

20 February 2008

DRILLING UPDATE: WEI 6-12E-1A EXPLORATION WELL, OFFSHORE CHINA

Petsec Energy Ltd (ASX: PSA, ADRs: PSJEY.PK)

The operator of Block 22/12, Beibu Gulf, Roc Oil (China) Company advises that since its last Stock Exchange Release on 13 February 2008, the Premium "Murmanskaya" jack-up rig has re-spudded the Wei 6-12E well as Wei 6-12E-1A.

The well was required to be re-spudded due to problems associated with retrieving stuck drill pipe. Wei 6-12E-1A is located approximately two metres from the original hole. The well's target remains unchanged: a stratigraphic-structural prospect, approximately 1.7 kilometres east of the Wei 6-12S-1 oil discovery.

As of 0600 (local time) on 20 February 2008 the well had been drilled to 253 mBRT and the current operation is repairing the top drive.

Wei 6-12E-1A, the second of the planned three well exploration/appraisal programme in Block 22/12, Beibu Gulf, offshore China, is expected to reach the proposed Total Depth of approximately 2,520 mBRT by early March 2008.

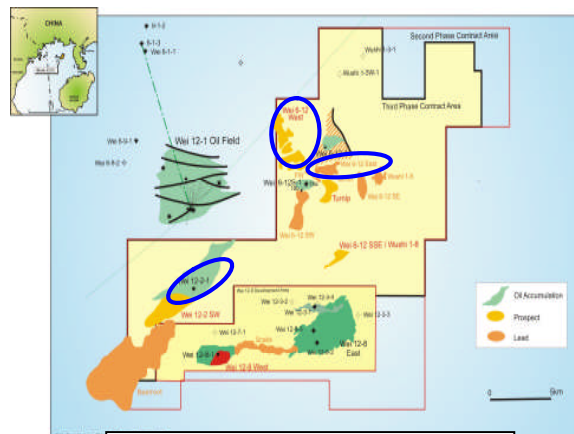
Participating Interests in Block 22/12 Joint Venture are:

Petsec Energy	25%	
Roc Oil (China) Company	40%	(Operator)
Horizon Oil Limited	30%	
Oil Australia Pty Ltd*	5%	

The above interests are subject to China National Offshore Oil Corporation (CNOOC) rights to participate up to 51% in developments.

**A subsidiary of First Australian Resources*

Petsec Energy Ltd is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. It has operations in the shallow waters of the Gulf of Mexico and the onshore Louisiana Gulf Coast region of the USA, and oil in the shallow waters of the Beibu Gulf off the south coast of China.



Block 22/12 Beibu Gulf, China

For further information please contact:

Terry Fern or Craig Jones
Petsec Energy Ltd
Tel: (61 2) 9247 4605

Level 13, Gold Fields House, 1 Alfred Street, Sydney NSW 2000, Australia
PO Box R204, Royal Exchange NSW 1225, Australia
Telephone (61 2) 9247 4605 Facsimile (61 2) 9251 2410
Company information is available on: www.petsec.com.au

M
E
D
I
A

R
E
L
E
A
S
E