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Company Announcement

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Date: 19th July 2007
To: Companies Announcements Office, ASX
Electronic Lodgement:
Subject: [Correction to DST Depths in Yesterday's Release](#)
PEL 182 Joint Venture Cooper Basin – Final Drilling Update
Vanessa-1 New Gas Discovery – Cooper Basin
Number of pages: 4

VANESSA-1 ST-1: PEL-182

A NEW PERMIAN GAS DISCOVERY in the COOPER BASIN S.A.

Eagle Bay Resources advises that Vanessa-1 sidetrack ST-1 has been successfully drilled to a new TD of 3157m, and Schlumberger have successfully wireline logged across the entire new sidetrack interval from TD up – including the Patchawara Fm. (In the original hole, the prospective Patchawarra Fm could not be logged as logging tools were unable to pass deeper than 3027m due to obstruction at a thick coal bed).

Drill stem testing (DST) of the Epsilon and Toolachee formations flowed significant gas to surface, when tool malfunctioned, got irretrievably stuck, and then requiring a new sidetrack be drilled to a new TD for completion as a new Permian Gas Producer.

Halliburton have successfully run and cemented 7" production casing in the sidetrack to TD, and the well is now cased and suspended as a future Permian Gas Producer. Century Rig-3 was released at midnight on Tuesday 17th July 2007.

DST GAS PRODUCTION (from 2 of 3 zones) [With Corrected DST Intervals](#)

The latest wireline logs in the sidetrack hole have confirmed the presence of the same productive reservoir sands in the Toolachee and Epsilon formations that were earlier Drill Stem Tested in the original hole, which flowed gas to surface at following rates:

DST-1A	Epsilon Sand	2977 -2980m	5.1 MMscfd on ½" choke at 800 psi FP
DST-1B	Epsilon Sand	2960 -2963m	No Flow-Tool Plugged? (should flow?)
DST-1C	Toolachee Sand	2929 -2932m	3.9 MMscfd on ½" choke at 525 psi FP

No DST's were run in the deeper Patchawarra Fm, as blocked by coal obstruction.

These are similar intervals as are producing from the Pennie-1 Gas Field, 4 Km updip from Vanessa-1, discovered by Santos in 1995 and on production ever since. The gas gathering line to Moomba passes through the Pennie-1 location.

POTENTIAL FOR PATCHAWARRA GAS

The latest sidetrack logs have finally provided data across the Patchawarra interval, and indicate several additional prospective gas sands in the Patchawarra Fm. These sands will be production tested through casing at a later date and their flow rates determined, when a work over rig is brought on site to develop the well and bring it into production.

ESTIMATED GAS RESOURCE

Preliminary analysis of log and DST data indicates Vanessa-1 appears to have achieved a resource potential in the order of 15 Bcf of gas, based on pre-drill mapping. In conjunction with future cased hole production testing, the operator is currently undertaking detailed geological and geophysical studies to define the reserve potential of the Vanessa gas pool.

Similar follow up prospects also lie close by to the Vanessa-1 location in PEL 182, and in the event of success could be tied into Vanessa-1 to increase proven reserves and gas deliverability to sales point, using nearby infrastructure.

The status of Vanessa-1 ST-1 at 06:00 hrs (CST) on 18th July 2007 was:

Location:	PEL-182
Planned Total Depth:	3200 metres (TVD)
Current depth:	3157 metres at TD in Sidetrack.
Status:	Hole Cased & Suspended with 7" production casing Well is now a Suspended Permian Gas Producer.
Operation:	Century Rig-3 Released at Midnight 17 th July 2007

This will be the last Daily ASX release for Vanessa-1

The participants in the joint venture are:

Audax Resources Ltd	49.9%
Eagle Bay Resources NL	37.6%
Dome Petroleum Resources Plc	7.5%
Australian Oil Company Ltd	5.0%

**BY ORDER OF THE BOARD OF
EAGLE BAY RESOURCES N.L.**

The information in this report is based on information compiled by Mr Ian Barr who is a geologist of the company and a Competent Person as described in Appendix 5A to the ASX Listing Rules. The Report accurately reflects the information compiled by Mr Barr.

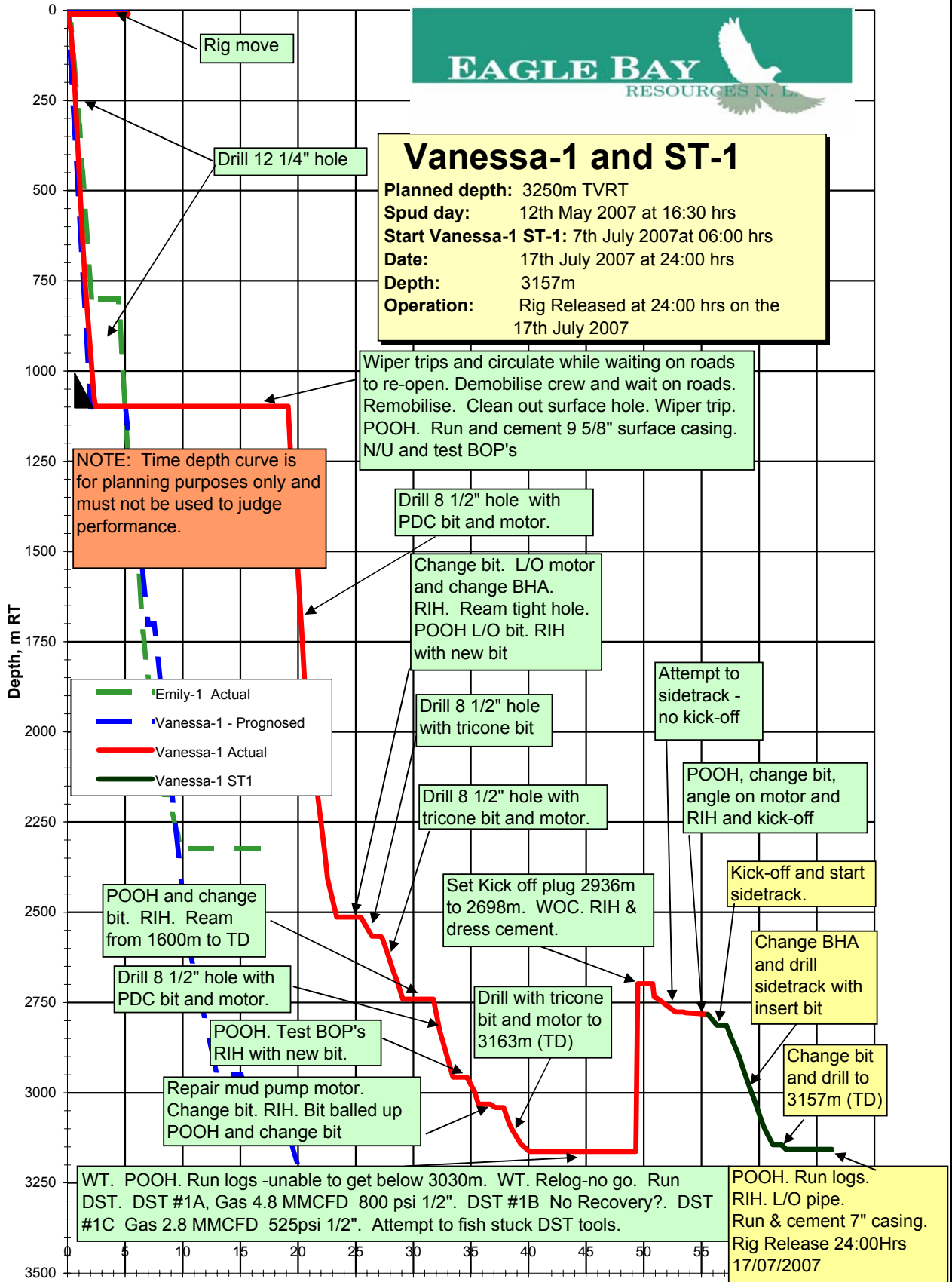
DAYS FROM SPUD



Vanessa-1 and ST-1

Planned depth: 3250m TVRT
Spud day: 12th May 2007 at 16:30 hrs
Start Vanessa-1 ST-1: 7th July 2007 at 06:00 hrs
Date: 17th July 2007 at 24:00 hrs
Depth: 3157m
Operation: Rig Released at 24:00 hrs on the 17th July 2007

- Surface and Winton
- Mackunda
- Allaru
Toolebuc ↓
- Wallumbilla
- Cadna-Owie
- Murta
McKinlay
- Namur
- Westbourne
- Adori
- Birkhead
- Hutton Sst
- Poolowana
- Tinchoo
- Nappamerri
- Toolachee
- Epsilon
- Parchawarra
- Tirawarra
- Basement



NOTE: Time depth curve is for planning purposes only and must not be used to judge performance.

Legend:
 - Emily-1 Actual (Green line)
 - Vanessa-1 - Prognosed (Blue line)
 - Vanessa-1 Actual (Red line)
 - Vanessa-1 ST1 (Dark Green line)

WT. POOH. Run logs -unable to get below 3030m. WT. Relog-no go. Run DST. DST #1A, Gas 4.8 MMCFD 800 psi 1/2". DST #1B No Recovery?. DST #1C Gas 2.8 MMCFD 525psi 1/2". Attempt to fish stuck DST tools.

POOH. Run logs. RIH. L/O pipe. Run & cement 7" casing. Rig Release 24:00Hrs 17/07/2007



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**EAGLE BAY RESOURCES JV PEL-182
New Gas Discovery at Vanessa-1**



Century Rig3 at Vanessa-1 Gas Discovery



Vanessa-1 Gas Discovery – Flaring at 4.9 MMCFD at 750 PSI on ½” choke