



16 August 2011

**Heritage Oil Plc
("Heritage" or the "Company")**

**HERITAGE OIL ANNOUNCES A SIGNIFICANT INCREASE IN
PRODUCTION FROM THE ZAPADNO CHUMPASSKOYE FIELD, RUSSIA**

Heritage Oil Plc (LSE: HOIL), an independent upstream exploration and production company, announces that the drilling and testing of horizontal well 363 has been completed in the Zapadno Chumpasskoye Field in Russia, resulting in a significant increase in production.

Highlights

- Production from the field has increased from 431 bopd in the first quarter to a current level of c.1,600 bopd
- Oil is light gravity (39° API) and sweet
- The well tested at rates of up to 1,405 bopd and is currently producing 1,205 bopd
- Maximum well potential calculated to be 2,365 bopd
- Further horizontal drilling is planned with the next well scheduled to spud in the fourth quarter

Heritage is pleased to announce the drilling and testing of the first horizontal well in the Zapadno Chumpasskoye Field has completed and results have exceeded pre-drill expectations. Production from the field is currently c.1,600 bopd, which is a significant increase on the level achieved in the first quarter of 431 bopd.

Well 363 is currently producing at a controlled rate of 1,205 bopd. During the flow test, the well produced at rates of up to 1,405 bopd and the well potential has been calculated to be 2,365 bopd. Currently, we plan to drill a further horizontal well in the field in the fourth quarter.

Historical development of this reservoir throughout the region has been through conventional drilling on a grid pattern. Heritage recognised a potential opportunity to improve the efficiency and economics of field development by utilising horizontal drilling technology, thus decreasing the number of wells and the total cost required to develop the field while potentially improving recovery. The previous reserves review and development plan undertaken by RPS Energy in June 2009 will be updated in due course incorporating the results of well 363 and management expect these results will increase the valuation of the field.

Tony Buckingham, Chief Executive Officer, commented:

“We are delighted that the first horizontal well drilled on the field has surpassed our expectations and provided a step change in our production levels. This is the fourth well we have drilled on the licence and its success indicates this is the best technique to optimise development of the field. We look forward to further increases in production with the next horizontal well scheduled to spud in the fourth quarter.”

- ends -

Heritage has a 95% equity interest in ChumpassNefteDobycha Limited, a Russian Company whose sole asset is the Zapadno Chumpasskoye licence. RPS Energy, in an independent evaluation, estimated that Zapadno Chumpasskoye contains proved and probable reserves of 60.6 million barrels of oil net to Heritage as at 30 June 2009.

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Notes to Editors

- Heritage is listed on the Main Market of the London Stock Exchange and is a constituent of the FTSE 250 Index. The trading symbol is HOIL. Heritage has a further listing on the Toronto Stock Exchange (TSX: HOC).
- Heritage is an independent upstream exploration and production company engaged in the exploration for, and the development, production and acquisition of, oil and gas in its core areas of Africa, the Middle East and Russia.

- Heritage has a producing property in Russia and exploration projects in the Kurdistan Region of Iraq, the Democratic Republic of Congo, Malta, Pakistan, Tanzania and Mali.
- All dollars are US\$ unless otherwise stated.
- For further information please refer to our website, **www.heritageoilplc.com**

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FORWARD-LOOKING INFORMATION:

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