great artesian
oil and gas limited
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ASX ANNOUNCEMENT

Date : 15 November 2006

To : Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

DAILY DRILLING REPORT – Keeley-1 WELL & Forward Program (PEL 107 South Australian Cooper Basin)

1. Keeley-1

Great Artesian Oil and Gas Limited ("GOG") advises that the current status of the Keeley-1 appraisal well is as follows:

Time of Report:	06:00 hours (CST) 15 November 2006.
Well Depth:	3059m (Total Depth) in Merrimelia Formation.
Current Operation:	Preparing to set cement plugs
Forward Operations:	Plug and abandon

Following the collection of side wall cores and evaluation of other wireline log information the Joint Venture decided, on the recommendation of the operator Beach Petroleum, to plug and abandon the Keeley-1 well. Great Artesian's portion of the well was funded by Magellan Petroleum Corporation.

2. Forward Program – Talia-1

Following completion of Keeley-1 Century Rig #3 will now move directly to the Talia Prospect location, some 20 km to the west-southwest, in preparation for the drilling of Talia-1 which should commence late this week or early next week. Talia-1 is an anticlinal feature mapped using 3D seismic data located on a regional high and flanked by producing oil fields. Sturt oil field is located 3 km to the north, Sturt East oil field is located 3 km to the northeast and Tantanna oil field is located 4 km to the southeast.

Talia-1 will test whether oil has migrated westward of the Sturt oil field onto this regional high. Based on the occurrence of oil production in surrounding fields, primary reservoir targets are identified as the McKinlay/Namur, Birkhead, and Hutton Sandstone formations with the Poolowanna Formation providing a secondary target. A predicted total depth of 1840 m is anticipated. Indicative pre-drill estimates of the recoverable oil reserves for the Namur Sandstone range between a mean of 320,000 barrels to 800,000 barrels, if the Talia Prospect is filled to the maximum extent of structural closure. Talia-1 is the third of a proposed 5 well, back to back, program Great Artesian is currently participating in within the PEL 107 area.

Interests in Talia-1 are as follows :

Beach Petroleum Limited (Operator)	40.0%
Great Artesian Oil and Gas Limited	40.0%
Magellan Petroleum Corporation	20.0%*

* subject to farmin agreement

Further details can be obtained on the company's web site or by contacting Dr Ray Shaw, Managing Director on 02 9929 3383.

Yours faithfully,

Dr Ray Shaw
Managing Director

Attachment : Location Map