

Regal Petroleum plc
("Regal" or the "Company")

22 July 2010

OPERATIONAL UPDATE

Regal, the AIM-listed oil and gas exploration and production group (symbol: RPT), provides an update on its operations at its Mekhediviska Golotvshinska (MEX-GOL) and Svyrydivske (SV) gas and condensate fields in Ukraine and its Barlad concession in Romania.

UKRAINE

Ongoing drilling, well completion and field development activities continue to support the Company's production growth objectives.

Drilling

MEX-120

The MEX-120 well is drilling ahead in the 8¹/₂ inch hole at a depth of 5,294m towards the final well TD planned at 5,370m, where the 7 inch liner will be run prior to perforation and completion operations in the B-sands. These operations are scheduled throughout August 2010, with production hook-up anticipated in September 2010.

SV-69

SV-69 has made good progress since its spud on 1 June 2010, and is drilling ahead in the 12 ¼ inch hole at a depth of 4,433m towards the section TD planned at 4,890m, where the 9 ⁵/₈ in casing will be set before entering the B-sands reservoir objective.

Work-overs

SV-66

SV-66 has been undergoing an extended production test programme since being brought online to the production facility on 2 June 2010. The well has undergone a marked performance decline from the initial high rates to a current gas production rate of 75,000 m³/d. However, the production has been denoted by abrupt decreases and increases in both wellhead pressures and flow rates rather than a gradual reduction typically associated with reservoir depletion due to gas offtake. This unusual characteristic is consistent with the development of a mechanical blockage, and a wireline survey has located an obstruction caused by debris at the lower end of the production completion.

Preparations are therefore underway to conduct a coil tubing intervention during late August 2010. This operation will attempt to remove the obstruction to allow production logging of the perforated intervals, and to accurately quantify the delivery potential of the well. A further announcement will be made on completion of this intervention.

MEX-106

The MEX-106 work-over intervention to remove the fish and resume the T and D-sands perforation and test programme is underway. The upper completion has been successfully retrieved, leaving only the tailpipe containing the fish to be either recovered or milled out. The operation is expected to take 20-25 days, including the perforation programme, at which point the well will be tested and brought back onto production.

MEX-103

A work-over intervention is planned on MEX-103 in order to pull the completion and provide uninhibited access to the inside of the casing to allow perforation with Stimgun mini-frac equipment that was not available in Ukraine at the time of the completion of the well in 2008. This approach is aimed to maximise the chances of penetrating past the near-wellbore zone, to provide improved connectivity with the B-20 reservoir which is productive in adjacent wells in the immediate vicinity.

SV-61

A work-over intervention is planned on SV-61 in order to investigate and repair a number of mechanical issues identified in the well, which are believed to have prevented the well from producing.

MEX-102

A production test on MEX-102 is planned during August 2010, which is designed to ascertain whether the change in the pressure of the producing B-23 reservoir will now allow the production ports that were installed in the completion during 2008 to be opened in order to re-introduce the currently closed-in condensate-rich B-20 gas into the production stream.

SV-10 & MEX-3

Concrete foundations have been constructed and progress is being made on modifying the flow-line connections in readiness for the installation of wellhead compressor packages. This equipment, which is designed to increase output from these wells, is expected to arrive in late September 2010, with the production enhancement anticipated before the end of Q4 2010.

OTHER WELLS

SV-58 gas production has continued steadily for 6 months at approximately 105,000 m³/d. GOL-1, drilled in 1991, continues to deliver a production contribution at a modest rate, GOL-2, drilled in 2001, has been suspended because of local depletion of the B-23 reservoir and MEX-4 remains in service as a water disposal well.

PRODUCTION

The Company's total field production rate on 20 July 2010 was 1,930 boepd (262,330 m³/d of gas and 46.1 m³/d of condensate).

ROMANIA

BARLAD

Preparations are continuing towards the spud of the RBN-E1 well, which is planned for early September 2010.

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Ronan McElroy, PhD Geology, SPE, Chief Technologist of Regal Petroleum plc, has reviewed and approved the technical information contained within this press release in his capacity as a qualified person, as required under the AIM Rules.

Definitions:

bbls	barrels
boe	barrels of oil equivalent
boepd	barrels of oil equivalent per day
m	metres
m ³	cubic metres
m ³ /d	cubic metres per day
MMscf	million standard cubic feet
TD	Total Depth

Conversion Factors (SPE):

1 MMscf gas	= 176.7 boe
100,000 m ³ gas	= 624 boe
1 m ³ liquid	= 6.29 bbls liquid