



## **MEDIA RELEASE**

**20 January 2006**

### **Star Energy £134 million gas field development in prospect for Albury**

More than 100 Surrey residents visited Star Energy Group plc's exhibition in Albury Village Hall yesterday hoping to learn more about Star Energy's plans for the Albury Gas Field. Star Energy submitted a planning application at the end of last year to Guildford Borough Council outlining a controversial scheme to drill an appraisal well ("Albury Phase 2") on tranquil Blackheath Common, near Guildford, Surrey.

UK onshore oil and gas producer, Star Energy, which listed on London's Alternative Investment Market ("AIM") last August, has stated to investors its intention of focusing on developing the gas storage business which utilises depleted onshore oil and gas fields, such as Humbly Grove, near Alton, Hampshire. Star Energy has invested £65 million in the 10 bcf (billion cubic feet of gas) Humbly Grove gas storage reservoir, one of the UK's largest onshore facilities, which stores gas pumped in from the National Transmission Grid pipeline 27 km away.

Questioned last night on the possibility of similar industrial operations for the Albury Gas Field, where gas has been extracted on a small scale since drilling began in 1987, Mr Robin McKie, Star Energy's Commercial Lands Director, told residents that Star Energy has not assessed any plans for the field beyond the appraisal scheme detailed in the planning application and also denied that there were two Albury gas storage facilities detailed on the Department of Trade and Industry's website with target commissioning dates of 2007/8 and 2010.

Commented Dr Paul Lister, a representative of the Save Blackheath Common Community Action Group, “We are very concerned by the disparity between what Star Energy has told its investors, and what it is prepared to reveal to us. Public consultation is a legal requirement of the planning process, yet Star Energy has refused to enter into a dialogue with the community about the planned £134 million investment in the Albury Gas Field that was detailed in their Information Memorandum on the occasion of their listing on AIM last August. This is an industrial scheme on a wholly different scale to the £1.25 million they indicated to us last night.”

He added “The site of Star Energy’s proposed Albury Phase 2 gas well is in Green Belt, in an Area of Outstanding Natural Beauty, and only yards from a Site of Special Scientific Interest, and these statutory protections should not be over-ridden for the commercial benefit of Star Energy and its associates, when alternative sites exist in this extensive gasfield. The noise and traffic generated by drilling and subsequent operations on the site selected by Star Energy will be disastrous for wildlife, the local environment, residents, and the quiet enjoyment of the thousands of people who visit this beautiful Common every year.”

For more information please contact:

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#### Note to Editors

The information on the proposed gas storage facility at Albury was sourced from the Department of Trade and Industry’s press release dated 12 January 2006, and from Star Energy Group plc’s Information Memorandum dated 13 July 2005.

Save Blackheath Common will be holding a public meeting and discussion of Star Energy's development plans for all interested parties at 7pm tonight, 20 January 2006, at Albury Village Hall.

Blackheath Common is a 250 acre registered common 5 miles from Guildford, Surrey, which is heavily used by walkers, cyclists and horseriders. It lies in an area of Outstanding Natural Beauty with High Landscape Values and contains a significant Site of Scientific Importance as well as notable archaeological remains including a Roman Temple.

Star Energy's application to drill an appraisal well on land owned by the Duke of Northumberland's Albury Estate, and bordering the Blackheath Common was made public on 19 December 2005. The application seeks permission to construct a 4 acre well site; erect a 38m high drill rig operating 24 hours a day for 3 months; and flare gas from the well during an appraisal period of up to 3 years. Intrinsic to the application is the construction of a heavy duty access track 4-6 metre wide for 20 tonne Heavy Goods Vehicles across the Common itself on what is currently an ancient bridleway; the widening of a historic sunken lane; and the closure of these routes to pedestrians, cyclists and horseriders on safety grounds.