



**ELK PETROLEUM**  
L I M I T E D

## ASX Release

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**Tuesday 15 November 2005**

### **ELK PETROLEUM LIMITED**

Level 2 / 675 Murray Street  
WEST PERTH  
Australia  
Tel: +61 8 9226 3270  
Fax: +61 8 9226 2027

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#### **Contact:**

Robert Cook  
Managing Director

E-mail: [info@elkpet.com](mailto:info@elkpet.com)

Tel: +61 8 9226 3270

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For the latest news:

<http://www.elkpet.com>

#### **Directors / Officers:**

Richard Wood  
Robert Cook  
Matthew Wood  
Glenda McLoughlin  
Timothy Flavel  
Bryant Mook

#### **Issued Capital:**

42,710,503 shares

**ASX Symbol: ELK**

## WYOMING OPERATIONS UPDATE

The Company is pleased to advise that it has successfully installed large capacity pumping units in two production wells at the Sand Draw South Oil Field. This has effectively doubled oil production at the SDS Oil Field to 65 BOEPD.

Production wells 6 and 10 have been successfully redeveloped with new high capacity electric submersible pumps installed in each well. Current production rates are approximately 2,700 BFPD from production well 10 and 2,300 BFPD from production well 6. This effectively doubles the previous production of 2,500 BFPD from the two production wells. Oil cuts are approximately 1% to 1.5%, resulting in oil production of approximately 60 BOPD.

The production of gas from the SDS Oil Field has decreased due to sand collapsing into the gas well. Gas production attributable to the Company is approximately 5 BOEPD, down from 12 BOEPD.

The redevelopment of two additional temporarily abandoned wells, in addition to maintenance on the gas well, will further increase production when the work over rig returns to the SDS Oil Field in early 2006.

The work over rig is currently operating at the Grieve Oil Field and has installed a high capacity electric submersible pump in production well 16, which had previously been on test with a plunger pump. The pump in production well 17 has been changed for a more appropriate pump capable of handling gas breakouts in the well. The installation of a high capacity hydraulic pump is being finalised in production well 11.

Recent production delays have been experienced at the Grieve Oil Field with approximately one kilometre of corroded buried flow lines having to be replaced with new coated pipe in the northern part of the field. This has now been brought into service and will enable the redeveloped wells to be tied into the production system.



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Bottom hole pressure surveys of the Muddy Formation at the Grieve Oil Field have been conducted in three wells representative of wells in the length of the field. The results indicate that the approach the Company has adopted for the redevelopment of the Muddy Formation is appropriate, namely production from wells in the northern end of the field and re-injection of produced waste water in the southern end of the field. This will produce a flow / drainage regime capable of enhancing production rates and recoveries from the Muddy Formation.

A well logging exercise has commenced to assess the oil bearing potential of the upper sand units within the Grieve Oil Field. A number of abandoned wells have been identified as producing fresh oil at surface. The upper sand units are thought to have the potential to host economic reserves of oil and may be the source for this anomalous oil. Results of the logging exercise will determine whether the work over rig is next utilised to test the Cloverly Formation or the upper sand units.

The Company's oil production from the Grieve and SDS Oil Fields is approximately 85 BOEPD. This should increase over the following weeks as production from the recently redeveloped wells at the Grieve Oil Field come on line. The Company is entering an exciting period as it begins to test the untapped potential of the upper sands and lower sands (Cloverly formation) at the Grieve Oil Field.

**Robert Cook**  
**Managing Director**