News Release - General Operations Update

21.09.2011 | The Newswire

(via Thenewswire.ca)

Vancouver, Canada: - Transeuro Energy Corp. ("Transeuro" or the "Company") announces that preparations for the hydraulic fracturing operations on the Karl-101 well in Ukraine are well advanced. The Company has completed the design and planning phase utilizing technical experts actively involved in Canadian tight gas and shale gas operations and has engaged Schlumberger to conduct the fracturing operations. Orders have been placed for over 300 tons of proppant and for the downhole equipment and tubing with delivery anticipated at the rig site in November. The Company anticipates re-entering the well to install the necessary downhole equipment in late November shortly after the completion of the rights issue, and conducting the hydraulic fracturing operations immediately thereafter. Target results following the hydraulic fracturing operations are for initial test production in excess of 10 mmcf/d and then following installation of the necessary production equipment, for average production throughout the first year in the range of 4 -5 mmcf/d. Condensate yields are expected in the range of 30-50 bbls/mmcf.

A reservoir study on the Povorotnoye field is ongoing to re-assess the reservoir potential and drilling location for the Pov-104 well associated with the previously announced farm in agreement with Honoratus Investments. The Company anticipates receiving the license renewal for the Povorotnoye field before the end of September as previously announced.

In Canada the Company has completed phase 1 of the compression project to install wellhead compression on the A-2 well and production from this well has increased three times and has remained stable for 3 weeks. Further production gains are planned from A-2 as well head pressure is further reduced. Phase 2 of the project to add compression to the A-5 and A-7 wells is ongoing and is expected to be operational around the end of October. Monthly production since June and forecasts for the remainder of the year are summarized below:

Month	Total Field Production	Average Daily Field Production		Wells flowing
?	(m3)	(m3/day)	(mmcf/day)	?
June	941,110	31,370	1.1	A-2, A-5, A-7
July	2,018,850	65,125	2.3	A-2, A-5, A-7
August	1,312,520	42,340	1.5	A-2, A-5*, A-7
Sept forecast	2,200,000	74,250	2.6	A2, A-5, A-7
Oct forecast	3,000,000	100,000	3.5	A-2, A-5, A-7
Nov forecast	3,000,000	100,000	3.5	A-2, A-5, A-7
Dec forecast	3,000,000	100,000	3.5	A-2, A-5, A-7

*Intermittent production

The Company has engaged its reserves auditors to prepare a resource report of the Beaver River field, to further study and document the potential for conventional gas in the deeper Nahanni reservoirs, and the potential within the thick shale sections above the Nahanni that are currently producing from the A-2 and A-7 wells. The results of the report will be used to guide the planned work programme for 2012 involving acidizing and hydraulic fracturing in up to 4 existing wells.

Transeuro is involved in the acquisition of petroleum and natural gas rights, the exploration for, and development and production of crude oil, condensate and natural gas. The Company's properties are located in Canada and Ukraine. In addition, the Company holds a back-in option to Eaglewood Energy Inc.'s exploration licenses in Papua New Guinea.

On behalf of the Board of Directors

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