



**Essential
Petroleum
Resources
Limited**

ASX ANNOUNCEMENT

7 April 2006

Drilling Report No. 9 Pritchard-1 Well at 0600 hours PEP 151 Otway Basin Victoria

Essential Petroleum Resources Limited advises that at 0600 hours today the Pritchard-1 well had reached a depth of 1676m in the Paaratte Formation. The current operation is drilling ahead at a rate of 12 to 15 metres per hour to the next target, the Nullawarre Formation, as shown in the attached diagram.

Bass Strait Oil Company (BAS) and Inland Oil Resources (IOR) have fulfilled their obligations to take up their interests in the Pritchard-1 well by funding the costs of the well to the top of the Sherbrook Group plus 50 metres, interpreted to be at a depth of 1395m.

Under the provisions of the farm-in agreements with BAS and IOR, EPR is deepening the well to the Nullawarre Formation as a sole risk operation. The sole risk operation will be funded from the farm-in premiums already contributed by BAS and IOR. BAS and IOR can elect to participate in the deepened Pritchard-1 well by paying their share of costs plus a premium as set out in the farm-in agreements.

The well is programmed to be drilled to the deeper Nullawarre and Flaxman targets between 2000m and 2400m. The deeper targets within the Sherbrook Group have the potential to host in excess of 10 million barrels of oil.

Participating interests in Pritchard-1 are:

Essential Petroleum Resources Limited	50%
Bass Strait Oil Company Ltd	25%
Inland Oil Resources Pty Ltd	25%

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Daily Progress, Pritchard-1

