



Cue Energy Resources Limited

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TO : Company Announcements Office
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DATE : 4 September 2009

PAGES (including this page): 2

FROM : Andrew Knox

RE : **Weekly Drilling Report Manaia – 1 Appraisal Well: 4 September 2009**

Attached please find Cue Energy Resources Limited's release with respect to the above mentioned.

Yours faithfully

A handwritten signature in black ink that reads 'Andrew Knox'.

Andrew M Knox
Public Officer



Cue Energy Resources Limited

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RELEASE

Weekly Drilling Report Manaia-1 Appraisal Well: 4 September 2009

Cue advises that since the last report the Manaia appraisal well has drilled to a depth of 6394 mMD in 12-1/4" hole. The target Mangahewa sandstone was intersected on prognosis at 6324mMD. Based on mud logging and logging while drilling (LWD) data it is interpreted to contain hydrocarbons. As at 0600 on 4 September 2009 the drill pipe is being back reamed out of the hole in preparation for setting 9 5/8" casing. After that a 1000m horizontal section will be drilled through the reservoir.

The Manaia field is located approximately 10km SW of the Maari Field in Exploration Permit PEP 38413 in the offshore Taranaki Basin New Zealand. The field was discovered in 1970 by the Maui-4 well. The well intersected an oil accumulation in the Mangahewa Formation reservoir which tested at 575 BOPD.

The Manaia-1 appraisal well is being drilled as an extended reach well from the Maari WHP using the *Ensco 107* jack-up rig. It is scheduled to take about 45 days to drill. It is expected to confirm the presence of the oil column established by the Maui-4 exploration well. If hydrocarbons are established the well will be completed and tied into the Maari facilities for subsequent testing and production.

The participants in the Manaia-1 appraisal well are

Cue Taranaki Pty Ltd	5%
OMV NZ Ltd (Operator)	69%
Todd Maari Limited	16%
Horizon Oil International Limited	10%
<i>(a wholly owned subsidiary of Horizon Oil Limited (HZN))</i>	

Any queries regarding the announcement should be directed to the company on (03) 9670 8668 or email mail@cuenrg.com.au.

A handwritten signature in blue ink, appearing to read "R. J. Coppin".

Robert J Coppin
Chief Executive Officer

4 September 2009