

Average Quarterly Production 19,767 bopd

CALGARY, April 7, 2015 /CNW/ - [Bankers Petroleum Ltd.](#) (Bankers or the Company) (TSX: BNK, AIM: BNK) is pleased to announce the Company's first quarter operational update.

Production

Average production from the Patos-Marinza and Kuçova oilfields in Albania for the first quarter of 2015 (Q1) was 19,767 barrels of oil per day (bopd), 2.7% less than 20,324 bopd in the fourth quarter of 2014 (Q4).

Bankers drilled two (2) wells in the Bubullima reservoir sands in the Patos Marinza field during Q1 with positive results. The 30 day average production rate from the wells is approximately 200 bopd per well at 75% watercut and 16 degrees API lighter quality oil. The Company plans to drill two to three additional Bubullima wells in 2015 utilizing recent 3D seismic data for prospect evaluation.

As previously disclosed, several high-water cut wells were shut-in to accommodate temporary reduced water handling capacity in Q4. Additionally, in early February, Albania experienced severe flooding that caused Bankers to shut-in 81 wells in the northern and central area of the Patos-Marinza oilfield due to limited surface access. Full water handling capacity resumed in early February and by mid-month shut-in wells were brought back on line and have largely returned to previous production rates after a period of clean-up and optimization.

On April 1st, the Company experienced a non-routine surface release of carbon dioxide (CO₂) gas during drilling operations and activated its Emergency Response Plan (ERP). Control of the well was established shortly thereafter and returned to normal well operations with no injuries reported. Bankers is currently coordinating with authorities regarding the release. According to David French, President and CEO "We are working closely with government agencies and local Prefect and Commune representatives to recover from this disruption to the lives of the villagers of Marinza. Some of our employees live and work in this same community. Efforts to further review the incident are ongoing, although our highest priority is assisting the residents in restoring their day-to-day activities."

Sales and Oil Prices

Oil sales during the quarter averaged 20,284 bopd, 1.6% lower than the previous quarter average of 20,619 bopd. Crude oil inventory at March 31, 2015, was 270,000 barrels, down from 315,500 barrels at December 31, 2014.

The Patos-Marinza first quarter average oil price was approximately \$39.65 per barrel (representing 73% of the average Brent oil price of \$53.97 per barrel), as compared with the fourth quarter average oil price of \$57.31 per barrel (representing 75% of the average Brent oil price of \$76.27 per barrel). Export sales during Q1 represented 47% of total sales, at an average export price of 77% of Brent.

Bankers realized \$14.1 million (representing \$7.76 per barrel) during Q1 in proceeds from corporate hedges. The Company has hedged 6,000 bopd at a Brent price of \$80 per barrel for 2015. Additionally, Bankers received \$3.6 million (representing \$1.96 per barrel) in legacy accounts receivable realization as part of its domestic sales program.

Drilling Update

Twenty-one (21) wells were drilled during the first quarter in the main area of the Patos-Marinza oilfield: twenty (20) horizontal production wells and one (1) lateral re-drill. As of March 31st, seventeen (17) of these wells were on production, and the remaining four (4) waiting on completion. Bankers reduced its active rig count from three (3) to two (2) in February in response to decreased commodity prices.

Enhanced Oil Recovery (EOR) Program

The polymer and water flood patterns in the Patos-Marinza oilfield continue to perform to model expectations from the nineteen (19) polymer and four (4) water flood patterns installed by year end 2014. Reservoir pressure and production response are positive with good reservoir flood conformance.

In Q1, Bankers converted four (4) additional wells to injectors. As of March 31st, two (2) wells were on-line injecting with the remaining two (2) wells expected to begin injection by mid-April. The Company continues to be strongly encouraged by the results to date and plans to move forward with 20 to 25 additional conversions in 2015.

Infrastructure Development

Bankers infrastructure projects in the first quarter continued to focus on operating cost structure improvements. Completion and commencement in February of the water disposal pipeline from the central and satellite facilities to the sandstone disposal area significantly reduces in-field fluid trucking. Also during Q1, construction continued in full swing on the northern gathering system with completion projected in the third quarter of 2015. This will enable additional transportation cost savings and allow gathered gas to further offset diesel energy usage.

Updated Corporate Presentation

For additional information on this Operational Update, please see the Company's April 2015 corporate presentation at www.bankerspetroleum.com.

Conference Call

The Management of Bankers will host a conference call on April 7, 2015, at 6:30 am MDT to discuss this Operational Update. Following Management's presentation there will be a question and answer session for analysts and investors.

To participate in the conference call, please contact the conference operator ten minutes prior to the call at 1-888-231-8191 or 1-647-427-7450. A live audio web cast of the conference call will also be available on Bankers website at www.bankerspetroleum.com or by entering the following URL into your web browser, <http://www.newswire.ca/en/webcast/detail/1509253/1682457>

The web cast will be archived two hours after the presentation on the website, and posted on the website for 90 days. A replay of the call will be available until April 22, 2014 by dialing 1-855-859-2056 or 1-416-849-0833 and entering access code 17653223.

Caution Regarding Forward-looking Information

Information in this news release respecting matters such as the expected future production levels from wells, future prices and netback, work plans, anticipated total oil recovery of the Patos-Marinza and Kuçova oilfields constitute forward-looking information. Statements containing forward-looking information express, as at the date of this news release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the Company.

Exploration for oil is a speculative business that involves a high degree of risk. The Company's expectations for its Albanian operations and plans are subject to a number of risks in addition to those inherent in oil production operations, including: that Brent oil prices could fall resulting in reduced returns and a change in the economics of the project; availability of financing; delays associated with equipment procurement, equipment failure and the lack of suitably qualified personnel; the inherent uncertainty in the estimation of reserves; exports from Albania being disrupted due to unplanned disruptions; and changes in the political or economic environment.

Production and netback forecasts are based on a number of assumptions including that the rate and cost of well takeovers, well reactivations and well recompletions of the past will continue and success rates will be similar to those rates experienced for previous well recompletions/reactivations/development; that further wells taken over and recompleted will produce at rates similar to the average rate of production achieved from wells recompletions/reactivations/development in the past; continued availability of the necessary equipment, personnel and financial resources to sustain the Company's planned work program; continued political and economic stability in Albania; the existence of reserves as expected; the continued release by Albpetrol of areas and wells pursuant to the Plan of Development and Addendum; the absence of unplanned disruptions; the ability of the Company to successfully drill new wells and bring production to market; and general risks inherent in oil and gas operations.

Forward-looking statements and information are based on assumptions that financing, equipment and personnel will be available when required and on reasonable terms, none of which are assured and are subject to a number of other risks and uncertainties described under "Risk Factors" in the Company's Annual Information Form and Management's Discussion and Analysis, which are available on SEDAR under the Company's profile at www.sedar.com.

There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information and forward looking statements.

Review by Qualified Person

This release was reviewed by Suneel Gupta, Executive Vice President and Chief Operating Officer of [Bankers Petroleum Ltd.](#), who is a "qualified person" under the rules and policies of AIM in his role with the Company and due to his training as a professional petroleum engineer (member of APEGA) with over 20 years' experience in domestic and international oil and gas operations.

About Bankers Petroleum Ltd.

[Bankers Petroleum Ltd.](#) is a Canadian-based oil and gas exploration and production company focused on developing large oil and gas reserves. In Albania, Bankers operates and has the full rights to develop the Patos-Marinza heavy oilfield, has a 100% interest in the Kuçova oilfield, and a 100% interest in Exploration Block "F". Bankers' shares are traded on the Toronto Stock Exchange and the AIM Market in London, England under the stock symbol BNK.

SOURCE [Bankers Petroleum Ltd.](#)

Contact

David French, President and Chief Executive Officer, (403) 513-6930; Doug Urch, Executive VP, Finance and Chief Financial Officer, (403) 513-2691; Laura Bechtel, Investor Relations Analyst, (403) 513-3428; Email: investorrelations@bankerspetroleum.com; Website: www.bankerspetroleum.com; AIM NOMAD: Canaccord Genuity Limited, Henry Fitzgerald-O'Connor, +44 0 207 523 8000; AIM BROKER: FirstEnergy Capital LLP, Hugh Sanderson / David van Erp, +44 0 207 448 0200