



7 April 2010

Company Announcements
ASX limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

**FLOOD WATER DISRUPTION TO PRODUCTION UPDATE,
GROWLER/ SNATCHER/ MIRAGE OIL FIELDS SOUTH AUSTRALIAN COOPER BASIN**

Victoria Petroleum N.L. (Vicpet) as operator for the Growler/Snatcher/Mirage oil fields advises that with the South Australia and Queensland Cooper Basin wide flooding, all roads in the northern Cooper Basin remain closed by Santos. As a result of this, oil tankers are unable to transport the oil production from these fields to Moomba and the Santos operated Moomba - Port Bonython Oil Pipe Line.

Aerial inspection and the arrival of floodwaters at the Growler Oil Field indicate that the road from Growler to Moomba is not anticipated to re-open until June/July 2010 and the road from the Snatcher Oil field to Moomba till September 2010. The shut-in of the Vicpet operated oil fields will continue until the Santos roads are re-opened when oil deliveries to Moomba will resume. Vicpet has instituted a Flood Management Plan to ensure the safety of all field personnel and the maintenance of equipment and the environment. The Central Production Facilities have been sited on high ground to be flood free – see photo 1.

The increase in time of deferment of production is disappointing, and will impact on the projected FY 2010 net production revenue of Vicpet for its 60% of production reducing it to an estimated \$4.7 million. This reduction in net revenue for FY 2010 arises not only from the shut in of existing producing wells, but also the delay in the implementation of the development drilling program for the Growler and Snatcher oil fields.

The Century#3 drilling rig is at the Growler Oil Field and upon the roads re-opening will commence a continuous development and appraisal drilling program based on the recently acquired 3D seismic in the Growler Oil Field and the surrounding Tigercat and Warhawk oil discoveries.

The PEL 104/ PRL 15/ PEL 111/ PPL 213/ PPL 214 Joint Ventures comprises:

Victoria Petroleum NL (Operator)	40%
Impress Energy Limited	40%
Permian Oil Limited	20%*

* Being acquired by Vicpet subject to Vicpet shareholder approval.

Yours faithfully

VICTORIA PETROLEUM N.L.

JOHN KOPCHEFF
Managing Director

Information in 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 35 years experience in petroleum geology and geophysics.

For information on Victoria Petroleum N. L. drilling activities visit our website at www.vicpet.com.au



Photo 1 – Growler Oil Field Central Production Facilities, March 2010



Photo 2 – Moomba Production Facilities, February 2010