



ABN 24 119 737 772

ASX Release  
11 March 2011

**4 WELLS**  
**MARCH 2011 TESTING**

**Eagle Ford**

Texon advises that the fracture testing of its second Eagle Ford well (Teal EFS #1H) has been slightly delayed and is now scheduled to begin next week.

Texon has a 100% WI (75% NRI) in this well.

**Olmos**

Upon completion of the above project, the contractor will fracture stimulate the three (3) Olmos production wells referred to in the Company's release of 19<sup>th</sup> January this year. These wells have now been drilled and the Olmos oil reservoir has been encountered as predicted in each well.

The frac work will take approx one (1) day per well. The wells will be placed in production when the fracture stimulation and testing are completed.

Texon has an average 70% WI (52.5% NRI) in these 3 wells.

**Production**

During the second quarter of this year, it is expected that the above four (4) wells, if successful will contribute a combined average of 600 boepd to the Company's production.

Please refer to Texon's website for announcements by the Company: [www.texonpetroleum.com.au](http://www.texonpetroleum.com.au)

Oil and gas futures prices (Source: NYMEX April 2011 contracts)

Oil: US\$102.57/bbl

Gas: US\$3.83/mmbtu (approx. US\$5.80/mcf for all Texon gas - including US\$6.60/mcf for Olmos and Eagle Ford gas which currently make up 65% of Texon's gas production)

-Ends-

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(Houston is 16 hours behind AEST)

Glossary:

bbl: barrel

boepd: barrels of oil equivalent per day. Gas is converted to boepd on the basis that 6 mcf of gas are equivalent to 1 boe.

mcf: thousand cubic feet

mmbtu: million British thermal units

NRI: Net Revenue Interest

WI: Working Interest