



SUN RESOURCES NL

ABN 69 009 196 810
(INCORPORATED IN WESTERN AUSTRALIA)

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Wednesday, 25 May 2005

Announcements
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

RE: BG WEBB #1 WELL COMPLETION UPDATE - WEST FLOUR BLUFF GAS FIELD

Texas Crude Energy Inc ("TCEI"), the Operator of the Flour Bluff Gas Project, Gulf Coast, Corpus Christi, Texas, has advised Sun Resources NL ("Sun Resources") via the afternoon report of 24 May (Texas time) that flow testing continued on the Frio K 15 sand over a 6.1 metre perforated interval between 3,126 to 3,138 metres measured depth.

A four point (four different choke sizes) flow test was nearing completion. Maximum flow rate recorded during the test was 2.1 million cubic feet of gas per day with 34.4 barrels of condensate per day and 2.4 barrels of water per day, through a 10/64 inch choke, at a flowing pressure of 3,446 psi with 600 psi back pressure on the separator. On completion of the flow test the well will be shut in to record the pressure build-up over several days. The test data will then be analysed to determine reservoir parameters and to determine the initial production rate.

It is likely that after a period of production of up to 100 days, that the reservoir will be fracture stimulated to increase gas flow rate. Three old Flour Bluff wells were fracture stimulated by the operator in 2002 and successfully increased gas flow by an average of two times the pre-stimulation flow rate.

Following completion of operations on all log pay of interest, which commenced on April 22nd, a decision will be made on which gas pay to produce first. The well will be placed on production as soon as the field gas gathering pipeline is available, which is now anticipated to be in about four weeks.

Participants Working Interests in the Flour Bluff Project through their USA wholly owned subsidiaries are:-

* Sun Resources NL	12.50%
* Victoria Petroleum NL	12.50%
* Aurora Oil & Gas Limited	12.50%
US Private Investor Companies	<u>62.50%</u>
	100.00%
* ASX listed	

Yours Sincerely
SUN RESOURCES NL

Dr Brad L Farrell
MANAGING DIRECTOR

This report is lodged on the Company's website, www.sunres.com.au. Information contained in this report was compiled from information provided by Texas Crude Energy Inc and by the Managing Director of Sun Resources NL, Dr B. L. Farrell, PhD, MSc, BSc (Hons Eco.Geol), FAIMM, MICA, CPGeol, MIMM, MPESA, who has had 35 years experience in the practice of geology and more than 5 years experience in petroleum geology.