



# ODYSSEY ENERGY LIMITED

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 19 NOVEMBER 2007

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## **DEVELOPMENT DRILLING PROGRAM COMMENCES AT JESTER-BLOOMINGTON PROJECT, OKLAHOMA – ODYSSEY 33.3% WORKING INTEREST**

*The Board of Odyssey Energy Limited (“Odyssey” or “Company”) is pleased to announce that development drilling has commenced at the Jester-Bloomington Gas Field Re-Development Project in Oklahoma.*

*Drilling commenced with the spud of the Eagon # 1-7 well on 17 November 2007 in the northern Spring Creek area of the project. The initial development program (10 to 15 wells) will be drilled in 5-well batches, with completion and tie-in to follow immediately. Eagon # 1-7 will be followed by Eagon # 1-18, Speed # B-6, Rippitoe # 1-20 and Dalton-Counts # 1-16.*

*The development wells have total depths ranging from 1,650 to 1,950 feet and are scheduled to be drilled in 3 to 4 days; with a number expected to be completed and tied into existing production infrastructure pre-Christmas and selling gas into the North American winter and traditional period of peak demand.*

*The primary objective of the program is to begin the development of the Jester-Bloomington Project's 68 Bcf certified reserve base in the Brown Dolomite and Granite Wash reservoirs, and in the process rapidly increase the Company's production and cash inflows. The first 5 wells in the program also fall within the Company's primary area of interest for the Wellington Limestone, and therefore have the potential for up to three separate completions – in the Granite Wash, Brown Dolomite and Wellington Limestone sections.*

*Given the successful completion of the initial program pre-Christmas, the Company expects to continue development drilling in Q1 2008, with a total program of up to 60 wells currently planned across the 34,000 acre project area.*

### **North Helper Gas Project (Odyssey 30.0%) – Operations Update.**

- *Stage 2 of the Mancos Shale test in the Cordingly Canyon #15-5 well has been completed, with new frac's totalling 60 feet placed between 2,100 and 2,300 feet in the sandy 'Emery' section of the shale. These frac's are larger than the original (Stage 1) completion of the well which spanned just 20 feet of the 4,000+ foot Mancos section and demonstrated gas charge and productivity.*
- *The post-frac clean-up over the last couple of days has seen strong initial gas flows which are expected to stabilise over coming weeks with the well being put on pump and dedicated compression installed. Once stable flow rates are achieved the Company will be in a position to determine whether they justify moving quickly to a*

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*multi-well development drilling program dedicated to the Mancos commencing in Q1 2008.*

- In parallel with this appraisal and development activity the 7 completed Ferron wells continue to de-water. In an effort to gain higher value from this process, additional frac's have been placed in tight sands in the Kenilworth Railroad # 2 and # 15-3 wells which are gas productive on the eastern side of Anadarko's Helper Field immediately to the south of the project area.*

*Enquiries-*

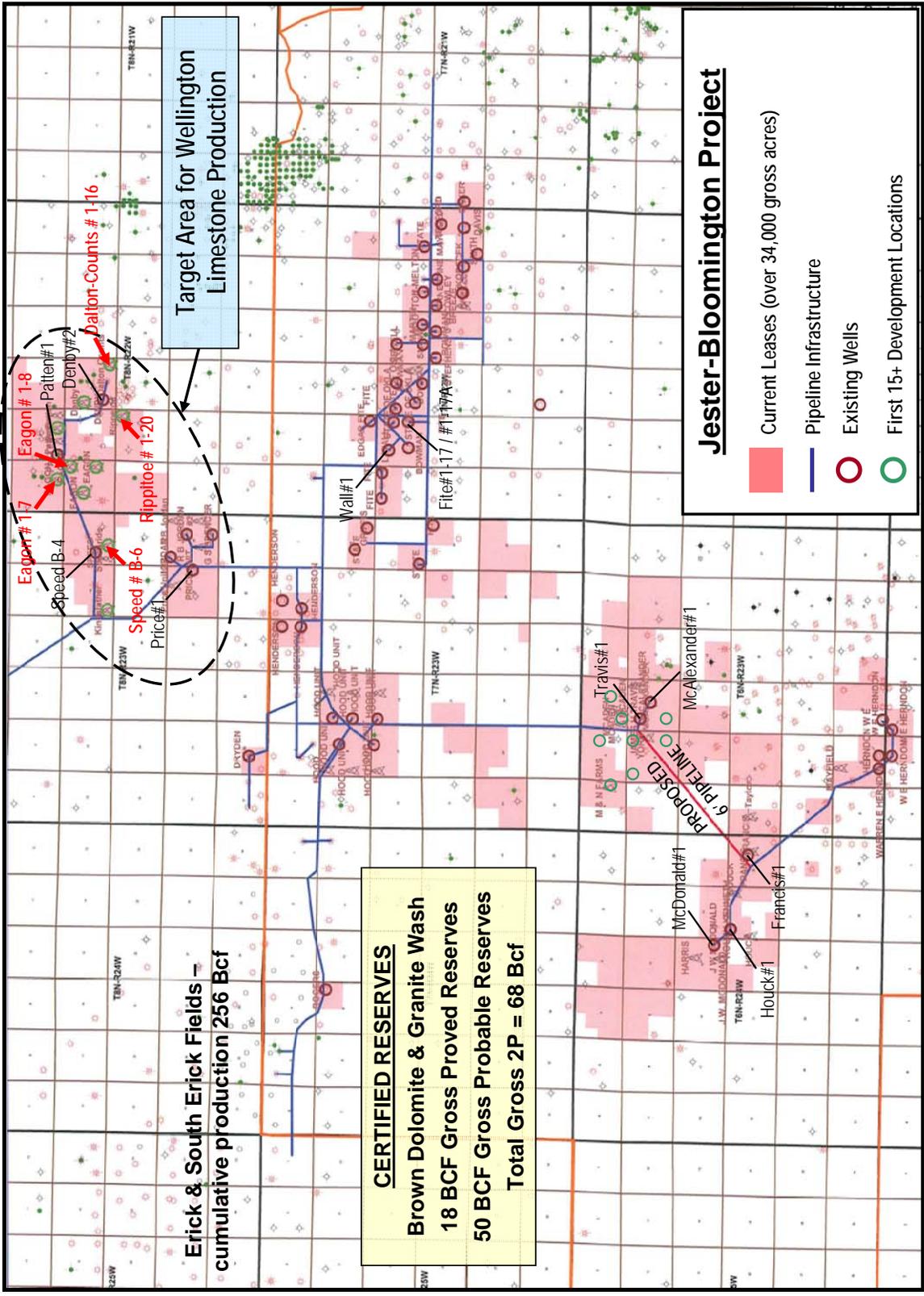
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Location of Acreage, New Development Wells and Pipeline Infrastructure – Jester-Bloomington Gas Field Re-Development Project, Oklahoma

## **JESTER-BLOOMINGTON GAS FIELD RE-DEVELOPMENT PROJECT – ODYSSEY 33.3% WORKING INTEREST**

The Jester-Bloomington Gas Field Re-Development project comprises 34,000 gross acres covering parts of the Jester-Bloomington, North Bloomington and Willow Gas Fields in Greer and Beckham counties, Oklahoma.

These fields were discovered and developed in the 1950's through 1980's during periods of historic low gas prices in the USA, with many wells shut-in by the late 1990's. The acreage was originally developed on a broad well spacing of greater than 160 acres in both the Granite Wash and Brown Dolomite reservoirs, creating the potential for major re-development of the fields through down-spacing to 40 acres or beyond. In addition, many of the remaining productive wells in the area have been poorly maintained over the past 5 years creating the potential for significant increases in production through a program of low-cost work-overs and re-completions.

This view was strongly supported by the first independent certification of reserves for the project in June 2007 (see below).

In addition to the large project size the Company has the rights to 57 well-bores and substantial production infrastructure including compression facilities and 120 kilometres of pipeline and gathering systems which provide direct access to the domestic US natural gas market. After the completion of a series of upgrades to this production system, the infrastructure is now in place to support new work-over programs and drilling campaigns targeting the project's certified reserves base.

### **Reserves Report:**

In June 2007 the Company published the results of the first independent certification of reserves at Jester-Bloomington, with gross proved and probable gas reserves for the project totalling 68 Bcf, and 18 Bcf net to Odyssey's 33.3% Working Interest (approximately 26.7% Net Revenue Interest).

Additional possible gas resources are associated with the potential for further down-spacing of development locations in both the Brown Dolomite and Granite Wash reservoirs and the potential for higher ultimate recoveries per well than assumed in the base reserve cases.

#### *Jester-Bloomington Gas Project – Reserves Net to Odyssey's 33.33% Working Interest:*

	<i>Proved (Bcf)</i>	<i>Probable (Bcf)</i>	<i>Total 2P (Bcf)</i>	<i>Possible (Bcf)</i>	<i>Total 3P (Bcf)</i>
<i>Brown Dolomite</i>					
+ <i>Granite Wash</i>	5	13	18	-*	18*

\* Possible gas reserves associated with down-spacing from 40-acre development locations have not been estimated.