

23 January 2008



Company Announcements  
ASX Limited

## **GARDEN BANKS 115 BLOCK AWARD**

**Entek Energy Limited (Entek) is pleased to announce the acceptance on January 17<sup>th</sup> 2008 by the United States Department of Interior – Mineral Management Service of Entek’s bid for Garden Banks Block 115 in the GOM Central Sale 205 offered on October 3<sup>rd</sup> 2007 <sup>Note 1</sup>.**

The Cascade Prospect is ready to drill in the Garden Banks 115 Block:

- ⚙️ The resource estimate is 10 – 20 BCF, at a depth of 1,100 metres subsea (3,600 feet subsea). Hydrocarbon type expected: gas/condensate.
- ⚙️ Geologic control is through the numerous tests in the area exhibiting good reservoir characteristics, with seismic control utilizing Western Geco 3D over the prospect.
- ⚙️ Analog production of 215 BCFE cumulative surrounds the Cascade Prospect.
- ⚙️ Direct hydrocarbon indicators - amplitude anomaly, flat spot and down-dip conformance.
- ⚙️ A gas pipeline traverses the block and an oil pipeline is located 6 miles away.
- ⚙️ Cost to find & develop estimated at US\$2.42 per MCFE, (the NYMEX HENRY-Hub gas price average over the first 18 days of January 2008 is approximately US\$7.85 per MCFE <sup>Note 2</sup>).

Entek holds a 100% working interest (WI) in Garden Banks 115 and plans to immediately commence farm-out of up to 70% of its WI.

The decision by Entek to bid on the Garden Island 115 Block was based upon a thorough evaluation of the Cascade Prospect, in consultation with the company’s technical consultant based in Houston. The prospect fulfilled the company’s rigid selection criteria, including:

- Sound geological and geophysical validation.
- Proven hydrocarbon province.
- Proximity (and access) to infrastructure (for drilling and development) and market (for sale of produced hydrocarbons).
- Reasonable development costs (in the event of discovery).
- Likely farm-out appeal.

The Cascade Prospect met all of the above criteria.



Russell Brimage  
CHAIRMAN

**Nomenclature:**

BCF	Billion cubic feet (of natural gas).
BCFE	Billion cubic feet gas equivalent.
MCFE	1000 cubic feet gas equivalent.

Note 1 Subject to formalities and payment of balance of bonus and first year's rental.  
Note 2 Exact price dependent upon actual gas calorific value.

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