



ELK PETROLEUM
L I M I T E D

ASX Release

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ELK PETROLEUM LIMITED

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For the latest news:

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Directors / Officers:

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Issued Capital:

38,060,503 shares

ASX Symbol: ELK

REDEVELOPMENT COMMENCES AT GRIEVE OIL FIELD

The Company is pleased to report that a workover rig has arrived on site at the Grieve Oil Field in Wyoming and has commenced the first stage of the multi-stage redevelopment programme. The programme has commenced ahead of schedule and will be ongoing over the next 12 weeks. Elk Petroleum is currently producing oil from the Grieve Oil Field at a rate of approximately 20 BOPD and this rate will be significantly increased over the next three months.

As part of this redevelopment programme the Company will test the reservoir potential of the underlying Cloverly Formation. The Cloverly Formation has the potential to contain a separate hydrocarbon reservoir beneath the Grieve Muddy Formation in a similar structural setting.

The Grieve Oil Field was discovered in 1954 and is modeled to have original oil in place of approximately 85 million barrels of premium light sweet crude within a highly productive sandstone reservoir. Approximately 30 million barrels of oil have been produced since the discovery of the field. Many wells have now been temporarily plugged due to the uneconomic older extraction methodology, and previously low oil prices.

It is the Company's objective to undertake a multi-staged redevelopment of the Grieve Oil Field. Stage One and Two are aimed at optimising and expanding the existing production to achieve rates of 400 barrels of oil per day within 12 months of listing.

Elk Petroleum has an experienced management team with a proven track record of delivering successful oil developments worldwide.

Robert Cook
Managing Director