



29 December 2009

ASX/MEDIA RELEASE

Utopia 7 Completed as an Oil Producer

Bounty Oil and Gas ("Bounty") is pleased to announce that the Utopia 7 oil development well in the Utopia Field, SW Queensland has been successfully cased and completed as an oil producer with perforations over a 7 m interval in the Murta Zone.

Oil production from this new well will commence in mid January 2010 and will be sold and trucked to the nearby Eromanga Refinery approximately 50 km. to the north.

Utopia 7 is the first of 3 wells in the first phase of a program to further develop the proved producing 2P oil reserves in the Murta Zone.

Utopia 8 will be the next well in the program and is expected to spud today (29 December).

Well Details:

Name:	Utopia 7 oil development well
Permit:	PL 214 Utopia Block
Rig:	ADS Rig 6
Planned Total Depth (TD):	1110 metres at TD
Location:	250 metres east of Utopia 2 in the Utopia Field 50 km south of Eromanga and 15 km southeast of the Tarbat oil facility
Objective:	Murta Member
Progress:	Production casing cemented and perforated over 7 metres of the Murta Zone.

Forward operations: Complete casing and install wellhead.

Participating interests in the Block are:

Newport Energy Pty Ltd	60% (Operator)
Bounty Oil & Gas NL	40%

Commenting; Bounty's CEO Philip Kelso said:

"Utopia 7 result is a good first step for the joint venture to significantly lift oil production from Utopia. The side wall cores seem to indicate a wider than expected oil zone and we look forward to a flow of results from Utopia 8 and 9.

We anticipate that Bounty will be producing at least 150 bopd from Utopia by the end of 2010."

Abbreviations:

BOP: blow out preventer

km – kilometres

m – metres

TD – total depth

***BRT- below rotary table of
drill rig***

***Zone: hydrocarbon bearing
formation***

Bounty is an Australian ASX listed oil producer and explorer. Its core petroleum production and exploration assets are located in the Cooper/Eromanga Basins and in the Surat Basin in Queensland and South Australia. Its growth assets are spread over a number of high impact projects in Australia and Tanzania where it is exploring for oil and gas. In Australia it is a participant in PEP 11, Sydney Basin with up to 16 trillion cubic feet (TCF) gas potential and in other permits. In Tanzania it is a participant in the Kiliwani North gas discovery and is exploring additional gas pools with up to 1TCF potential.

Bounty has reserves and resources approaching 4 million barrels of oil equivalent.