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Empyrean Energy PLC

("Empyrean" or the "Company"; Ticker: (EME))

Sugarloaf Project, ("Sugarloaf"), Block B, Texas USA

- **Sugarloaf Block B Work Program**

Empyrean is pleased to announce that it has been advised by Texas Crude Energy Inc ("TCEI"), the operator of Block B on the Sugarloaf Project that is part of the Sugarkane Gas & Condensate Field ("Sugarkane") in onshore Texas, USA, that planning and initial preparatory work has commenced on the stimulation and completion program for the three existing horizontal wells within Block B. This work forms the first stage of the workscope required to be funded by Hilcorp Energy ("Hilcorp") to earn its interests as per the recently announced farmin deal.

The wells will be stimulated using a fracture design that is based upon recent operations within the Eagle Ford Shale trend as well as taking account of the specific nature of the Sugarkane field. TCEI has advised that the major part of the work program is likely to start in November 2009, subject to the availability of rigs and equipment. In preparation for the fracture stimulation operations shallow water wells will be drilled and holding pits will be dug at each well location. This

work has commenced at the Weston-1H well.

Prior to this a rig will be mobilised to the Kowalik-1H well location to attempt to pull the slotted liner which was originally deployed in the horizontal open hole of this well. If successful the rig will then run and cement a conventional liner and the well will be fracture stimulated in similar fashion to that planned for the other two horizontal wells. If the slotted liner is unable to be recovered, it is likely that an acid stimulation will be attempted on the well. This alternative treatment has been successfully applied locally within the Austin Chalk.

In addition, planning has commenced for a 2010 drilling program as part of the recently announced farmin deal, with the first wells drilled in this program likely to be within Block B. Under the terms of the farmout agreement all 3 new horizontal wells must have started by mid-2011 for Hilcorp to qualify for its full interest in Sugarloaf.

Whilst this program of work remains subject to change, it does represent a significant acceleration of activity on Block B over the coming months. In addition to the Sugarloaf Block B wells, Hilcorp will also be involved in drilling up to 7 additional wells targeting the same play in adjoining acreage. As a result of this activity and the significant number of wells scheduled for drilling by competitor companies in the Eagle Ford Shale regional play near to the Sugarloaf Project, we can expect to see continuous improvement in the understanding of and value of our asset.

For further information

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