



**VICTORIA PETROLEUM N.L.** A.B.N 50 008 942 827

*Incorporated in Western Australia*

6 February 2008  
Company Announcements  
Australian Securities Exchange Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

## **Paradise Downs-1 commences drilling in Lawton Coal Seam Gas Project, PL 171 Surat Basin, Queensland**

Victoria Petroleum N.L. ("Vicpet") has been advised by the operator Roma Petroleum N.L. ("Roma") that Paradise Downs-1 of the Lawton CSG (Coal Seam Gas) Joint Venture, has commenced drilling, and is now preparing to core ahead at 126 metres.

Paradise Downs-1 is the first appraisal well to be drilled in 2008 on the Lawton CSG Joint Venture project. The well is located approximately 7 kilometres north of Lawton -1 which flowed gas to surface on test from the Walloon Coal Measures when drilled by Queensland Gas Company Limited ("QGC") in 2001 and is 7 kilometres south of the town of Wandoan.

Paradise Downs-1 is a cored well, which will retrieve coal cores for desorption testing to establish gas contents of the Walloon Coal Measures which underlie the northern area of PL 171. Paradise Downs-1 is the first of 2 core wells which will be drilled to establish gas contents for a program of subsequent drilling and reserves estimation.

Commenting on the start of drilling of the Paradise Downs-1 CSG well, Vicpet managing director John Kopcheff said:

"Vicpet is pleased to see the start of the Lawton Coal Seam Gas Joint Venture Phase 1 appraisal drilling program, a follow up to the 3 CSG wells drilled in the central and southern part of PL 171 in 2001 by QGC.

The planned timing for the commercialisation of the Lawton Coal Seam Gas Project coincides with the projected increase in demand for LNG feedstock and resultant upward pressure on prices for natural gas on the Eastern seaboard.

Added to the CSG interests Vicpet has in the adjacent QGC operated permit to the south, ATP 574P and the Bow Energy Limited operated Don Juan CSG Project in ATP 771P to the west, where up to a further 23 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 and subsequent gas sales from Vicpet's CSG interests in the Surat Basin, Queensland or any successes in Vicpet's oil exploration drilling program due to commence in March 2008 in its Cooper-Eromanga permit in Queensland have the potential to add shareholder value over the next 12 months."

The participants in the Lawton CSG Joint Venture and PL171 are:

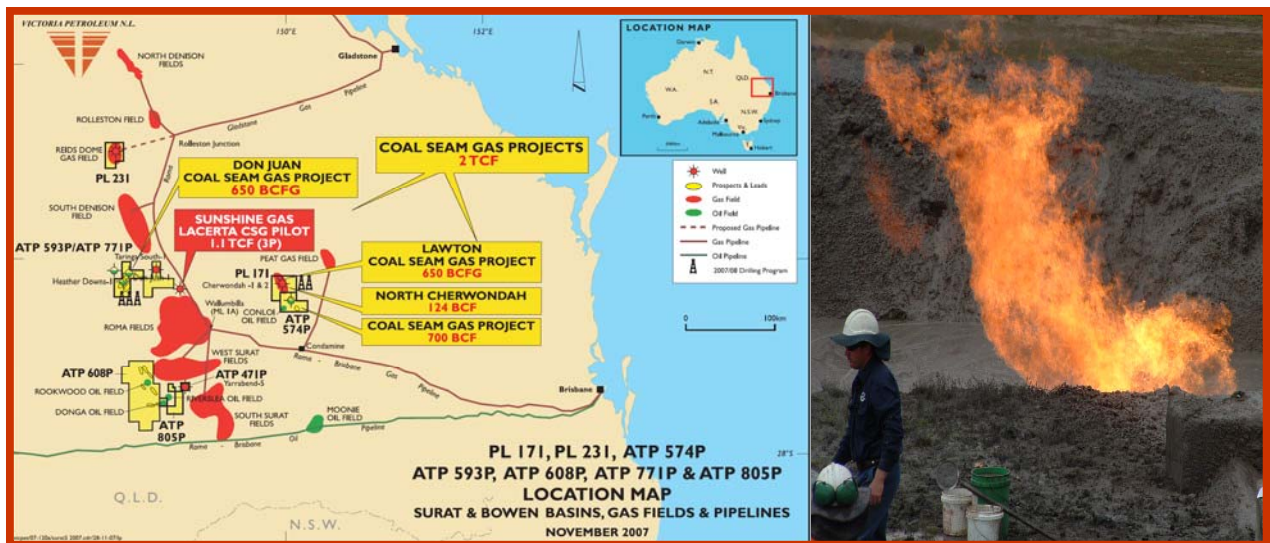
**Victoria Petroleum NL**      **20%**  
Roma Petroleum N.L.      80% (Operator)



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](http://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**