



**EUREKA ENERGY LTD**

**(ASX: EKA, "Company" or "Eureka")**

**ASX RELEASE**

**4 JULY 2011**

**BLACK JACK SPRINGS UNIT 1H UPDATE**

Eureka is pleased to provide an operations update on the Blackjack Springs Unit 1H, the first well at its Pan de Azucar Eagle Ford Shale project in Fayette County, on-shore Texas USA. As per the latest Operator reports, multi-stage fracture stimulation operations have commenced on the well. It is intended to undertake a 16 stage frac over an approximate 6,000 ft horizontal section of the well. Eureka will provide a further update following the fracture stimulation and once the well has been cleaned up.

The Blackjack Springs Drilling Unit is a 916 acre pooled unit to which Eureka has contributed 86 acres for its 9.4% working interest. The unit is immediately adjacent to the remaining 675 acres (EKA WI 100%) that make up the balance of the Pan de Azucar project.

*Technical Information contained in this report has been reviewed by Mr C. C. Hodge M.Sc, a consultant to Eureka who has had more than 30 years experience in petroleum geology and has consented to the inclusion of the information in the form and context in which it appears.*

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## ABOUT EUREKA

Eureka is an Oil & Gas exploration, development and production company listed on the Australian Securities Exchange and focused on the development of its onshore Eagle Ford Shale interests in Southern Texas, USA. Eureka participates in the **Sugarloaf**, **Pan de Azucar** and **Brioche** projects.

The **Sugarloaf** AMI comprises approximately 24,150 gross acres (approximately 1,500 net acres) and Eureka holds a 6.25% working interest (subject to 25% lease royalties). The Sugarloaf project is located in the condensate-rich window of the Eagle Ford shale and production commenced in mid-2010. 12 wells are currently on production with 13 new wells expected to be drilled during 2011.

Eureka's interests in **Pan de Azucar** are structured as a 100% Working Interest in 675 gross acres and a 9.4% working interest in a further 916 gross acres (working interests are subject to an average of 27% lease royalties). The project is located in the Eagle Ford oil or condensate-rich fairway and the first well was spud in April 2011.

Eureka Energy also holds a 100% working interest (subject to an average of 25% lease royalties) in 3,975 acres in Burleson and Washington counties (**Brioche Project**). The acreage lies within the eastern liquids-rich fairway and potentially is within the gas-condensate window of the Eagle Ford shale. The Brioche Project area is located in the northeast part of the Eagle Ford trend some 70km Northeast of Pan de Azucar acreage and about 200km Northeast of Sugarloaf.