



A.C.N. 118 585 649

ASX/Media Release
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Lancaster Lease Group - Oklahoma
Baggett #2-33 successfully intersects Oil and Gas

AusTex Oil Limited (**ASX:AOK**) is pleased to announce drilling of the Baggett #2-33 Well, Tulsa County, Oklahoma, successfully reached total depth (TD) at 2,418 feet. During drilling operations free oil and gas was displaced to the surface.

Open-hole logs indicate multiple oil and gas zones. Casing has been set and the well will be completed for production in the coming weeks.

Since September, 8 successful wells have been drilled to depths of between 2400 feet and 2500 feet within this project area with 4 wells already completed for production. Development drilling will continue in January with two new infill wells scheduled on the 650 acre project each month.

Managing Director of AusTex, Mr Daniel Lanskey said, "The Company is making good progress with development of its leases and is ending the year on a good note. We anticipate continued success in the coming months."

AOK holds a 100% working interest and 81.25% net revenue interest in this project.

About AusTex

AusTex Oil Ltd (ASX: AOK) was listed on the ASX in January 2008. AusTex is focused on reworking and development of oil and gas leases in the USA. The company produces oil and gas from leases in Oklahoma and Kansas. In Oklahoma, the Lancaster Lease Group and BlueHawk Project are now connected to gas sales infrastructure, with further development wells planned on both leases.

Since listing, AusTex has increased its lease interests from 1,000 acres to 69,000 acres. International Energy Corporation (IEC), a wholly owned subsidiary of AusTex, holds a 10 year agreement for the State of Oklahoma for the patented Radial Jet Enhancement Technology. Oil and Gas leases in Kansas are held in partnership with Castle Resources Inc., the Kansas operator of the Radial Jet Enhancement Technology.

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