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## ASX Announcement

Date 8<sup>th</sup> October 2010

### Production Update - Galveston 307 Field (Egret, Sandpiper and Snipe wells), Texas State Waters (WI 5.625% NRI 4.5%)

As announced in Odin's Quarterly Report for the period ending 30 June 2010, maintenance was undertaken on the American Midstream pipeline that connects the 3-mile Galveston 307 flowline to the shore-based gas network. The wells were therefore shut in from 17 August 2010.

At the shoreline, the American Midstream pipeline connects to a 12" pipeline owned by Houston Pipeline (HPL) (called the 3013 line), which then connects to a 16" line (3093 line) that delivers the gas to a Dow chemical plant at Freeport, Texas, and to the city of Freeport utilities.

The two pipelines owned by HPL are currently undergoing testing and repairs. The operator of the Galveston 307 field, Black Pool Energy, has been advised that the 12" 3013 line passed its safety inspection. HPL has also advised Black Pool that the 16" 3093 line requires repairs to welds and that it expects these to be completed by 1<sup>st</sup> November 2010.

Production from the Galveston 307 field will therefore remain shut-in until about 1<sup>st</sup> November 2010. The Board of Odin is frustrated at these ongoing delays but is optimistic that, once production returns, gas prices will be stronger as it typically is in US winters.

If the field is brought back on production as anticipated at approximately 450 mcfpd, Odin will have net monthly revenues of approximately US\$55,000 and net annualized revenue of approximately US\$660,000 (based on US\$4/mcf gas).

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