

Tuesday 25<sup>th</sup> November, 2008

## Ash Creek Field, Wyoming

### Eagle and Parkman Sandstones testing program

#### HIGHLIGHTS

- Ash Creek abandoned Trussler#8 well (Elk Working Interest 100%) well testing program has been completed with the Parkman Sandstone testing water.

#### BACKGROUND

In late 2006, Elk Petroleum (ASX: ELK) acquired a 50% Working Interest and assumed operatorship of the abandoned Ash Creek oil field in the western Powder River Basin, in northernmost Wyoming. The field was discovered in 1952 and was plugged and abandoned in 1997 after producing just over 6 million barrels of oil from the Upper Cretaceous Shannon Sandstone (Figure 1). More recently, in May 2008, Elk acquired the remaining 50% interest in the field.

Since owning an interest in the field, Elk has been evaluating the oil potential of additional, shallower reservoirs in the field, and in particular the Upper Cretaceous Teapot, Parkman and Eagle Sandstones. One of the old production wells, the Trussler#8 well, was selected as the first well to be re-entered, cement bond logged, had previously tested water from the Eagle Sandstone and has now tested water only from a tight test in the Parkman Sandstone. The work-over rig has been rigged down and been released.

On behalf of the Board.

Andy Rigg  
Managing Director/CEO