

9 November 2009

## Atocha Project Update

The re-entry of the HM Brian No.1 well has reached a depth of 16,600 feet. The cast iron bridge plug located at the base of the second cement plug has been successfully recovered from the well bore and drilling of the third and final cement plug is underway.

On removal of the third cement plug a bond log will be run, to confirm the integrity of the bond between the well casing and the well bore over the length of the target zone, and a cased hole log will then be run to confirm the priority zones for perforation.

It is planned to perforate and complete the well in the Tuscaloosa sand at a depth of just over 17,000 feet. Perforation and testing of the Tuscaloosa sand is expected to commence at the end of the week.



***Cement cuttings from the third and final cement plug in the HM Brian No.1 well passing over the shale shakers***



## **Atocha Project Description**

The Atocha Project, located in East Baton Rouge and East Feliciana Parishes in Louisiana, covers 6,400 contiguous acres within the up-dip fairway of the Tuscaloosa Trend. The Tuscaloosa Trend was discovered in 1975 by Chevron. It has produced over 2.8 Trillion Cubic Feet (TCF) of natural gas and 120 million barrels of condensate over the past 32 years.

Atocha is located five miles north of BP's Port Hudson Field which is the best producing field in the trend and contains the HM Brian No.1 well which was drilled by Shell Oil in 1980 and cased to a depth of approximately 17,700 feet. Petrophysical analysis has concluded that this well contains over 125 feet of bypassed Tuscaloosa pay sand. With the benefit of hindsight and some 30 years of experience in the Tuscaloosa Trend, experts have indicated that a discovery of this calibre would be completed for production. The first Atocha prospect will be tested by re-entering the HM Brian No.1 well.

The Atocha Project area is prospective for oil and gas with a target size of 1.2 Trillion Cubic Feet Equivalent (TCFE) of recoverable gas equivalent for the entire acreage block.

Pryme has spent over US\$1.4 million on generating the Atocha project including building a significant land position, carrying out technical reviews and planning a program to test the project. Pryme is the operator of the project and has a 25% working interest in the HM Brian No.1 re-entry, half of which is free-carried, and a 3% overriding royalty on production.

For further information please visit our website at [www.prymeoilandgas.com](http://www.prymeoilandgas.com) or contact:

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*Pryme Oil and Gas Limited is an Australian oil and natural gas producer and explorer with interests in the Gulf States of the U.S.. The company has oil and gas exploration projects focused on Louisiana, the fifth-largest oil-producing state in the U.S. These projects are funded in part by existing cash flow. Pryme's management team has over 75 years of energy industry experience and has uniquely focused local knowledge, underscored by the proven track records of its managers and directors. Directors of the company are George Lloyd (Non Executive Chairman), Justin Pettett (Managing Director) and Ryan Messer (Executive Director).*