



For Immediate Release

5th August 2008

MERIDIAN PETROLEUM plc

Operations Update

Meridian Petroleum plc ("Meridian" or "the Company"; AIM: MRP), the US-focused oil and gas exploration and production company, announces an update on its operations in Michigan and Louisiana.

Orion 36 Well, Michigan, USA

The Orion 36 well set a new daily gas production record of 5.88mmcf on 31 July 2008.

As previously reported, the well was shut-in for an extended period in July due to repair and maintenance work on the customer's pipeline system. The well produced for a total of 14 days in July and total gas production in the month was 73 mmcf at an average daily rate (allowing for the downtime) of 5.21 mmcf. Production of natural gas liquids (NGLs) during the month was 689 bbls.

Net production to Meridian in July (based on a Net Revenue Interest (NRI) of 54.589%) was 39.8 mmcf of gas and 376 bbls of NGLs. This is equivalent to 7,000 barrels of oil equivalent (boe) at a daily production rate of 500 boe/day.

At the end of July typical flowing well-head pressure was in the range of 675 - 730 psi.

US gas prices fell sharply in July, averaging just over \$12 per mcf for gas produced, down from an average of nearly \$14 per mcf in June.

During the shut-in period, the Company obtained some new bottom hole pressure data. RPS Energy are currently evaluating this information and assessing its impact on recoverable reserves. Meridian also took the opportunity to complete a SulfaTreat change-out on the second tower, the other tower having been changed in June.

East Lake Verret Field (ELV), Louisiana, USA

The ELV Field continued its consistent performance in July, with both gas and oil production being slightly above June levels. Gross gas production was 170.3 mmcf, gross oil production was 7,644 bbls. Meridian's net share of production was 34.3 mmcf of gas and 1,721 bbls of oil, equivalent to 7,438 boe at an average daily rate of 240 boe.

Milford 36 Well, Michigan, USA (Net Interest 30%)

The Company has now concluded its testing and analysis of the Milford 36 well and, as anticipated, the well is not commercial. Gas flow rates tested at up to 80 mcf and oil shows were negligible. Although this particular well proved non-commercial, there remains the possibility that the reef itself might be economic if drilled by sidetrack to a different bottom hole location, and independent advice on this possibility is being sought.

'Orion 2' Prospect, Michigan, USA

Working with Wellmaster, the contract operator of the Orion 36 well, a further Niagaran Reef prospect has been identified in a location that can be drilled from the Company's existing Orion facility. Work on securing the necessary leases is well-advanced and Meridian is hoping to finalise commercial terms and drilling plans by Q4 of this year. This is a particularly attractive opportunity, as any commercial reserves that are proved up, could be produced through the Company's existing processing facility.

Hedging

In early July, the Company concluded hedging contracts to cover some 45% of its projected output from the Orion 36 well and the ELV field. These contracts are of the 'Zero Cost Collar' type and provide for a gas floor price of \$10 per mmbtu (equivalent to around \$10.90 per mcf), and an oil floor price of \$100/bbl. The capped prices are \$12.20 per mmbtu (\$13.25 per mcf) and \$200/bbl for gas and oil respectively.

Commenting on Meridian's recent operational performance, Stephen Gutteridge, Chairman, said:

"Our producing assets continue to perform well and we were particularly pleased to see Orion come back online so strongly after the July shut-in. We were not surprised by the results of the Milford 36 evaluation and, with such strong production elsewhere, it was never material to our overall performance. We are however much more enthusiastic about the potential 'Orion 2' prospect and, combined with the proven undeveloped opportunities at ELV and the Australian seismic in Q1 2009, we are looking at a busy few months ahead."

Ed Childers, the Company's Chief Operating Officer, who meets the criteria of a qualified person under the AIM guidance note for mining and oil and gas companies, has reviewed and approved the technical information contained in this announcement.

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