

Ref: #162-08

24 December 2008

ASX Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

**Re: Beach Petroleum Limited Weekly Drilling Report
Week ending 24 December 2008**

The drilling report and well location map for the week ending 24 December, 2008 are attached. Highlights of the week's activities include:

Beach Petroleum Operated Cooper / Eromanga Exploration

The Callawonga-5 oil field development well (PPL 220) has been cased and suspended as a future Namur Sandstone oil producer, having encountered 4 metres of net oil pay over a 5 metre interval. The Ensign 30 rig is being moved to Callawonga 6, the second of four back-to-back wells being drilled in PEL92 / PPL 220 by the Joint Venture. Interests in the four well program are Beach Petroleum Ltd (75.00%) and Cooper Energy Ltd (25.00%).

Cooper/Eromanga Oil Exploration and Development - Santos Operated

In areas operated by Santos, one well was unsuccessful (Gidgealpa-61, Beach 20.21%) and one well is in progress (Minos-1, Beach 30.00%).

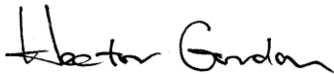
Beach Operated Offshore Australia Program - South East Australia

Fermat-1, located in offshore Otway Basin Permit Vic/P46, is drilling ahead in the upper Belfast Mudstone at a depth of 2162 metres MDRT. Interests in Fermat-1 are Beach Petroleum Ltd, 50.00%, Essential Petroleum Resources Ltd, 25.00% and Mitsui E&P Australia Pty Ltd, 25.00%.

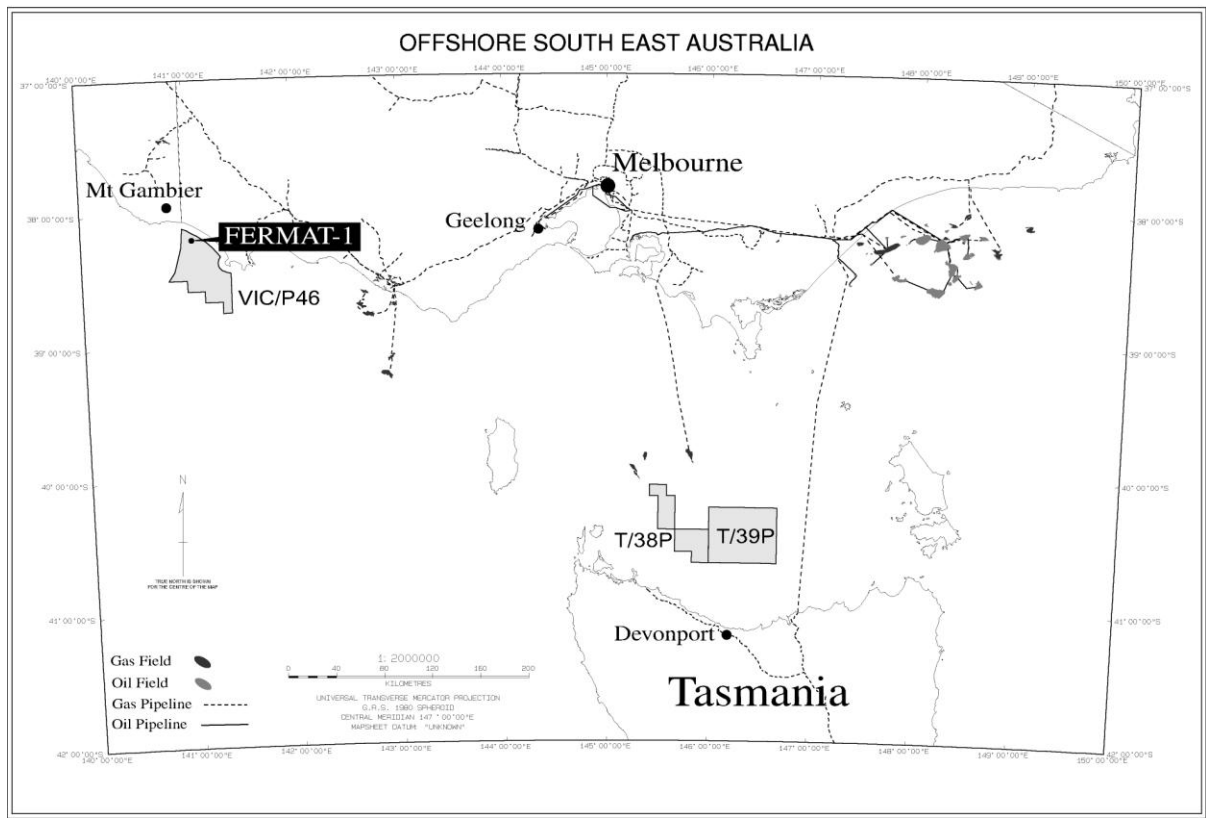
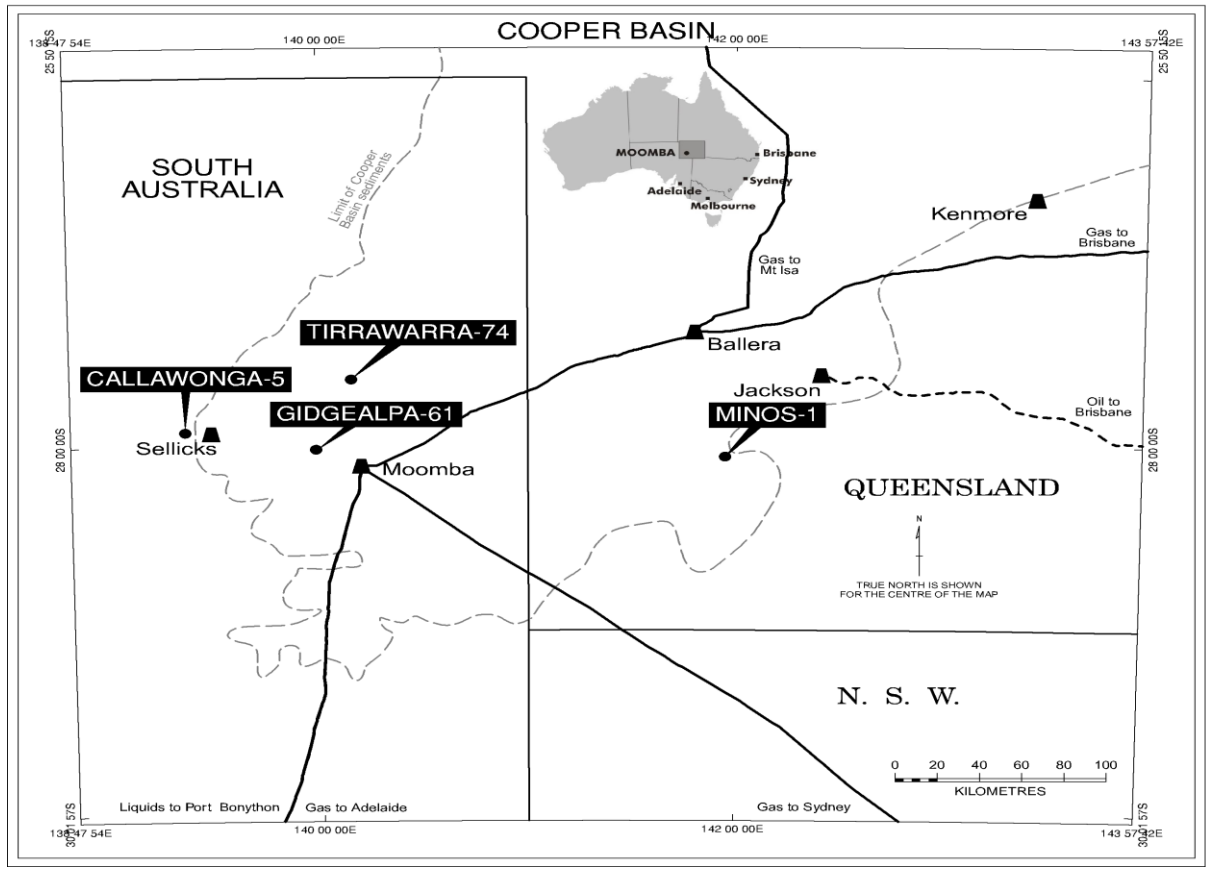
Egypt - South East July Concession - Gulf of Suez

The Inter-Ocean III jack-up rig moved onto the South July-1 location on 20 December and the well is expected to spud later today. The well is targeting a mean potential oil resource of approximately 100 million barrels in the Rudeis and Nubia Formations within a tilted fault block closure. The drilling of South July-1 is being conducted by Dana Petroleum on behalf of Concession Operator Santos Egypt Pty Ltd. Interests in South July-1 are Beach Petroleum (Egypt) Pty Limited, 20.00%, Santos Egypt Pty Ltd, 40.00% and Dana Petroleum (E&P) Limited, 40.00%.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Hector Gordon', written in a cursive style.

Hector Gordon
Chief Operating Officer



Weekly Drilling Report



Wednesday 24th December 2008

Well	Participants	Weekly Progress & Summary		Primary Targets
South July-1 SE July Concession Oil Exploration Well Gulf of Suez, Egypt	BPT 20.00% STO* 40.00% DNX 40.00%	Report Time: 0600hrs (Egypt) 24/12/2008 Depth: 171m Operation: Preparing to spud. Progress: 171m	Rudeis Fm Nubia Sst	
Fermat-1 VIC/P46 Gas Exploration Otway Basin, Vic	BPT* 50.00% EPR 25.00% MIT 25.00%	Report Time: 0600 (AEST) 24/12/2008 Depth: 2162m Operation: Drilling ahead in the Belfast Mudstone. Progress: 1163m	Waarre Fm Flaxman Fm	
Callawonga-5 PPL 220 Oil Development C/E Basin, SA	BPT* 75.00% COE 25.00%	Report Time: 0600 hrs (CST) 24/12/2008 Depth: 1422m (TD) Operation: Well has been cased and suspended as a future Namur Sandstone oil producer; rig being moved to Callawonga-6 Progress: 704m	Namur Sst	
Minos-1 ATP 259P Oil Exploration C/E Basin, Qld	BPT 30.00% STO* 70.00%	Report Time: 0600 hrs (AEST) 24/12/2008 Depth: 1234m Operation: Drilling main hole. Progress: 1234m	Hutton Sst Namur, BJ (s)	
Gidgealpa-61 PPL 6 Oil Appraisal C/E Basin, Qld	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 24/12/2008 Depth: 1888m (TD) Operation: Well has been plugged and abandoned Progress: 227m	Birkhead Fm Hutton Sst	
Tirrawarra-74 PPL20 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 24/12/2008 Depth: 2772m Operation: Drilling ahead in the Patchawarra Formation. Progress: 1821m	Patchawarra Fm Tirrawarra Sst	

COAL SEAM GAS PROJECTS

Location	Participants	Well	Depth	Operation: 0600hrs (EST) 24th December 2008
PL-198 Coal Seam Develop't Surat Basin, QLD	BPT 40% AOE* 60%	Tipton- 146	250m	Surface casing run, will recommence drilling on the 5th January.

* Operator

(s) Secondary Targets
BPT Beach Petroleum Ltd
STO Santos Limited

AOE Arrow Energy NL
ORG Origin Energy Resources LTD
COE Cooper Energy Resources

EPR Essential Petroleum
MIT Mitsui E&P Australia
DNX Dana Petroleum