



Cue Energy Resources Limited

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DATE : 5 September 2008

PAGES (including this page): 2

FROM : Andrew Knox

RE : **Weekly Drilling Report Cobra -1A ST3: 5th September 2008**

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".

Andrew M Knox
Public Officer



Cue Energy Resources Limited

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RELEASE

Weekly Drilling Report Cobra -1A ST3: 5th September 2008

Oil Search, the operator for PPL190, reports as at 0600 on 4th September 2008 that:

“Preparations were underway to conduct a second closed chamber Drill Stem Test (DST) over the upper Hedinia sandstone in the Cobra -1A ST3 well.

Since the last drilling report, a DST was conducted on the upper Hedinia sandstone interval but the test failed due to mechanical reasons. The DST tools were recovered, serviced and re run in hole. The objective of the test is to confirm fluid type and reservoir quality of the Hedinia sandstone.”

Cobra -1A ST3 is located in PPL 190 and lies 13 kilometres east of the SE Gobe oil field and 7 kilometres east of the Bilip oil discovery.

The participants in PPL 190 are:

Oil Search Limited (Operator)	62.556%
Murray Petroleum Company	26.497%
Cue PNG Oil Company	10.947%

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

5th September 2008