Magellan Petroleum Announces Weekly Drilling Report: Muthero-7 & Muthero-4, Tunkalilla-1

HARTFORD, Conn., Feb. 14 /PRNewswire-FirstCall/ -- Magellan Petroleum Corporation (NCM: MPET; ASX: MGN) ("Magellan") announced that its 100% owned subsidiary, Magellan Petroleum Australia Limited ("MPAL") advises the following drilling report.

Nockatunga Fields - Queensland

The Muthero-7 development well in southwest Queensland has been cased and suspended as a future Murta oil producer.

Muthero-7 spudded on February 8 and was drilled to a total depth of 1,146 meters. Oil shows were recorded in the Murta Member and the well was cased and suspended. The rig was released on February 12 and moved to the Muthero-4 well location.

The Muthero-4 appraisal well spudded on February 13 and was drilled to a depth of 219 meters. Surface casing is being set before drilling ahead to a programmed total depth of 1,432 meters. Muthero-4 is designed to appraise the Murta Member and Birkhead Formation oil pools encountered in Muthero 3.

Cooper Basin - South Australia

Tunkalilla-1 exploration well spudded in PEL 94 in South Australia on February 13. At 06:00 hrs (CST) on February 14 the well was at a depth of 226 meters and drilling ahead to the surface casing point.

Tunkalilla-1 is located on the southern flank of the Cooper Basin, and will test a simple anticlinal structure located on the north-western flank of the Milpera Horst. The primary objective is the Namur Sandstone and the McKinlay Member with secondary potential in the Murta Member. The nearby well, Maslins-1, recovered oil from the Murta Member. Tunkalilla-1 is programmed to a total depth of 1,405 meters RT.

Muthero-7 Details:

- Petroleum Title:         PL 51, Queensland
- Location:              Approximately 50 meters NW of Muthero 3 and 200 meters SE of Muthero-1
- Coordinates:           Latitude: 27 degrees 42' 43.85" South
                         Longitude: 142 degrees 36' 44.21" East (GDA 94)
- JV Operator:           Santos Limited
- Drilling Rig:          PDI 721
- Total Depth:           1,146 meters RT
- Objectives:            Primary - Murta Member

Operations for period: The well was drilled in 10-5/8" hole to 219 m and 8-5/8" surface casing set. The well was then drilled in 7-7/8" hole to a total depth of 1,146 m and cased and suspended as Murta oil producer.

Progress for Period:     1,146 meters.

Muthero-4 Details:

- Petroleum Title:         PL 51, Queensland
- Location:              Approximately 240 meters SE of Muthero 3
- Coordinates:           Latitude: 27 degrees 42' 43.64" South
                         Longitude: 142 degrees 36' 54.43" East (GDA 94)
- JV Operator:           Santos Limited
- Drilling Rig:          PDI 721
- Total Depth:           1,432 meters RT
- Objectives:            Primary - Murta Member
                         Secondary - Birkhead Formation
Operations for period: The well was drilled in 10-5/8" hole to 219 m and 8-5/8" surface casing is being set.

Progress for Period: 219 meters.

Participants in Muthero-7 and Muthero-4 are:

Magellan Petroleum Corporation 38.994%

Santos Limited Group (Operator) 61.006%

Tunkalilla-1 Details:

- Petroleum Title: PEL 94 South Australia
- Location: Approximately 3.5 km north of Maslins-1
- Coordinates: Latitude: 28 degrees 50' 55.41" South
- Longitude: 140 degrees 50' 55.41" East (GDA 94)
- JV Operator: Beach Petroleum Ltd
- Drilling Rig: Century Rig 3
- Total Depth: 1,405 meters RT
- Objectives: Primary - Namur Sandstone / McKinlay Member
- Secondary - Murta member

Operations for period: The well spudded at 19:00 hrs (CST) on February 13, 2007 and at 06:00 hr on February 14 was at a depth of 226 m and drilling ahead in 12-1/4" to the proposed surface casing depth of 620 m.

Progress for Period: 226 meters.

Participants in Tunkalilla-1 are:

Magellan Petroleum Corporation 35%

Beach Petroleum Ltd (Operator) 50%

Victoria Petroleum NL 15%

Forward Looking Statements

Statements in this release which are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995. These statements about Magellan and MPAL may relate to their businesses and prospects, revenues, expenses, operating cash flows, and other matters that involve a number of uncertainties that may cause actual results to differ materially from expectations. Among these risks and uncertainties are the extent of the recoverable reserves at those properties and the risk that any wells drilled may fail to encounter hydrocarbons in commercially recoverable quantities. Any forward-looking information provided in this release should be considered with these factors in mind. Magellan assumes no obligation to update any forward-looking statements contained in this release, whether as a result of new information, future events or otherwise.

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