

8 December 2010

ASX/Media Release

Operational Update

Blue Energy Limited (ASX: BUL) provides the following operational update.

ATP 814P – Monslatt Block

Completion activities being undertaken on the Monslatt Pilot Production wells (Monslatt 4, 5P, 6P, 7 and 8H) have been deferred by the significant rainfall events that have recently occurred in the Central Queensland area. Whilst no damage or loss has resulted from the flooding in the Monslatt area, access to the respective well sites has been restricted due to flooded creek crossings and general poor road conditions. The completion rig has been on location at Monslatt 7, and resumed operations this morning. Equipment for the radial drilling program has been mobilized, but this work is also subject to weather delays impacting the overall program.

For further information please contact:

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