



Announcement from P/F Atlantic Petroleum (FO-ATLA)

Atlantic Petroleum Updates Status on Chestnut Field

Tórshavn, Faroe Islands 18th March 2008 – Atlantic Petroleum (OMX: FO-ATLA) the international upstream oil and gas company, today announced that commissioning work and sub-sea tie in activity on Chestnut is ongoing however progress on these activities is slower than anticipated therefore first oil from the Chestnut Field is anticipated during the third quarter of 2008, with a 'stretch' target of second quarter 2008.

The field will be produced from the new Sevan 300 floating production unit, the Hummingbird, which was built in the Yantai Raffles shipyard in China and completed at the Keppel Verolme yard in Rotterdam. The FPSO was installed and anchored on the Chestnut location in December 2007. Offshore hook-up and commissioning work, along with sub-sea tie in activity, is ongoing. Progress on these activities has been slower than anticipated for a variety of reasons, including winter weather related issues. The field will therefore come on production later than originally anticipated.

New subsurface technical work has identified a potentially significant upside to the field in an area south of the Chestnut wells. An additional well is being considered. It is anticipated that this project will be sanctioned during the first half of the year leading to the well being drilled towards the end of 2008.

Partners in the P.354 licence are Venture (Operator) 69.88%, Bow Valley 15.12% and Atlantic Petroleum 15%.

Commenting on the news, Wilhelm Petersen, Managing Director of P/F Atlantic Petroleum said:

"Atlantic Petroleum are disappointed that operational delays are putting back the date for Chestnut first oil. However the considerable upside identified to the south of the currently drilled wells could add significant value to the project, so we are looking forward to finalising the subsurface work on this."

Further Details

Further details can be obtained from Wilhelm Petersen, Managing Director, tel +298 350 100 (wilhelmp@petroleum.fo) or Teitur Samuelsen, Financial Manager, tel +298 350 100 (teiturs@petroleum.fo). This announcement will be available, together with other information about Atlantic Petroleum, on the Company's website: www.petroleum.fo.