



ASX/Media Release
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Blubaugh #20-1 Vertical Well Success Snake River Project, Northern Oklahoma

- **Blubaugh #20-1 successfully reaches TD – multiple hydrocarbon shows**
- **Drilling commenced on second production well at Blubaugh prospect (Blubaugh #21-3)**
- **Encouraging flow rates recorded at Balder #1-30 Horizontal Well in partnership with Range Resources**
- **Well development pipeline remains active**

United States focused oil & gas producer and explorer AusTex Oil Limited (**ASX:AOK – OTCQX:ATXDY**) is pleased to announce that the Blubaugh #20-1 production Well has been successfully drilled to a Total Depth of 4,844 feet. AOK holds a 100% Working Interest and a 81.25% net revenue interest in the Snake River Project which sits in the highly prospective Mississippian Limestone Play (“Mississippi Lime”) located in Northern Oklahoma and Southern Kansas.

Blubaugh #20-1 is the first production Well on the prospect, and is located 80 feet from the disposal well (see Figure 1). Logs and samples revealed multiple hydrocarbon bearing zones (see Table 1). The well is to be completed for production in the Mississippi Lime interval.

Drilling has also now also commenced on the second production well for the Blubaugh prospect (Blubaugh #21-3), with the rig drilling ahead at 3,140 feet with a planned TD of 4,850 feet.

AOK is particularly encouraged by the potential of the Snake River Project, with the Blubaugh Lease being just one prospective area within the 100%-owned project. The company is continuing to fast-track its aggressive drilling program.

AOK’s Managing Director, Daniel Lanskey, commented: “The Blubaugh Leases on the north side of the river are being developed as a second production hub on the Snake River Project. We now have the Salt Water Disposal Well under completion along with the first production Well. The hydrocarbon shows from the Well confirm the extension of multiple zones to the north of our producing wells, and this gives us greater confidence that Snake River will be a significant value and revenue driver for the company”.

Mr Lanskey continued: “As we have previously stated, vertical well spacing of 40 acres allows for up to 100 production wells to be drilled in the Snake River

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About AusTex

AusTex Oil Ltd (ASX: AOK) is an Exploration and Production company that is focused on the development of oil and gas leases in the USA. The company produces oil and gas in Oklahoma and Kansas. AOK holds interests in ~26,000 net acres of oil and gas leases, including acreage in the highly prospective Mississippian Lime play in Northern Oklahoma and Kansas.

project area, with an estimated ultimate recovery of up to 100,000 barrels of oil equivalent per well at a cost of approximately \$650,000 per well.”

“AOK’s development plan remains active, and the company is positioned for continued production growth.”

AOK will continue to update shareholders in the coming weeks on its exploration and well development activity.

<i>Formation</i>	<i>Depth</i>	<i>Gross Thickness</i>
<i>Tonkawa Sand</i>	2,579 to 2,662	83 feet
<i>Layton Sand</i>	3,204 to 3,298	94 feet
<i>Cleveland Sand</i>	3,582 to 3,604	22 feet
<i>Skinner Sand</i>	4,022 to 4,043	21 feet
<i>Mississippi Lime</i>	4,304 to 4,652	348 feet
<i>Woodford Shale</i>	4,652 to 4,688	36 feet
<i>Wilcox Sands</i>	4,724 to 4,788 feet	64 feet

Table 1: Hydrocarbon bearing zones from the Blubaugh #20-1 Production Well

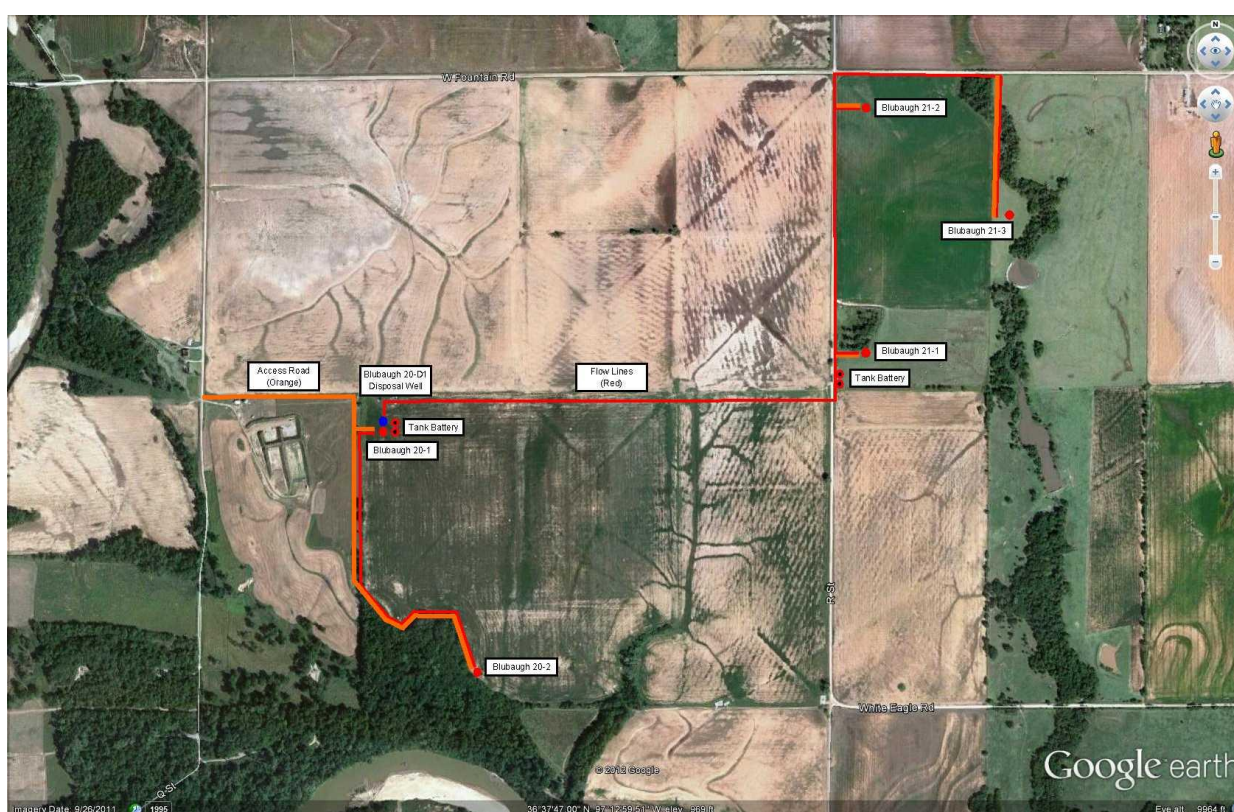


Figure 1: Location of Blubaugh #20-1 production well

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