

M 5 May 2010

Drilling and Gulf of Mexico, USA Operations UpdateE *Petsec Energy Ltd (ASX, PSA; ADR's, PSJEY.PK)*D **Main Pass Block 20 #4 Exploration Well, Gulf of Mexico, USA**

I Petsec Energy has announced that the Main Pass 20 #4 well has been drilled to 8,020 feet and intermediate casing has been run and cemented. The Main Pass Block 20 #4 well is located in 11 metres (35 feet) of water and will be drilled to a total depth of 4,025 metres (13,200 feet) to target a gross reserve range of 20 – 45 Bcfe. Drilling and evaluation is expected to continue for another 30 days.

A Participating working interests in the well are:

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

R **Gulf of Mexico, USA Operations**

E Petsec Energy wishes to advise that its US operations are currently unaffected by the oil spill in the Gulf of Mexico, USA. The Company is unable to provide any further guidance as to the potential impact on its operations, at this point in time.

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