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## ASX Announcement – Drilling Update

6 June 2011

### Development Well Drilling Update

#### **Boxberger-Solomon #14 well spudded**

Empire Energy Group Limited (Empire) is pleased to announce that the Boxberger-Solomon #14 development well in Russell County, Kansas was spudded on 2 June 2011 and has currently reached a depth of 2,076 feet. The target zones are the Arbuckle and Reagan Sands at a depth up to 3,750 feet.

Empire has a 70.7% working interest in this well.

The first stage of the drilling program consists of 3 wells with a further 7 wells in the planning stage.

#### **The Central Kansas Uplift**

Historically, Kansas has been a very prolific oil and gas producing state with cumulative production exceeding 6.1 billion barrels of oil (BBO) and 37.5 trillion cubic feet of gas. Current yearly production is approximately 33 million barrels of oil and 342 billion cubic feet of gas from over 60,000 wells. The most prolific oil reservoirs are the Arbuckle (Ordovician) and Lansing-Kansas City (Pennsylvanian) formations particularly from fields located on the Central Kansas Uplift (CKU). Arbuckle reservoirs have produced over 2 BBO statewide. Of the 31 counties in which the Arbuckle has been productive, over 70% of the production has come from 10 counties situated on the Central Kansas Uplift in which Empire Energy operates.

Empire Energy's initial focus in the Central Kansas Uplift will be to drill low risk development wells. At the same time the objective is to delineate additional prospects and to convert probable reserves to reserve 1P category.

#### **About Empire Energy Group Limited**

In early 2007, the Company established Empire Energy USA, LLC and currently holds around 92% of its issued capital. Empire Energy USA is an oil and natural gas producer and also operates a small oil and gas field service operation. It has operations in Appalachia (New York and Pennsylvania) and the Central Kansas Uplift (Kansas).

Empire Energy implemented a US\$100 million credit facility with Macquarie Bank Limited in early 2008 for the sole purpose of acquiring and developing oil and gas assets in the USA. This facility has been increased to US\$150 million.

For more information:

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