11 March 2008
Company Announcements
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

DON JUAN COAL SEAM GAS & SHALLOW OIL PROJECTS WEEKLY OPERATIONS REPORT, ATP 771P/ATP 593P SURAT BASIN, QUEENSLAND

Victoria Petroleum N.L. (Vicpet) has been provided by the operator Bow Energy Limited (Bow) the following weekly status report for the Don Juan CSG (Coal Seam Gas) Joint Venture, the ATP 593P CSG Joint Venture and the ATP 593P Don Juan Shallow Oil Joint Venture.

ATP 771P DON JUAN CSG JOINT VENTURE (VPE 45%)

Orallo South-1

Spud date: 6 March 2008
Rig: JD Rig 16
Co-ordinates: 26º 3’ 36” S 148º 34’ 24” E

Summary: Orallo South-1 is a core well designed to test the Walloon Coal Measures coal thickness and gas contents between 130-520m depth. The well is located about 10km south of Orallo North-1. The well has been cased to 130m depth, with continuous coring to commence today.

Future operations: At the conclusion of this well the rig will move to the fourth core hole in the current reserves certification program, Carnarvon West-1, located 4.2 kilometres west of Carnarvon-1.

ATP 593P DON JUAN SHALLOW OIL JOINT VENTURE (VPE 24%)
ATP 593P CSG JOINT VENTURE (VPE 45%)

Don Juan North-2

Spud date: 25 February 2008
Rig: JD Rig 15
Co-ordinates: 26º 1’ 5” S 148º 17’ 31” E

Summary: Don Juan North-2 is a 340 metre deep twin of the conventional well Don Juan North-1 to test the conventional oil potential of interpreted by-passed oil pay in the Hutton Sandstone (Bow 76%).
The well reached the top of the interpreted oil zone at 324m and is being cased and cemented. Drilling through the interpreted oil zone is expected to commence on Thursday. Coal seams were encountered in the Walloons which flowed water at low flow rates with minor gas.

Future operations: At the completion of Don Juan North-2, Rig 15 will move to the fourth of the production wells to be drilled towards reserve certification in ATP 771 to be located approximately halfway between Carnarvon-1 and Orallo North-1.

Reserve Certification is being undertaken by MHA Petroleum Consultants in Denver (MHA) as advisers and reserves certifiers. MHA has been advising the Joint Venture as to optimal well placement and drilling density to achieve the initial target of 200 PJ of 2P reserves by the end of 2008.

Commenting on the weekly report, Vicpet managing director John Kopcheff said:

“Vicpet is pleased to be participating in the Don Juan Project area Joint Venture Phase 1 exploration/appraisal and reserve certification program consists of flow testing the initial three pilot wells, plus a planned 14 well program of coring and additional pilot wells as required to achieve commercial reserve certification over an initial target area of 320 sq km.

The Don Juan CSG Project is located immediately west of Sunshine Gas Ltd’s Lacerta CSG Project which touches on the south eastern corner of the Don Juan Project area permit. The Lacerta Project currently has certified methane gas reserves of 469 PJ (2P) to 1097 PJ (3P).

Added to the CSG interests Vicpet has in the adjacent permits to the east in PL 171 and ATP 574P, where up to a further 7 CSG wells are planned to be drilled in 2008, Vicpet is well placed to achieve its aim of making its CSG interests in the Surat Basin of Queensland a “core focus gas area” in addition to its growing exploration and production interests in the “core focus oil area” of the Cooper Basin.

Successful gas reserve certification for the Don Juan CSG Project or any successes in Vicpet’s oil exploration drilling program due to commence in April 2008 in its Cooper-Eromanga and Bowen-Surat Basin project areas in Queensland have the potential to add shareholder value over the next 12 months.”

JOHN KOPCHEFF
MANAGING DIRECTOR
VICTORIA PETROLEUM N.L.

Information of this report was completed by the Managing Director of Victoria Petroleum N.L, J T Kopcheff BSc (Hons Eco.Geol), FAIMM, MAAPG, MSPE, MPESA, with over 30 years experience in petroleum geology and geophysics.

For information on Victoria Petroleum N. L. drilling activities visit our website at www.vicpet.com.au
Map showing Victoria Petroleum coal seam gas interests in Surat Basin Queensland with Taringa South-1 gas flare 0.37 million cubic feet per day, Don Juan CSG Project, November 2007.

Phase 1 exploration/appraisal program targets coal seam gas reserves over an area of 320 sq km ~ 70% size Lacerta area.

VPE 45% CSG, 24% OIL

Don Juan North-2
Targets 5 mill bbl oil potential

Orallo North-1

Carnarvon-1

Taringa South-1
0.37mmafcfd

Sunshine Gas Lacerta Project
(1.1 TCF Gas - 3P)

VPE/Bow Don Juan Walloon CSG Project overlies interpreted Primary CSG Fairway

VICTORIA PETROLEUM N.L. DON JUAN CSG PROJECT AREA, SURAT BASIN