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## **WEST SEAHORSE-3 DRILLING REPORT**

### **West Seahorse-3 Drilling Update, Vic/P57 Offshore Victoria**

3D Oil Limited ("TDO") advises that a preliminary evaluation of the wireline data has been carried out for the West Seahorse-3 well. The Top Latrobe reservoir ("N1") was intersected at 1562 metres measured depth (1401 metres true vertical depth sub sea "TVD ss") which is close to prognosis. An 8 metre oil column is interpreted with lowest known oil down to 1409 metres TVD ss. Reservoir quality in the N1 is excellent with average porosity over the interval of 24% and net to gross approximately 90%. This oil column has been confirmed with fluid samples.

The reservoirs for the other two prognosed oil accumulations, as intersected in West Seahorse-1 ("N2.6" and "P1") appear to have been intersected deeper than predicted prior to drilling. Consequently no moveable oil was observed from wireline logs in these zones. Reservoir quality in both sands is interpreted as excellent.

The current operation at the West Seahorse-3 well is the acquisition of wireline side wall cores. It is anticipated that the well will be suspended for potential future production.

Following the suspension of the West Seahorse-3 well the Wardie-1 prospect will be drilled from the same rig location.

3D Oil Limited is the operator and 100% owner of the Vic/P57 permit.

### **West Seahorse Background**

The West Seahorse-1 discovery well was drilled in 1981, by Hudbay Oil Australia Limited. It followed the discovery of oil in the neighbouring Seahorse field by Esso in 1978. The well intersected three separate oil accumulations with a potential fourth sand untested. The uppermost zone, within the top of Latrobe Group, flowed 1800 barrels of oil per day (bopd). The current interpretation of the West Seahorse field shows it to be substantially larger than interpreted by previous operators.

Furthermore the West Seahorse-2 well appears to be located on the edge of the field, suggesting that larger hydrocarbon intersections might be encountered higher on the structure. The neighbouring Seahorse Field has produced oil since 1990/1991 through a subsea completion connected to the Barracouta platform. A recent work-over of the Seahorse-1 well (2005) resulted in the well's return to production at 4000 bopd following a period of declining oil production. VIC/P57 is flanked to the south by several oil and gas fields including the giant Barracouta and Snapper gas fields as well as the smaller Golden Beach, Mulloway/Whiptail, Seahorse, Wirrah, Whiting, Emperor and Sweetlips Fields.

For more information contact:

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Yours sincerely

A handwritten signature in black ink, appearing to read 'Noel Newell', written in a cursive style.

NOEL NEWELL  
Managing Director