

ASX ANNOUNCEMENT



5 December 2007

DRILLING REPORT

Metgasco (ASX:MEL) advises that the Company is currently drilling ahead inseam in its second SIS well of the pilot production program, Corella-P12.

The following provides further detail on the status of the drilling program.

Corella-P11	Metgasco 85%, CS Energy 15%
Location:	PEL 16, Stratheden Joint Venture Area
Spud Date:	17 October 2007
Target:	Richmond seam
Status:	Drilling completed. Production testing to commence during the coming weeks.
Corella-P12	Metgasco 85%, CS Energy 15%
Location:	PEL 16, Stratheden Joint Venture Area
Spud Date:	30 October 2007
Target:	Tomki seam
Status:	Drilling ahead at 700 metres.
Corella-P14	Metgasco 85%, CS Energy 15%
Location:	PEL 16, Stratheden Joint Venture Area
Spud Date:	6 November 2007
Status:	Drilled to 150 metres and casing set and cemented.
Corella-P13	Metgasco 85%, CS Energy 15%
Location:	PEL 16, Stratheden Joint Venture Area
Spud Date:	12 November 2007
Status:	Drilled to 150 metres and casing set and cemented.
Corella-P16	Metgasco 85%, CS Energy 15%
Location:	PEL 16, Stratheden Joint Venture Area
Spud Date:	6 October 2007
Status:	Drilled to 150 metres and casing set and cemented.
Riflebird-P11	Metgasco 100%
Location:	PEL 16, South Casino
Spud Date:	20 November 2007
Status:	Drilled to 150 metres and casing set and cemented.

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