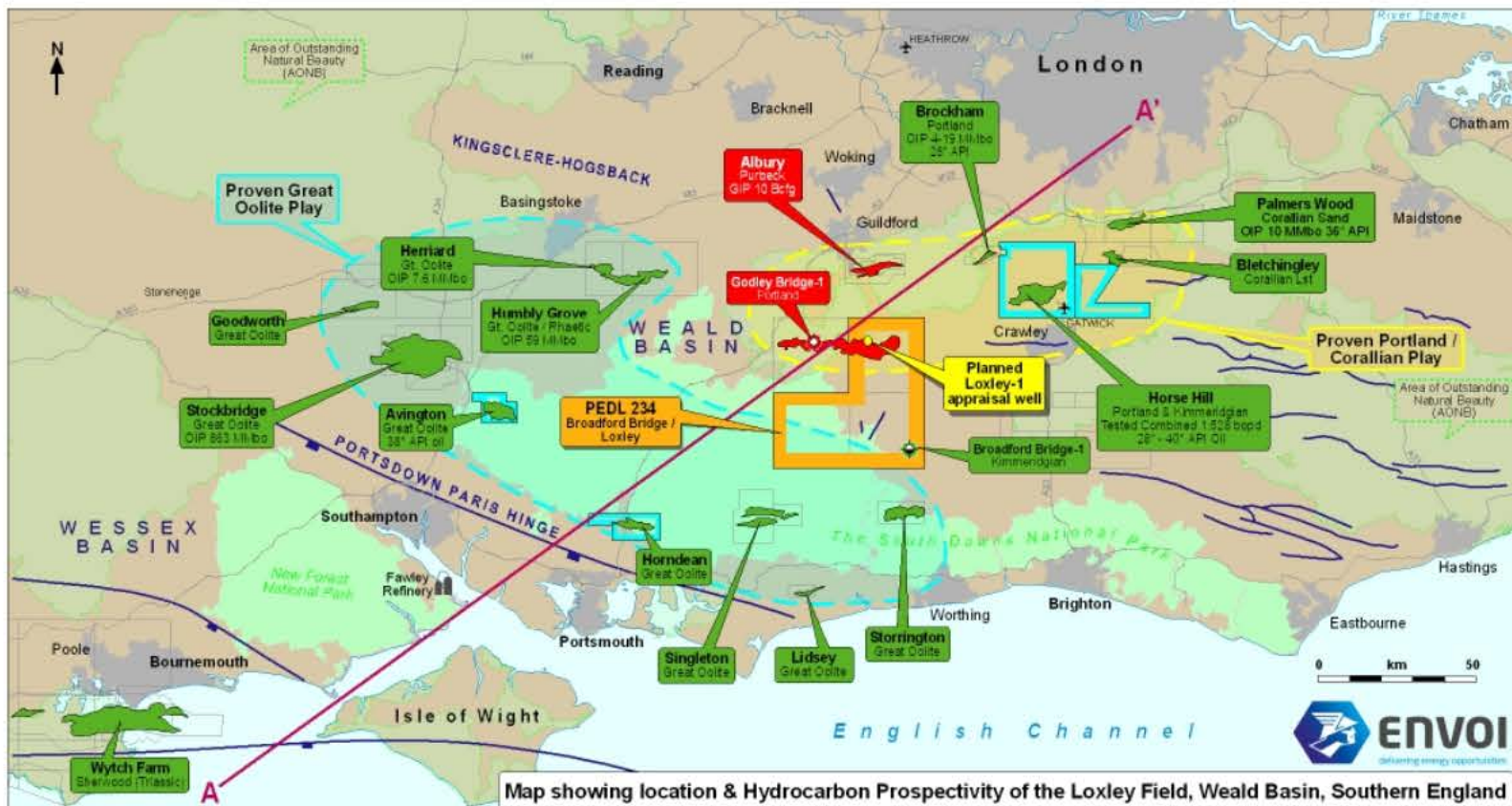
New Project Alert

Dear Mr McMechan,

Please find below both a summary of, and link to the PDF version of Envoi's Introduction Flyer, introducing the opportunity to participate in the appraisal and expected development of the Loxley gas field, situated in the heart of the proven producing play fairways within the Weald Basin, onshore Southern England:

- **Onshore appraisal / development on trend with existing gas discovery unlocked by remapping of existing seismic data with revised statics model**
- **Large undrilled 'Loxley' closure defined with ~ 100 ft relief (potential to be 3rd largest onshore gas resource after Saltfleetby & Lockton if proven by drilling)**
- **Independent 2023 CPR confirms Est. 'Mean' 40+ Bcf gas recoverable with upside**
- **Drilling Location Permitted & Approved with full local & legal ruling**
- **Existing gas pipeline <7 km ensures access to regional network & ready markets**
- **Licence Extension Granted with drilling Loxley-1 to commence by June 2025**

Loxley Gas Field Project: Introduction Flyer - PDF Link



Executive Summary: Envoi has been engaged by UK-based AIM-listed UK Oil & Gas Plc (“UKOG”), to assist in their search for a partner to join them in the appraisal and expected development of the Loxley gas discovery. The field is located just north-west of the town of Horsham in Surrey and within the proven producing Jurassic play fairway of the Weald Basin of Southern England.

The gas is trapped in an Upper Jurassic aged Portland Sandstone closure comprising a west-east elongate 4-way dip anticlinal structure which straddles two onshore UK licences involving PEDL 235 operated by Star Energy to the west and UKOG’s 100% owned and operated PEDL 234 to the east. PEDL 235 contains the original 1982 Conoco Godley Bridge discovery and appraisal wells, whilst UKOG’s PEDL 234 contains the large undrilled Loxley culmination on the same closure (Ref: Figures 1, 3 & 4).

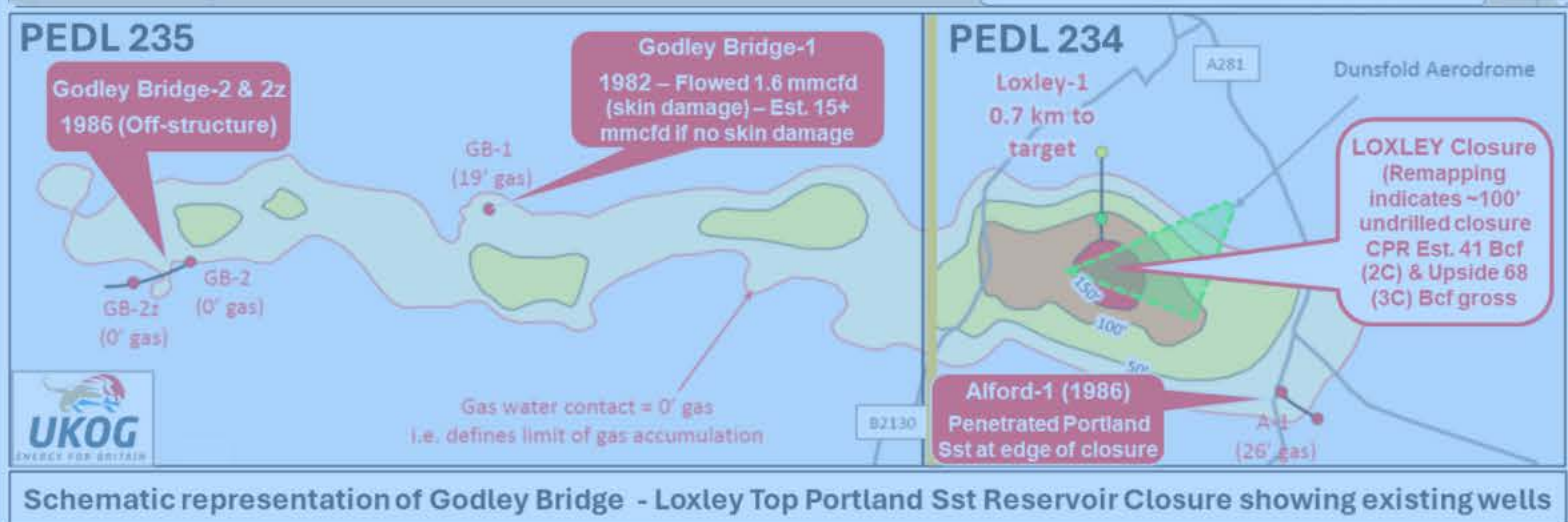
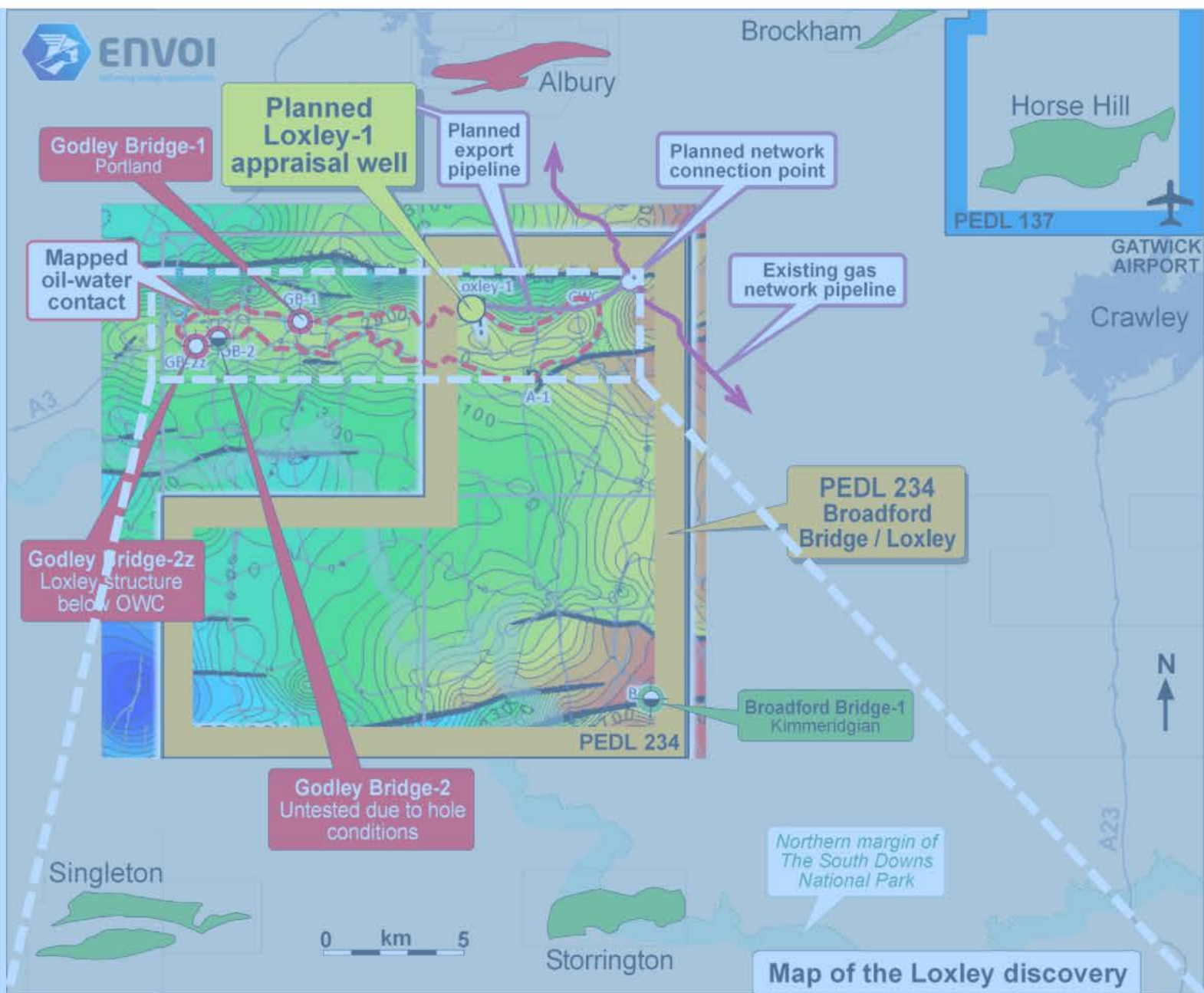
The Godley Bridge discovery flowed 1.5 mmcf/d gas on test from the Portland, although this is now evaluated to have been significantly less than it is estimated capable of due to the ‘skin effect’ caused by well damage. The closure was then further delineated by the other 1980’s Conoco wells, all of which are now interpreted to have penetrated just the margins of the Portland closure and gas accumulation.

UKOG has remapped the existing 2D seismic and modelled the regional velocities and statics resulting in an updated depth map that defined a large undrilled Portland closure named ‘Loxley’ with as much as 100’ at its crest.

This has been independently verified by RPS whose 2023 CPR confirms the potential to contain 40+ Bcf gross 2C resources and an upside of over 68 Bcf (3C) resources.

Significantly UKOG’s PEDL 234 lies north of the designated Area of Outstanding Natural Beauty (AONB) which will ensure rapid development can be achieved via a 6.6 km pipeline connection to the existing gas grid, with available capacity, if the planned appraisal well confirms a gas discovery.

UKOG is now seeking a partner(s) willing to earn material share if its Licence in return for funding the planned Loxley-1 well which has the necessary environmental and planning permissions. The appraisal well, subject to tendering and procurement, is estimated likely to cost £ 8 million including the site construction, drilling, coring and flow testing. The economics show that just the 2C resource potential could generate an NPV10 of over £ 80 million net to UKOG’s Licence.



Further Information: The project can also be viewed via the [PEDL 234 Loxley Project Website Page](#) of the Envoi website where there is also a link to the Intro Flyer.

A presentation on the opportunity can be arranged remotely, with subsequent access to the key data on the project made available online after execution of a Confidentiality Agreement (CA).

Serious parties will be invited to access to the workstation seismic in the physical data room in London.

All expressions of interest and requests for more information, including requests for the CA, must be made through Envoi.

UP & COMING CONFERENCES: Envoi is scheduled to present this project as part of its involvement in the Farmout Forum on Monday evening 17th June (see: [Promotions and Farm-out Forum](#)) immediately before the joint GESGB-SEAPEX SE Asian focused Conference being held at the Oval in London 18th - 19th June 2024. For more information see: [Asia Pacific Conference 2024 \(ges-gb.org.uk\)](#)

Best regards

Mike Lakin
MD - Envoi Limited



Other Projects: A summary of the other international projects Envoi is marketing can be reviewed on the Active Projects Page of its website www.envoi.co.uk where you can download a PDF copy of the current Active Project Locator.

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