

18<sup>th</sup> September 2007

Company Announcements  
ASX Limited

## SW QUEENSLAND ACTIVITY UPDATE

Entek Energy Limited (ASX code: ETE) is a 28.15% interest holder in the SW Queensland block ATP-269P, operated by Beach Petroleum Limited.

A three well exploration drilling program in the block commenced on June 5<sup>th</sup> 2007. The outcome, in order of drilling, was as follows:

- ⚙️ Nudgee-1 dry hole.
- ⚙️ Marcoola-1 new field discovery.
- ⚙️ Warragon-1 oil discovery, awaiting testing.

### FORWARD PLANS

#### Marcoola-1

- ⚙️ The well has been completed down-hole. Surface production facilities are presently being installed. It is anticipated that production from the Hutton Sandstone formation will commence during November 2007.
- ⚙️ Historical Background:
  - Marcoola-1 was drilled to a total depth of 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.

#### Warragon-1

- ⚙️ It is anticipated that a workover rig will move over the Warragon-1 well in early October 2007 to run tubing into the well with Tubing Conveyed Perforating equipment. Following perforation of the Toolachee Formation, flow testing of the well will be performed to establish inflow performance. The flowtest will then be analysed and a decision made on whether to complete the well and bring onto production, carry out reservoir stimulation or plug and abandon.

⚙️ Historical Background:

- Warragon-1, spudded July 5<sup>th</sup> 2007 and drilled to a total depth of 1,996 mRT.
- Attempts to flow test the oil shows in the Toolachee Formation were unsuccessful due to packer failure. Subsequent complications in recovery of the test string resulted in the joint venture deciding to case the well prior to further testing.

**Byrock-2**

- ⚙️ Byrock-2 commenced production in August 2007 and appears to have stabilized at approximately 60 BOPD. However further adjustments will be made to the rate as downhole fluid levels stabilize.

⚙️ Historical Background:

- Byrock-2 had been suspended since November 6<sup>th</sup> 2006, following a successful test over the interval 1978 – 1968.8 metres in the Toolachee Formation, which recovered 10 barrels of oil in pipe over a 2 hour flow period. There was no sign of water.

**ATP-269P Participants:**

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

**Nomenclature**

mRT metres with respect to the rotary table.  
BOPD barrels of oil per day

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