



Drillsearch Energy Limited

ASX RELEASE

SW Queensland - Weekly Drilling Update – 27 September 2007

Drillsearch Energy Limited (“Drillsearch”) announces – SW Queensland Weekly Drilling Update for 26 September 2007. Two rigs are continuing operations in the Naccowlah Blocks.

Jackson South 12 was spudded on 15 September, 2007; the rig was skidded to Jackson South 12A when operations were unable to circulate cement around the surface casing. Jackson South 12A was spudded on 21 September 2007. The well has reached TD and encountered oil show in the primary target Westbourne Formation; current operations are running a DST over this interval.

Pitchery 3, an oil appraisal well, spudded on 15 September 2007. Pitchery 3 encountered oil in the Murta Formation and has been cased and suspended as an oil production well. The rig has been released to drill Chilla 2.

Chilla 2 is an oil appraisal well which was spudded on 23 September 2007. Current operations are drilling ahead in the Early Cretaceous.

Weekly Drilling Update is set out below, as at 06:00, 26 September 2007.

Naccowlah Block

Well Details – Jackson South 12A

Name:	Naccowlah, Appraisal Well
Permit:	PL 24, Naccowlah Block
Rig:	PDI-735
Total Depth:	1500 m (Proposed)
Location:	Approximately 922 m north northeast of Jackson South 2 and 4.5 km south southeast of the Jackson oil facility
Objective:	Westbourne Formation
Progress:	The well was spudded on 21 September 2007. The well has reached TD and encountered oil show in the primary target Westbourne Formation; current operations are running a DST over this interval.

Well Details – Pitchery 3

Name: Naccowlah, Appraisal Well
Permit: PL 25, Naccowlah Block
Rig: PDI-721
Total Depth: 1417 m (Final)
Location: Approximately 600 m west of Pitchery 3, and 35 km west northwest of the Jackson oil facility.
Objective: Murta Formation
Progress: The well was spudded on 15 September 2007. Oil shows and pay have been interpreted in the Murta formation and the well has been cased and suspended as a future oil production well.

Well Details – Chilla 2

Name: Naccowlah, Appraisal Well
Permit: PL 25, Naccowlah Block
Rig: PDI-735
Total Depth: 1798 m (Proposed)
Location: Approximately 490 m east of Chilla 1 and 2.6 km southwest of Pitchery 1.
Objective: Murta Formation
Progress: The well was spudded on 23 September 2007. Current operations are drilling ahead in the Early Cretaceous.

Participating interests in the Block are:

Santos Limited	55.5% (Operator)
Beach Petroleum Limited	38.5%
Australian Gasfields Limited	2%
Inland Oil (Production) Pty Limited	2%
Drillsearch Energy Limited	2%

*Abbreviations: km – kilometres
m – metres
TD – total depth
NFE – near field exploration
BOP – blowout preventer
FMT – formation multi-tester
DST – drill stem test*

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