



# MAGELLAN PETROLEUM CORPORATION

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## ANNOUNCEMENT TO ASX

### DRILLING REPORT – PATRON 1 PEL 93 – COOPER BASIN SA

Magellan Petroleum Corporation (NASDAQ: MPET; ASX: MGN) advises that the Patron 1 exploration well, the second well drilled under the PEL 93 farmin agreement in the Cooper Basin of South Australia, has been plugged and abandoned without encountering commercial hydrocarbons.

Patron 1 spudded on 20 September and was drilled to a Total Depth of 1807 metres RT. A Drill Stem Test conducted over the interval 1242–1258 metres to test an oil show encountered during drilling in the Murta Formation recovered 1.5 barrels of rat hole mud and 6.2 barrels of muddy water. On reaching Total Depth, wireline logs were run which indicated no commercial hydrocarbons were present in the objective Eromanga or Cooper basin sections.

The company through its wholly-owned subsidiary, Magellan Petroleum Australia Limited, entered into a farmin agreement with Stuart Petroleum, Cooper Energy and Red Sky Energy in July 2007, under which Magellan has the option to participate in exploration drilling in part of the PEL 93 area during the current term of the PEL 93 licence. The Company funded 49% of the Patron 1 drilling costs; however, as no commercial hydrocarbons were discovered it earned no interest in the Patron 1 prospect.

Magellan's next drilling activity will be in the Nockatunga area of the Cooper Basin of southwest Queensland, where the Nockatunga joint venture plans to drill the Burundi 1 near field exploration well in Petroleum Lease 33 and the Maxwell 5 appraisal well in Petroleum Lease 50. Drilling is scheduled to commence within the week, and the company will report when the first well spuds.

#### Patron 1 Details:

Petroleum Title:	PEL 93, South Australia
Location:	approximately 14.5 km south of the Worrior oil field and 3.5 km northwest of the Padulla oil field
Coordinates:	Latitude: 28° 34' 04.8" South Longitude: 139° 49' 18.4" East (GDA 94).
Drilling Rig:	Century Rig 3
Total Depth:	1801 metres RT
Objectives:	Primary oil – the McKinlay Member of the Murta Formation and the Birkhead Formation.

Secondary gas – the Patchawarra Formation and the Epsilon Formation.

Operations: Patron 1 spudded on 20 August and 9<sup>5</sup>/<sub>8</sub>" casing was run and set at 670 metres. The well was then drilled in 8<sup>1</sup>/<sub>2</sub>" hole to a depth of 1807 metres RT. A drill stem test was conducted over the interval 1242–1258 metres in the Murta Formation. Wireline logs were run which indicated no commercial hydrocarbons were present. The well was plugged and abandoned, and the rig released on 2 October.

Progress for Period: 518 metres.

**Participants in Patron 1 are:**

Magellan Petroleum Corporation	24.5%	*
Stuart Petroleum Limited (ASX:STU)(Operator)	36.0%	
Red Sky Energy Limited (ASX:ROG)	24.5%	*
Cooper Energy Limited (ASX:COE)	15.0%	

(\* subject to a commercial discovery)

**Forward Looking Statements**

Statements in this release which are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the United States Private Securities Litigation Reform Act of 1995. These statements about Magellan may relate to its business and prospects, revenues, expenses, operating cash flows, and other matters that involve a number of uncertainties that may cause actual results to differ materially from expectations. Among these risks and uncertainties are the extent of the recoverable reserves at those properties and the risk that any wells drilled may fail to encounter hydrocarbons in commercially recoverable quantities. Any forward-looking information provided in this release should be considered with these factors in mind. Magellan assumes no obligation to update any forward-looking statements contained in this release, whether as a result of new information, future events or otherwise.

For further information, please contact Dr Gwynn Davies, General Manager, Magellan Petroleum Australia Limited on telephone (07) 3224 1600.