ENTEK ENERGY LIMITED

15 Rheola Street
WEST PERTH WA 6005
Telephone: +61 8 9213 4388
Facsimile: +61 8 9213 4399

ASX Code: ETE

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NIOBRARA SHALE OIL PROJECT APPRAISAL PROGRAM UPDATE

Entek is pleased to provide an update on the Niobrara Shale Oil Project Appraisal Program in the Green River Basin. Entek holds a 55% interest in the Green River Basin Project with Emerald Oil & Gas NL holding 45%. Entek is the Operator.

As previously reported three new wells have been drilled, cased and cemented successfully and are now being tested and completed. These are, Battle Mountain 14-10L, SD Federal 24-9, and C&C Cattle 18-8. All wells have had hydrocarbon shows while drilling and evidence of natural fracturing and hydrocarbon saturation from well logs.

To date 1 zone in the Frontier Formation, below the Niobrara Formation, has been tested recovering oil and gas. While in the Niobrara 11 completion targets have been identified in the three wells. To date 4 Niobrara zones have been tested with oil and gas recovered.

Consistent with the intent of the appraisal program, the Company is performing a number of different size fracture stimulations during completion operations as well as trialing various fluid types. In general these fracture stimulations (or 'mini fracs') are 20% of the size of an average Niobrara fracture stimulation job and are designed to test the connectivity to natural fracture networks and the effectiveness of different frac fluid types.

In each well the Company is testing each completion target from the deepest to the shallowest and setting drillable plugs above tested zones before starting operations on the zone above. Operationally only limited time is spent swabbing and recovering fracture stimulation fluid and hydrocarbons on each zone before plugging and moving up hole. Because of this, reporting of stabilized flow rates from individual zones is not possible.

The remaining 7 Niobrara completion targets are expected to be completed by early December 2011 after which the drillable plugs separating each zone will be drilled out and the wells put on production test.

In addition to drilling three new wells this year, the Butter Lake 32-10 vertical well has been re-entered and suspended ready for side tracking and fracture stimulation next year based on the results seen in the 2011 wells. The Butter Lake 32-10 well flowed oil at an average rate of 35 BOPD, interpreted to be from a single un-stimulated Niobrara zone with significant formation damage and completion limitations. It can be expected that based on comparison between the wire-line log data and oil and gas flow data from this well with those drilled in 2011, that at least 3 Niobrara zones as well as the Frontier Formation will be fracture stimulated in this well.

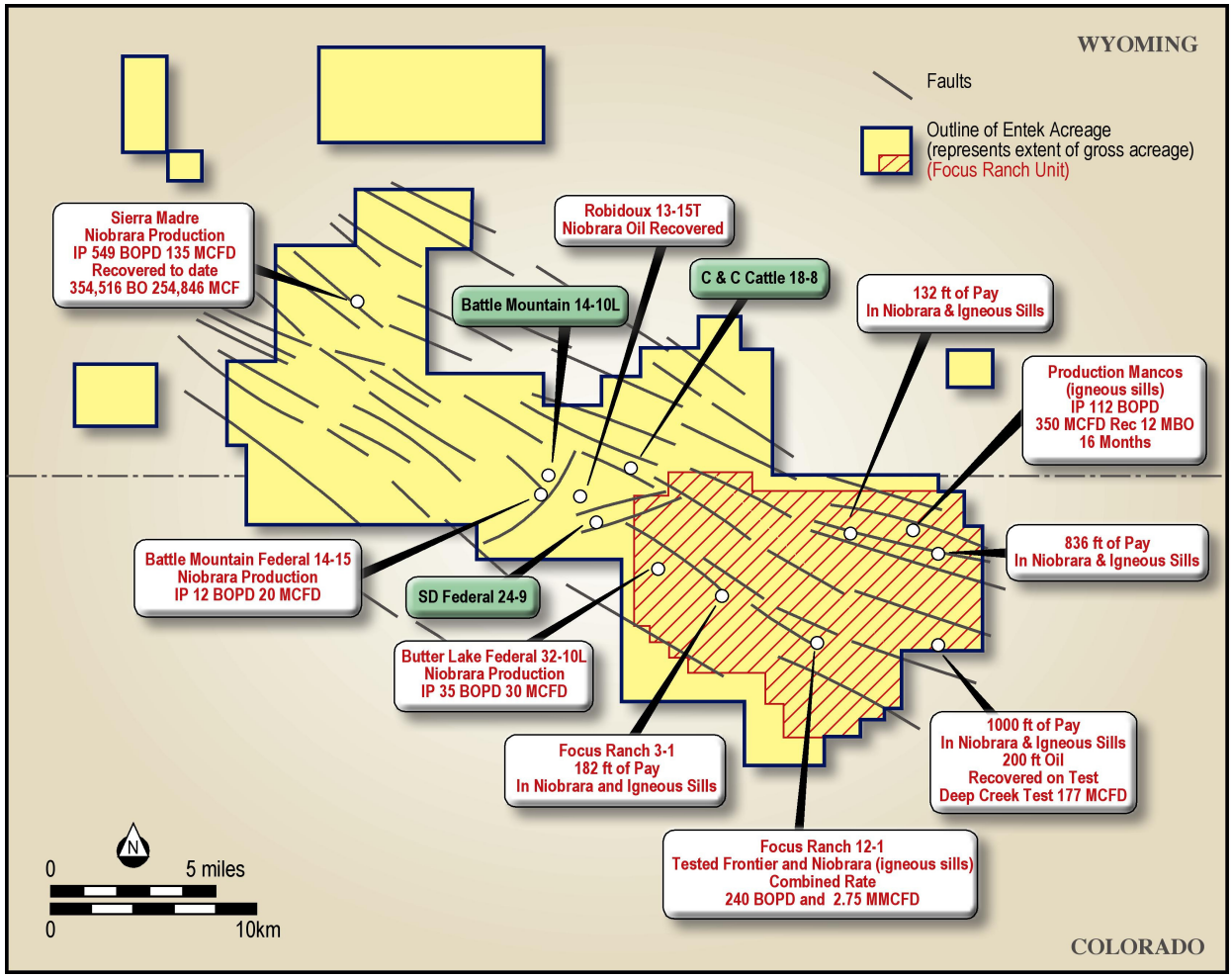
All enquiries should be directed to:

TRENT B SPRY

CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR

ENQUIRIES: **+618 9213 4388** **INFO@ENTEKENERGY.COM.AU**

INFORMATION: **WWW.ENTEKENERGY.COM.AU**



Competent Persons Statements:

Information in this report that relates to Hydrocarbon Reserves / Resources is based on information compiled by Mr Trent Spry, Chief Executive Officer & Managing Director of Entek Energy Limited who has consented to the inclusion of that information in the form and context in which it appears. Mr Spry has over 20 years experience in geoscience in the petroleum industry, both in Australia and internationally. His qualifications are: University of Adelaide, Bachelor of Science, Double Major Geology & Biochemistry, National Centre of Petroleum Geology & Geophysics (NCPGG), First Class Honours, 1993.

About The Company:

Entek is focused on a strategy of acquiring and exploring potentially high impact oil and gas opportunities in proven and producing areas. Entek has acquired a significant portfolio of acreage in the offshore shallow waters of the Outer Continental Shelf of the Gulf of Mexico. The Company has a total of 5 blocks in the Gulf of Mexico prospective for oil with a combined gross prospective resource of over 30 MMBOE some of which (VR 342 and VK 818) has been proven by recent and previous drilling. Onshore in the Green River Basin the Company's interest covers approximately 80,000 gross acres of highly prospective leasehold that includes existing producing coal bed methane wells, infrastructure and long life 2P conventional and shale resource reserves. The primary focus of the Company onshore is the appraisal of its Niobrara Oil Resource Play. Onshore the Company has a share of gross Contingent Resource of 187 MMBO and 191 BCFG (conservative 4% recovery) and Reserves of 16.2 MMBO and 114 BCFG (total P1, P2 and P3 reserves).

Entek (ASX:ETE) holds a 55% interest in the Green River Basin Project with Emerald Oil & Gas NL (ASX:EMR) holding 45%. Entek is the Operator. The Company now controls close to 80,000 gross acres, approximately 60,000 net acres, covering the Niobrara Shale Oil Play.

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