



Cue Energy Resources Limited

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DATE : 18 May 2006

PAGES (including this page):3

FROM : Andrew Knox

RE : **Dukuh -1 being Plugged and Abandoned**

Attached please find Cue Energy Resources Limited's release with respect to the above mentioned.

Yours faithfully

A handwritten signature in black ink that reads "Andrew Knox". The signature is written in a cursive, flowing style.

Andrew M Knox
Public Officer



Cue Energy Resources Limited

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RELEASE

Dukuh -1 being Plugged and Abandoned

The Dukuh -1 exploration well in the Sampang Production Sharing Contract area, offshore East Java, Indonesia is being plugged and abandoned after failing to encounter significant hydrocarbons.

The well tested a four way dip closure 10 kilometres south of the Jeruk oil discovery.

The Ocean Sovereign jackup drilling rig will now move to the Herbras -1 exploration well in the eastern portion of the PSC area.

Participants in the Sampang PSC are:

Santos (Sampang) Pty Ltd	40.5% (Operator)
Singapore Petroleum Sampang Ltd	36%
Cue Sampang Pty Ltd	13.5%
PT Petrogas Oyong Jatim*	10%

*Subject to finalization.

A location map is attached.

Any queries regarding the announcement should be directed to the Company on (03) 9670 8668 or email mail@cuenrg.com.au.

A handwritten signature in blue ink, appearing to read 'R. J. Coppin'.

Robert J Coppin
Chief Executive Officer

18 May 2006

