



CARNARVON
PETROLEUM
LIMITED
ABN 60 002 688 851

18 September 2007

Company Announcements Office
Australian Stock Exchange Limited

Via ASX Online

Dear Sirs

**OPERATION UPDATE THAILAND –
NS8-D1 APPRAISAL WELL SPUDDED;
L44-H TESTING COMMENCED**

EXPLORATION PERMIT L44/43

L-44H Appraisal Well

Testing has commenced on appraisal well L44-H within the last 48 hours. Variable quantities of oil and drilling fluids have been recovered at the surface and the well is in the early stages of clean up. Once a stable rate has been achieved, results of the test will be released.

The L-44H well is located approximately 3.25 kilometres north of the producing NS3-D1, in the central lobe of the Na Sanun East (“NSE”) oil field.

NS8-D1 Appraisal Well

NS8-D1 well has spudded and is currently drilling ahead at around 75m depth.

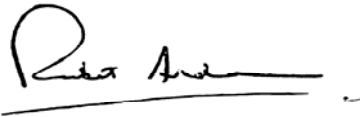
NS8-D1 is a further appraisal/development of the southern Na Sanun East fault block in addition to the two successfully producing wells POE-9 and NS3-D1.

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The well is being drilled as a deviated well eastwards across the bounding fault into the Na Sanun East structure. NS8-D1 is around 600 metres north of the producing NS3-D1 well.

Yours faithfully
Carnarvon Petroleum Limited



RA Anderson
Company Secretary

