

9 September 2013

**Marathon Gas/Condensate Field – Fifth Well on Production****Fifth Well on Marathon Field, Atchafalaya Bay, Louisiana, USA  
State Lease No. 20369 No. 3 Well, Marathon Field***Petsec Energy Ltd (ASX: PSA / OTC ADR: PSJEY)*

Petsec Energy is pleased to advise that the Louisiana State Lease No. 20369 No. 3 well in the Marathon gas/condensate field was brought into production on 31 August 2013. The fifth development well for the field, located in the shallow waters of the Atchafalaya Bay, Gulf Coast, USA, was spud on 3 May 2013 and reached a total depth of 18,650 feet (5,686 metres) in July 2013. Initial production performance for the well indicates an excellent reservoir comparable in quality and productive performance to previous wells. The Marathon field was discovered in October 2010 and commenced production in December 2010. A total of five wells have been drilled on the field, and extensive new production facilities and pipelines have been constructed over the past three years of activity.

Petsec Energy's Chairman, Terry Fern, commented:

*"We are very pleased with the results of our drilling program and production at the Marathon gas/condensate field. Marathon has developed into Petsec Energy's largest producing field and most valuable asset."*

**Participating working interests in the well are:**

Petsec Energy Ltd	8.00%
Apache Corporation	48.75%
Private Companies	43.25%

**Details of the well:**

Well name:	State Lease 20369 No. 3 <i>(formerly State Lease 20221 No. 3 well)</i>
Water depth:	8 feet (2.4 metres)
Total depth:	18,650 feet (5,686 metres)
Operator:	Private company
Petsec working interest:	8.00%
Petsec net revenue interest:	5.84 %
Estimated net drilling cost to Petsec:	US\$1.4 million
Estimated net completion cost to Petsec:	US\$0.6 million

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*Petsec Energy Ltd is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. It has operations in the shallow waters of the Gulf of Mexico and Louisiana Gulf Coast region of the USA, and exploration activities in Shale Oil projects in Canada and the USA.*