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14 April 2010

## Main Pass Block 20 #4 Exploration Well Gulf of Mexico, USA Rig on Location

*Petsec Energy Ltd (ASX, PSA; ADR's, PSJEY.PK)*

Petsec Energy is pleased to announce that the Hercules 204 drilling rig has arrived on location to drill the Main Pass Block 20 #4 exploration well in the Gulf of Mexico, USA. The rig is expected to commence drilling the well within the next few days.

The Main Pass 20 #4 well is targeting significant natural gas and associated oil potential in Upper Miocene Bigenerina Humblei sandstone reservoirs which are in a structurally superior position to zones previously proven productive in the Main Pass 20 #1 well drilled by Devon Energy Corporation in 2001. The objective section is characterised by a lens-shaped, high amplitude seismic anomaly of up to 150 metres (500 feet) in thickness, which was identified by Petsec Energy from its reprocessed 3D seismic database.

Participating working interests in the well are:

<b>Petsec Energy Inc.</b>	<b>30.0%</b>
LLOG Exploration Offshore, Inc. (operator)	46.5%
Phoenix Exploration Company LP	20.0%
Aurora Exploration Company, LLC	3.5%

Details of the well:

Well name:	Main Pass 20 #4
Water depth:	11 metres (35 feet)
Proposed total depth:	4,025 metres (13,200 feet)
Target reserve range (gross):	20-45 Bcfe
Estimated time to drill and evaluate:	60 days
Operator:	LLOG Exploration Offshore, Inc.
Petsec working interest:	30.0%
Petsec net revenue interest:	24.55%
Estimated net drilling cost to Petsec:	US\$2.5 million
Estimated net development cost to Petsec:	US\$3.2 million

The Main Pass Block 20 #4 well is the first in Petsec Energy's proposed 2010 drilling programme of three to five high impact wells in the Gulf of Mexico. The programme is targeting reserve additions of 20 – 50 Bcfe net to Petsec Energy.

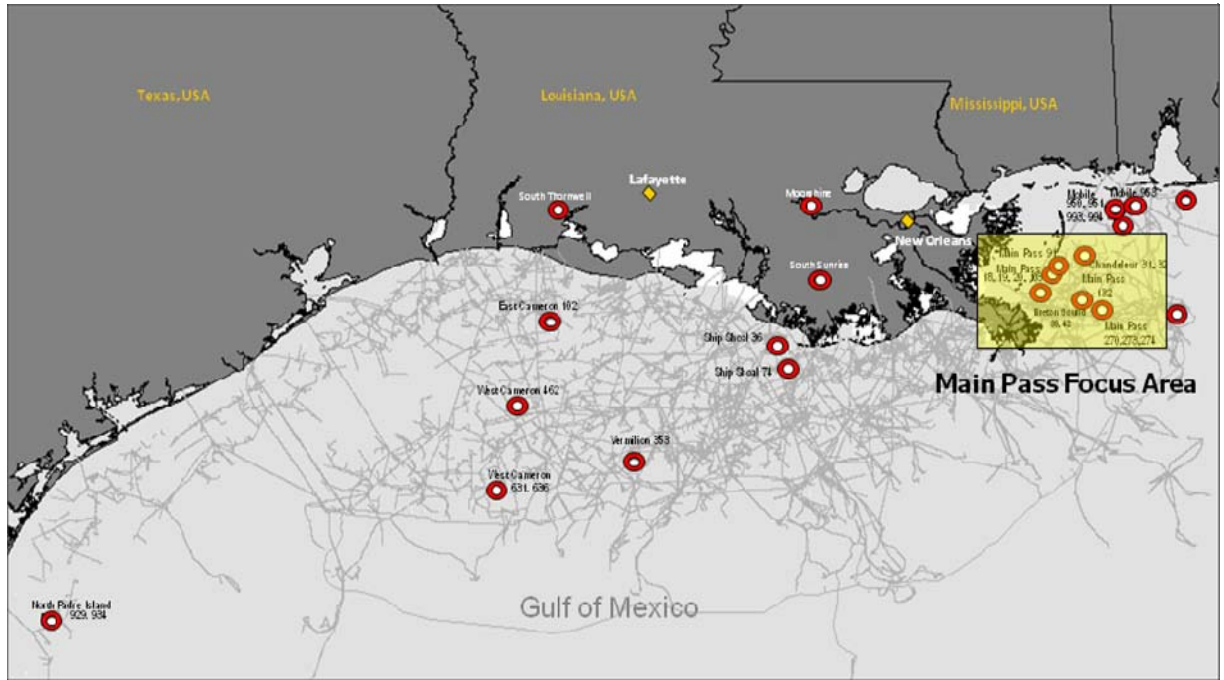
The Company holds a portfolio of prospects in the surrounding acreage with similar attributes to the Main Pass 20 #4 well, which may be drilled if the # 4 well confirms the commercial potential of the play.

*For further information, please contact:*

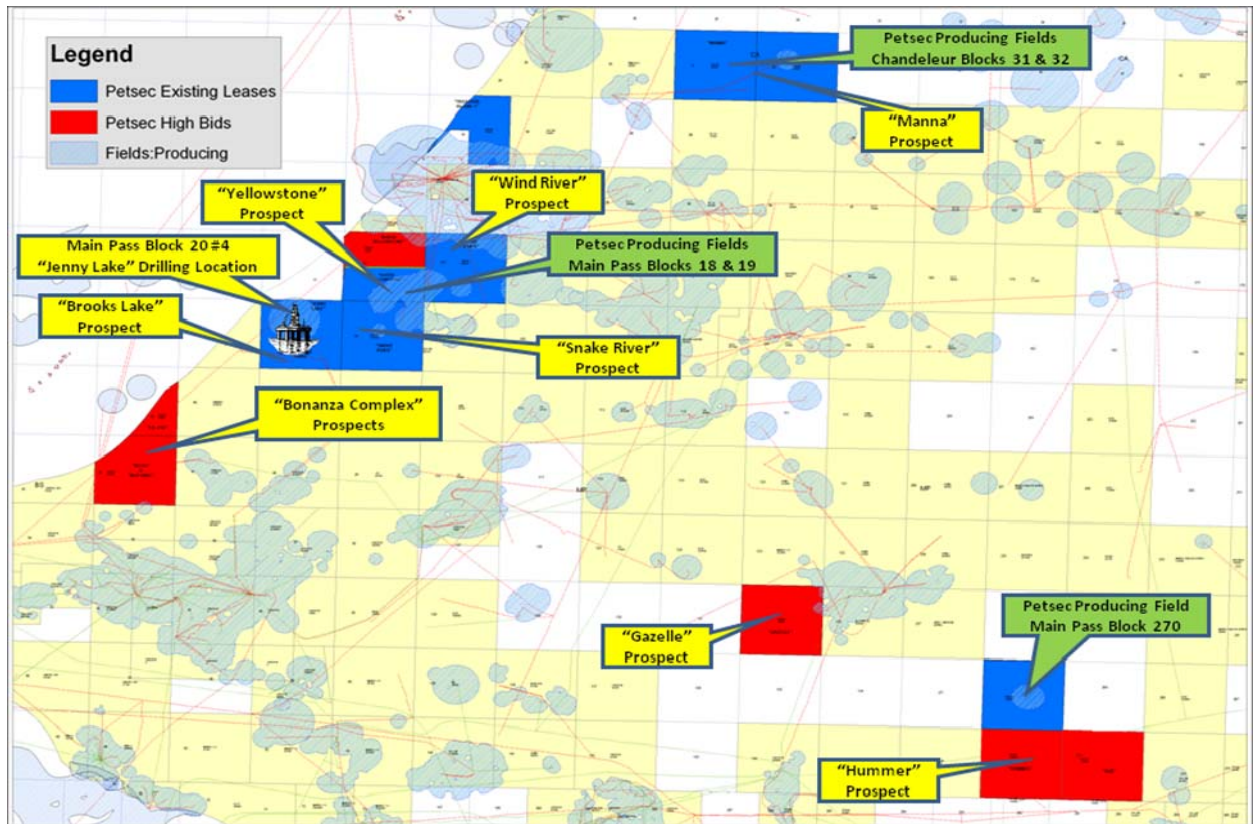
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### Petsec Gulf of Mexico Leases



### Petsec Main Pass Focus Area Prospects and Production



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