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Centralised Company Announcements Platform
Australian Stock Exchange
10th floor, 20 Bond Street
Sydney NSW 2000

VALENTINE 1 EXPLORATION WELL UPDATE

Please find attached a report on the progress of drilling of the Valentine-1 exploration well at EP104/R1 in the Canning Basin, Western Australia.

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**VALENTINE-1 DRILLING REPORT
CANNING BASIN, WESTERN AUSTRALIA**

Date:	17 September 2007	
Permit:	R1	
Well Location:	Lat : 17° 08' 23.46"S Long : 123° 42' 32.40"E	
Directional offset to target:	0 metres	
Elevation:	Ground Level is 12.4mAMSL Rotary Table is 18.1mAMSL	
Prognosed Depths (measured KB):	Top primary objective	Total depth
	3,222 metres	3,407 metres
Prognosed drilling time:	25 days	
Spud Date:	1230 hrs, WST 12 August 2007	
Present Depth:	3,234mMD	
Time of Reporting:	0600 hrs, WST 17 September 2007	
Operations Since Last Report:	Continue to directionally drill ahead to proposed TD	
Current Operations:	Drilling ahead	
Hydrocarbon indications:	Since the last report, the well has drilled through interbedded limestones and thin claystones with minor mud gas observed.	
Comment:	Since the last report on Thursday September 13th, the well has been deepened from 3038m MD to the current depth. Lithologies encountered are predominantly tight limestones and minor claystones of Devonian age with minor mud gas shows observed. The primary objective clastic units of the Virgin Hills Formation have yet to be intersected.	
Participants in the well (post earning):	ARC Energy Limited - 38.95% (Operator) Empire Oil and Gas NL - 14.8% Emerald Oil & Gas NL - 12.75% Pancontinental Oil & Gas NL - 10.0% Phoenix Resources PLC - 10.0% First Australian Resources Limited - 8.0% Indigo Oil Pty Ltd - 5.5%	

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About Emerald Oil & Gas NL

Emerald Oil & Gas NL (ASX: EMR; EMRO) was listed on the ASX in June 2006, raising \$4 million. Emerald is an oil and gas exploration and production company with project interests in North Dakota and Texas in the USA and in the Canning Basin of Western Australia. Emerald's focus is on conventional reservoir targets for oil and gas prospects and its primary objective is to achieve near term production and cashflow to build shareholder value and provide funds to fuel further growth. Emerald's strategy is to take modest but meaningful positions in low risk exploration projects that can be swiftly brought into production.

Information in this announcement pertaining to exploration potential was compiled by Robert Berven, Emerald Oil & Gas NL's Technical Director who is a Member of the Australasian Institute of Mining and Metallurgy and the American Association of Petroleum Geologists CPG # 2498.

Statements regarding Emerald's plans with respect to its petroleum properties are forward-looking statements. There can be no assurance that Emerald's plans for development of its petroleum properties will proceed as currently expected. There can be no assurance that Emerald will be able to confirm the presence of additional petroleum deposits, that any discovery will prove to be economic or that an oil or gas field will successfully be developed on any of Emerald's petroleum properties.