

2nd July 2007



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Company Announcements
ASX Limited

MARCOOLA-1 NEW FIELD OIL DISCOVERY

Entek Energy Limited (ASX code ETE) advises that at 06:00 EST, July 1st 2007, Hunt Energy Rig #2 was released from MARCOOLA-1. The rig is now moving to the next and final well in the three well exploration program, WARRAGON-1.

MARCOOLA-1 NEW FIELD OIL DISCOVERY

- Location: ATP-269P in the Queensland portion of the Eromanga Basin.
- Total Depth: 1,348 mRT.
- DST 1 conducted over the interval 1,208.5m-1,220m in the Hutton Sandstone flowed for 20 minutes before the packers failed. A total of 6 barrels of oil was reversed out of the test string. There was no evidence of water. The oil recovered had an indicated API gravity of 44.9.
- DST 2 conducted over the interval 916.5m – 923.87m in the Murta Formation recovered 3.85 barrels of oil/oil emulsion (approx. 2.4 barrels oil) over a 96 minute flow period. The oil recovered had an indicated API gravity of 56.4. Whilst oil was recovered during testing, the test was marred by packer seat failures.
- A suite of 30 side wall cores were sampled throughout the intervals of interest encountered during drilling.
- The well has been cased and suspended whilst further analysis of all data is evaluated, prior to preparation of a completion program to bring the well into production.

WARRAGON-1

- The third well in the drilling program will be WARRAGON-1, a 1,992 metre well located approximately 18 kilometres northeast of Eromanga.
- Location: ATP-269P in the Queensland portion of the Eromanga Basin.
- WARRAGON-1 is a follow-up to MT BELLALIE-1 drilled in 1984, which exhibited encouraging hydrocarbon shows. The MT BELLALIE-1 well was drilled off crest and the follow-up well WARRAGON-1 will be drilled 1 kilometre to the south-east.

- Primary Objectives are the Basal Jurassic, with a probabilistic resource assessment estimated mean recoverable oil reserve of 1.33 MMB, and the Toolachee Formation, with probabilistic resource assessment estimated mean recoverable oil reserve of 0.56 MMB
- Secondary objectives are the Patchawarra Formation and the Hutton Sandstone.

Participants:

Beach Petroleum Ltd (Operator)	46.95%
Entek Energy Ltd	28.15%
IOR Exploration	20.00%
Santos Limited	4.90%

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MMB million barrels

mRT metres depth with reference to the drilling rig rotary table