



## ASX Announcement

3 May 2011

### Buffalo Project - Update

US-focussed oil and gas exploration and production company, Target Energy Limited (**ASX:TEX**), is pleased to advise that work continues at its Buffalo Project in South Texas.

Following the 14 April fracture stimulation, a pump has now been installed at the well to assist in recovering the load fluid, with the well flowing at rates up to 300 Barrels of water per day. Minor gas and traces of oil continue to be produced with the water. The well has now recovered approximately 51% of the load water (over 11,800 barrels of water were pumped into the formation during the operation).

Target Managing Director Laurence Roe noted that the operation was proceeding satisfactorily. "We had purchased the pumping equipment prior to the operation in the expectation that the well would need to go onto pump fairly soon after the frac, which turned out to be the case. The pump is presently being powered by an onsite generator while we wait for electricity to be brought to the wellsite.

"More importantly we are advised that the well is consistently yielding minor shows of gas and oil with the water. We do consider these shows to be encouraging, but it is too soon to make any predictions about the well's ultimate ability to flow at commercial rates. In the meantime we will continue to recover the water and observe the volume of produced hydrocarbons."

For and on behalf of  
TARGET ENERGY LIMITED

**Laurence Roe**  
Managing Director

### Corporate information

#### ASX Code

TEX  
TEXOB

#### Board of Directors

Chris Rowe, Chairman  
Laurence Roe, Managing Director  
Graham Riley, Director  
Stephen Mann, Director  
Ralph Kehle, Chairman TELA  
(USA)

Rowan Caren, Company Secretary

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#### Overview of activities

Target is exploring and producing a suite of highly prospective oil and gas projects in the USA.

*NOTE: In accordance with ASX Listing Rules, any hydrocarbon reserves and/or drilling update information in this report has been reviewed and signed off by Mr Laurence Roe, B Sc, Managing Director of Target Energy, who is a member of the Society of Exploration Geophysicists and has at over 30 years' experience in the sector. He consents to that information in the form and context in which it appears.*