

**VICTORIA PETROLEUM N.L.**

A.B.N 50 008 942 827

*Incorporated in Western Australia*

24 November 2009

Announcements  
Australian Stock Exchange Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

**DRILLING REPORT FOR WALLOON COAL MEASURES COAL SEAM GAS  
PROJECT, ATP 574P, SURAT BASIN, QUEENSLAND**

Victoria Petroleum NL (Vicpet) has been advised by QGC Limited (QGC), a BG Group business and the operator for ATP 574P, that during the past week coring operations commenced at 340 metres with the current operation at Peebs-1 coring in the Walloon Coal Measures at a depth of 577 metres.

Peebs-1 to be drilled to a planned total depth of 677 metres is the first well to be drilled by QGC in ATP 574P in 2009 and is the first of 3 core holes planned for the current drilling program. A follow on exploration, coring and appraisal drilling program of up to 12 wells is planned over the next 12 months. This drilling program is planned to continue the evaluation of the Coal Seam Gas (CSG) bearing potential and deliverability of the Walloon Coal Measures.

The aim of this initial and planned follow drilling over the next six months is to prove up an initial certifiable gross recoverable CSG reserve for ATP 574P by the end of 2Q 2010. The Walloon coals in the permit are interpreted to have a potential CSG resource in place of up to 1,500 PJ.

ATP 574P is interpreted to be situated in the prime Walloon Coal Seam Gas fairway on the western side of the Surat Basin.

Commenting on the coal seam gas coring operations in ATP 574P, Vicpet managing director, John Kopcheff said:

“Vicpet is pleased that coring operations are underway in ATP 574P to evaluate that permits interpreted resource of up to 450 petajoules (PJ) of gas in place net to Vicpet. The aim of the drilling program is to establish an initial 2P and 3P coal seam gas reserves base for ATP 574P.

“Added to Vicpet’s CSG interests in PL 171 immediately to the north and the Don Juan Project to the west, Vicpet is confident of significant future value in its Surat Basin CSG holdings with its interest in a gross 2,700 PJ (~2.5 trillion cubic feet) in place CSG resource.”

Victoria Petroleum N.L., holds a 30% interest in ATP 574P.

Vicpet's current certified CSG reserves and Gas in Place (GIP) potential across its Surat Basin Walloon Coal Measures interests are as follows:

CSG Project	2P Certified Reserves (PJ Net to VPE)	3P Certified Reserves (PJ Net to VPE)	Estimated Gas In Place Potential (PJ Net to VPE)
ATP 574P	-	-	450
PL 171	-	-	200
Don Juan	45	89	119
<b>Total PJ's</b>	<b>45</b>	<b>89</b>	<b>769</b>

In accordance with the Victoria Petroleum continuous disclosure policy for ASX releases, Victoria Petroleum will provide drilling reports to the ASX on a weekly basis and as significant events occur when reports are provided by the operator of its non – operated permits.




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 38 years experience in petroleum geology and geophysics.

***For information on Victoria Petroleum N. L. drilling activities visit our website at***  
[www.vicpet.com.au](http://www.vicpet.com.au)

**Competent Person Statement** - The estimates of gas reserves and resources for the Don Juan CSG Field have been prepared by MHA Petroleum Consultants, LLC (MHA) in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers. The reserve statement has been compiled by Mr Timothy L Hower Chairman of MHA, together with personnel under his supervision. Mr Hower, who has over 28 years industry experience, and MHA have consented to the inclusion of the technical information contained in this announcement.



## Coal Seam Gas Projects, Surat Basin Net 540+ PJ Potential

**PL 171 & ATP's 574P, 593 & 771 CSG INTERESTS**  
SURAT & BOWEN BASINS - GAS FIELDS & PIPELINES  
SEPTEMBER 2009


**ATP 771P**  
Don Juan CSG Project  
101 PJ 2P & 197 PJ 3P

**PL 171/ATP 574P**  
est. OGIP 2,500 PJ

- PL 171/ ATP 574 Carla/Lawton/Peebs  
QGC operator. VPE 25%  
Gross OGIP 2,500 PJ.  
VPE est. Net 450 PJ  
2P reserve certification drilling re-  
commenced November 2009
- Positioned in “CSG-LNG pipeline  
corridor” centred on Gladstone
- ATP 771P – BOW operator.  
VPE 45%. Gross OGIP 265 PJ  
2P reserves tripled over past year to :  
Gross ~ 101PJ - 2P & 197PJ - 3P/3C

**VPE est. Total Net:**  
**45 PJ - 2P & 540 PJ - 3P**

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\*All 3P reserve numbers estimates for QGC projects are provided by VPE and are sourced from ASX releases by Pure Energy Limited, Sunshine Gas Limited and QGC Limited.




## Prime CSG acreage – PL 171/ATP 574P

**PL 171**  
VPE - 20%  
QGC - 80%\*

**ATP 574P**  
VPE - 30%  
QGC - 60%\*

- PL 171/ATP 574P CSG Project in  
“quality” Surat Basin CSG - LNG fairway
- Surrounded by Origin, Santos, Arrow &  
BG Group permits
- Major development drilling program in  
4Q 2009 to certify initial 2P reserves
- Gas flared at surface
- Gross potential resource OGIP 2,500PJ  
VPE est. Net 450PJ 3P/3C



**QGC Production testing ATP 574P, 2001**