



## ASX RELEASE

Release Date: 22 February 2007  
To: Australian Stock Exchange Ltd No of Pages: 1  
From: Eric Streitberg  
Re: **Eremia 7 Appraisal Well Update**

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ARC Energy Limited advises that the Eremia 7 well, operated by ARC Energy and located in the onshore Perth Basin, was drilled to a total depth of 2,291 metres and has now been completed as an oil production well. Work is underway to conduct a clean-up flow of Eremia 7 before it is tied back to the Hovea – Eremia production facilities.

Analysis of the logging information indicates that the well has intersected the Dongara Sandstone reservoir at 2,050.5 metres true vertical depth (TVD) sub-sea, approximately 12.5 metres high to prognosis and 2.5 metres above the previous highest intersection in the field (at Eremia 6). From the full logging suite, Eremia 7 is interpreted to have intersected a total original oil column of 24.5 metres, of which the lower approximately 10 metres appears to be partially swept by previous production from the field.

The rig is presently being moved from the Eremia 7 site to the next well, Jingemia 11.

Managing Directors' comments:

*"Eremia 7 is another successful well in the Perth Basin drilling program that brings additional oil production capability, which together with the next well, Jingemia 11, will ensure we are able to meet and hopefully exceed our production targets. Once Jingemia 11 is completed we will be moving to exploration drilling targets in the Perth Basin, prior to commencing the Canning Basin exploration program."*

Participants in Eremia 7 are:

ARC Energy Ltd (Operator)	50.00%
Origin Energy Developments Pty Ltd*	50.00%

\* A wholly owned subsidiary of Origin Energy Limited

This release will also be available on the Company's website at:  
[www.arcenergy.com.au](http://www.arcenergy.com.au).

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