

## **COMMENCEMENT OF DRILLING OPERATIONS – LONG BRANCH #55**

The Directors of Maverick Drilling & Exploration Limited (ASX: MAD) are pleased to advise that drilling operations commenced at 0500 hours, 11 September 2012 (US CDT) on the Company's Long Branch #55 Edwards Reef Prospect, Williamson County, Texas, using Maverick Rig #7 to drill the 5,500 foot prospect.

The Long Branch #55 is the first well to be drilled by Maverick on its Edwards Reef Prospect, which is located approximately 32kms east of Georgetown, Texas, USA.

Maverick has 100% Working Interest in this well and in its Edwards Reef Prospect.

### **Maverick's Edwards Reef Prospect**

Maverick currently holds approximately 2,238 net acres on its Edwards Reef Prospect in Williamson County, Texas, USA.

This is an exploration prospect and not related to Maverick's developmental Blue Ridge, Boling and Nash oil producing salt dome acreage.

The Long Branch #55 is the first of a number of intended tests to be drilled by Maverick on its Edwards Reef prospect.

The primary target has been identified through internal analysis of reprocessed seismic data and is targeting the prolific Edwards Central Texas Reef Trend and other potential formations drilling to a depth of approximately 5,500 feet. The prospect is in close proximity to a known petroleum system at the Thrall Oil Field.

An Edwards formation analogy is found in the nearby Salt Flat Oil Field in Caldwell County, Texas. This field was found in 1928 with the drilling of the Sun Oil Company Malone #1, which produced at 720 BOPD. By 1957 the field had a cumulative production of 34 million barrels from 350 wells. Numerous other Edwards formation fields exist and include the deeper gas prone Word Field in Lavaca County, Texas, which has produced with in-place reserves of 890 BCFG at 13,000 feet.

Expenditure to date on this prospect including leasing, seismic and title work is approximately USD 700,000. It is estimated the cost of drilling an unsuccessful test well on this acreage will be less than USD 150,000 as a result of Maverick utilising its own drilling rig and crew.

# MAVERICK

DRILLING & EXPLORATION

Maverick's Executive Chairman, Mr Don Henrich, commented on the commencement of drilling operations at the Company's Edwards Reef Prospect:

*"The Long Branch #55 is Maverick's first well at its Edwards Reef prospect and is the Company's first pure exploration test since our ASX listing in September 2010.*

*We are excited by the potential of a new field discovery with only a relatively small amount of capital at risk. However, we continue to emphasise the exploratory nature of this test and highlight that it is independent of our developmental oil producing salt dome acreage.*

*The well is permitted to a depth of 5,500 feet and we expect drilling and evaluation of this target could take up to 30 days."*

The first drilling progress report for the Long Branch #55 is attached. During the course of drilling operations, drilling progress reports will be provided to the ASX each Wednesday, and as required upon the occurrence of any material event. The Company expects to issue the next drilling progress report on 19 September 2012, subject to any material events occurring in the meantime.

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#### **About Maverick Drilling & Exploration Limited (ASX: MAD)**

Maverick is a diversified oil company with existing oil production and reserves focusing on low cost development of drilling prospects. Maverick's flagship assets are leases that it holds over parts of Blue Ridge, Nash and Boling Domes established producing oil fields located south of Houston, Texas in the United States and its wholly owned subsidiary Maverick Drilling Company, a 38 year old contract drilling company based in Texas.

## DRILLING PROGRESS REPORT – LONG BRANCH #55

<b>Well Location</b>	Approximately 32kms east of Georgetown, Texas, USA
<b>Maverick's interest</b>	Maverick Drilling & Exploration Limited hold a 100% working interest in the Long Branch #55 and 100% working interest in the 2,238 net acres on the Edwards Reef Prospect.
<b>Date of progress report</b>	0700 hours 11 September 2012 (US CDT)
<b>Permitted depth</b>	5,500 feet
<b>Current depth</b>	32 feet
<b>Estimated time to completion</b>	30 days
<b>Spud date</b>	11 September 2012
<b>Days since spud</b>	1 day
<b>Current target formation</b>	Edwards Central Texas Reef Trend
<b>Operations since last progress report</b>	This is the first progress report. Since spud the well has been drilled ahead to a measured depth of 32 feet and current operation mixing mud.
<b>Hydrocarbon indications</b>	None (none were expected at current depth)
<b>Forward operations</b>	Drill ahead to first casing point, surface casing, at 550 feet