

M
E
D
I
A

R
E
L
E
A
S
E

19 May 2010

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

Petsec Energy has announced that 9 5/8th inch casing has been set at 2,774 metres (9,100 feet) in the Main Pass 20 #4 well. 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 are expected to continue for another 15 days.

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%

Gulf of Mexico, USA Operations

Petsec Energy also advises that its US operations continue to be unaffected by the oil spill in the Gulf of Mexico.

For further information, please contact:

Mr. Paul Gahdmar
Group Financial Controller & Company Secretary
Petsec Energy Ltd
Level 13, 1 Alfred Street
Sydney NSW 2000
Tel: 612 9247 4605 Fax: 612 9251 2410

Mr. Ross A. Keogh
President
Petsec Energy Inc.
3861 Ambassador Caffery Parkway, Suite 500
Lafayette, LA 70503, USA
Tel: (337) 989-1942 Fax: (337) 989-7271