



23 July 2007

## Raven Completion Progress Report

Since the last report of Wednesday 4 July 2007 on the Spinks Middlebrooks #11-1 well, the operator has cemented the production casing string in place. The next phase in the completion of the well involves laying a natural gas discharge pipeline in order to flow test the well after it is perforated and stimulated. Nelson Energy expects this process to take around 45 days (subject to weather conditions) and to be selling hydrocarbons in September, producing cash flow. A detailed announcement regarding flow rates and volumes will be made at that time. The next well in this project is scheduled to be drilled in November.

“The successful logging of this well has exceeded our expectations and further validates the prospective reserves of 50Bcf for this project. We’re seeing additional formations that were not anticipated, but for which every explorationist has high hopes. With the deepening of the well, we found an additional Cotton Valley objective that we were looking for, but nothing can be booked until the well is flowing into the line. This is the first of a minimum 10 well program to be drilled in this particular project.”, said John Dickinson, Pryme’s veteran US oil and gas Chairman.

Based on trend wells and fields that Nelson Energy operates close to the Spinks Middlebrooks #11-1, we expect this well to be a producer of natural gas and condensate. At this phase, we can project well behavior analogous to the Terryville Field which is approximately 10 miles to the North West on-structure and adjacent to our Raven project. Average production rates in this field range from 1 to 2 million cubic feet of gas plus 30 to 40 barrels of condensate per well per day.

### Pryme Times June 2007 Newsletter

The June 2007 edition of Pryme Times is available to download from our website. Simply click on the following link [www.prymeoilandgas.com.au/news.htm](http://www.prymeoilandgas.com.au/news.htm) to download your copy.

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*Pryme Oil and Gas Limited is an Australian oil and natural gas producer and explorer with interests in the U.S., the world’s biggest oil market. The company has an exceptional suite of 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 a total of almost 50 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 John Dickinson (Non Executive Chairman), Justin Pettett (Managing Director), Ryan Messer (Executive Director), Ananda Kathiravelu (Non Executive Director) and Philip Judge (Non Executive Director).*