

Encore Energy Provides 2nd Quarter 2016 Operations Update

Bowling Green, KY (July 6, 2016): Encore currently has a ~15000-acre lease position and prospects targeting several limestone and dolomite oil formations in south central Kentucky with plans to potentially acquire up to ~50000 lease acres in the future. The Company has drilled 29 wells with 8 wells in completion, 4 re-completions (adding 2nd formation) and 13 new wells planned for the near future. Encore anticipates that its production volumes to increase by as much as ~200% when its fields reach full production, just ahead of anticipated increases in the price for oil. As the most active operator in the area, Encore has recently launched a new 30-well program for 2016. Encore is a bonded operator with the state of Kentucky and also owns and operates its own saltwater disposal well operations, and bonded with the EPA. The US government allows qualified SEC defined Accredited investors to deduct 100% of the IDC Intangible Drilling Cost deductions against all ordinary income with up to 95% of the deduction occurring in year one.

“Today’s fundamentals point toward an increasingly strong recovery for oil”, said Steve Stengell, Encore’s President CEO and Chairman. “We also believe there exist tremendous opportunity for the successful application of improved well completion technologies in this area, which includes completion design and stimulation treatments that were previously developed for oil carbonate formations in other areas, such as Texas, southern Illinois and Oklahoma.” Added Stengell.



“The fact that US domestic and global oil production are both declining and setting the stage for a strong long-term recovery for the price of oil, makes these projects even more attractive for Encore and its partners”, said Joseph Hooper, Encore’s EVP of Business Development. “Now is the time for tremendous investment opportunity in our business, especially given our recent success with improved completion technologies in south central Kentucky”, added Hooper.

Oil and gas exploration involves a high degree of risk and uncertainty and is only suitable for qualified SEC Accredited investors who are sophisticated in making investment decisions and can afford the loss of his or her entire investment. No assurances can be made as it pertains to profitability, production rates, volumes, reserves, timelines or other related estimates.

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