

## **MONTHLY DRILLING REPORT FEBRUARY 2011**

The Directors of Maverick Drilling & Exploration Limited (ASX: MAD) are pleased to present the group's February 2011 monthly drilling report.

### **DRILLING ACTIVITY HIGHLIGHTS**

#### ***Blue Ridge***

**16 WELLS DRILLED SINCE LISTING. 15 WELLS EXPECTED TO BECOME SUCCESSFUL OIL PRODUCERS. 85 CORED OIL PAY ZONES.** In the month of February the company drilled and set casing on the Gordon #228 and #229. Two further wells, the Gordon #231 and #225 were still being drilled at the end of the month. Maverick has been successful in identifying multiple oil pay zones in 15 of the 16 wells drilled in the developmental drilling program since listing. Maverick intends to drill 50 wells over an initial twelve month period from listing date. Six more drill sites are being prepared at the time of this announcement.

#### ***Other leases***

Maverick did not undertake any drilling activity on its Boling Dome, Edwards Reef or Foothold lease holdings during the month of February 2011.

### **PRODUCTION AND SALES ACTIVITY FOR THE MONTH**

During February 2011, Maverick produced approximately 10,394 gross barrels of oil from its Blue Ridge operations. Average daily production in February was 371 BOPD, which is an increase of 12% over January 2011 average daily sales. For the last two weeks of the month of February, daily production averaged 399 BOPD.

### **RIG MANUFACTURING PLANT AND OKLAHOMA LAND SOLD**

During the month of February 2011, Maverick began to carry out a program of centralising operations at its Blue Ridge headquarters. As part of this program, Maverick sold its Oklahoma based manufacturing facility and real estate back to the previous owners as part of a project to restructure its equipment maintenance division. The agreed sale price of \$870,000 is approximately equal to the depreciated cost of these assets and is payable over two years. Certain equipment and rigs in progress will be relocated to Maverick's Houston, Texas headquarters where a new manufacturing facility is about to commence construction. Having a facility in close proximity to existing production and drilling operations will allow more effective and efficient management and oversight of Maverick's equipment construction and maintenance activities. The Houston facility is expected to reduce costs and downtime of equipment through more rapid repair timeframes and contribute to increased field efficiency.

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## DETAILED DRILLING ACTIVITY FOR JANUARY 2011

Report time 1600 hrs 3 March 2011 (US CDT).

BLUE RIDGE – Location – 5.5 kms South East of Missouri City, Texas, USA		
Well name	Working interest	Current status and progress since last announcement
Hill #201	100%	<p><b>Status:</b> Pumping oil.</p> <p><b>Depth:</b> 1,965 feet (drilled depth).</p> <p><b>Progress:</b> A decision was made to remain in the current zone. The well was acidized with good break back. The well was put on pump two days ago and moderate production is expected. The well swabbed at 15 BOPD rate and is initially pumping at 4 BOPD with expected increase.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 8</b></p> <p><b>Log / Core confirmed oil pay zones: 4</b></p> <p><b>Status / Production:</b> Texas Railroad Commission initial potential report filed with a pumping test of 15 BOPD. The well is currently pumping at approximately 4 BOPD.</p>
Blakely #204	100%	<p><b>Status:</b> Pumping oil.</p> <p><b>Depth:</b> 2,779 feet (drilled depth).</p> <p><b>Progress:</b> No change since last report.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 9</b></p> <p><b>Log / Core confirmed oil pay zones: 4</b></p> <p><b>Status / Production:</b> Texas Railroad Commission initial potential report is being filed with a flowing test of 50 BOPD on 8/64 choke. The well is currently pumping at a rate of approximately 15 BOPD.</p>
Zivley #165	90%	<p><b>Status:</b> Pumping oil.</p> <p><b>Depth:</b> 4,614 feet (drilled depth).</p> <p><b>Progress:</b> No change since last report.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 15</b></p> <p><b>Log / Core confirmed oil productive pay zones: 6</b></p> <p><b>Status / Production:</b> Texas Railroad Commission initial potential report filed with a pumping test of 90 BOPD on 10/64 choke. The well is currently producing an estimated 30 BOPD.</p>

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BLUE RIDGE – Location – 5.5 kms South East of Missouri City, Texas, USA		
Well name	Working interest	Current status and progress since last announcement
Lee #66	100%	<p><b>Status:</b> Pumping oil.</p> <p><b>Depth:</b> 3,430 feet (drilled depth).</p> <p><b>Progress:</b> No change since last report.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 12</b></p> <p><b>Log / Core confirmed oil pay zones: 4</b></p> <p><b>Status / Production:</b> Texas Railroad Commission initial potential report with a flowing test of 42 BOPD on 8/64 choke. The well is currently pumping at approximately 25 BOPD.</p>
West Schenck B #108	100%	<p><b>Status:</b> Swabbed and rescreened.</p> <p><b>Depth:</b> 4,691 feet (drilled depth).</p> <p><b>Progress:</b> Mud was swabbed out of the current zone. The well was rescreened and put to pumping. Production commenced at 100% oil but is now down to a 30% oil cut.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 15</b></p> <p><b>Log / Core confirmed oil pay zones: 5</b></p> <p><b>Status / Production:</b> Currently 15 BOPD.</p>
West Schenck B #102	100%	<p><b>Status:</b> Flowing oil.</p> <p><b>Depth:</b> 3,882 feet (drilled depth).</p> <p><b>Progress:</b> No change since last report.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 10</b></p> <p><b>Log / Core confirmed oil pay zones: 5</b></p> <p><b>Status / Production:</b> Flowing oil at approximately 50 BOPD.</p>
West Schenck B #127	100%	<p><b>Status:</b> Pumping oil.</p> <p><b>Depth:</b> 3,963 feet (drilled depth).</p> <p><b>Progress:</b> Artificial lift was engaged. A paraffin plug was pumped out. The well is now producing 40 BOPD.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 8</b></p> <p><b>Log / Core confirmed oil pay zones: 5</b></p> <p><b>Status / Production:</b> Well pumping at approximately 40 BOPD.</p>
Blakely #207	100%	<p><b>Status:</b> Awaiting workover.</p> <p><b>Depth:</b> 2,870 feet (drilled depth).</p> <p><b>Progress:</b> Preparing to pull screen.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 10</b></p> <p><b>Log / Core confirmed oil pay zones: 5</b></p> <p><b>Status / Production:</b> Awaiting workover to repair gravel pack.</p>

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BLUE RIDGE – Location – 5.5 kms South East of Missouri City, Texas, USA		
Well name	Working interest	Current status and progress since last announcement
<b>West Schenck B #103</b>	100%	<p><b>Status:</b> Flowing oil.</p> <p><b>Depth:</b> 4,181 feet (drilled depth).</p> <p><b>Progress:</b> No change since last report.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 17</b></p> <p><b>Log / Core confirmed oil pay zones: 8</b></p> <p><b>Production:</b> Texas Railroad Commission initial potential report filed with a flowing test of 78 BOPD on 14/64 choke. The well is currently flowing at approximately 60 BOPD.</p>
<b>Hill #202</b>	100%	<p><b>Status:</b> Evaluating mud blockage.</p> <p><b>Depth:</b> 1,719 feet (drilled depth).</p> <p><b>Progress:</b> Problems were experienced with lost mud in hole. Currently evaluating a way to disperse mud from zone. Swabbing was not successful due to clogging from mud.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 10</b></p> <p><b>Log / Core confirmed oil pay zones: 3</b></p> <p><b>Status / Production:</b> Awaiting results of lab test on mud blockage.</p>
<b>West Schenck B #101</b>	100%	<p><b>Status:</b> Reinstalling gravel pack.</p> <p><b>Depth:</b> 3,570 feet (drilled depth).</p> <p><b>Progress:</b> Still had mud blockage in zone. Screen was pulled again. Now in process of swabbing mud out of zone. Progress of removing mud appears good at this time.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 11</b></p> <p><b>Log / Core confirmed oil pay zones: 5</b></p> <p><b>Production:</b> Removing mud blockage via swab. Is expected to be put back on pump within five days.</p>
<b>Blakely #206</b>	100%	<p><b>Status:</b> Flowing oil</p> <p><b>Depth:</b> 2,771 feet (drilled depth).</p> <p><b>Progress:</b> Recompleted uphole. Producing 40 BOPD at 350 PSI on an 8.5/64 choke.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 12</b></p> <p><b>Log / Core confirmed oil pay zones: 6</b></p> <p><b>Production:</b> Texas Railroad Commission initial potential report is being filed with a flowing test of 50 BOPD on 8/64 choke with flowing tubing pressure of 560 PSI. Flowing oil at 40 BOPD.</p>

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BLUE RIDGE – Location – 5.5 kms South East of Missouri City, Texas, USA		
Well name	Working interest	Current status and progress since last announcement
Lee #72	100%	<p><b>Status:</b> About to commence pumping.</p> <p><b>Depth:</b> 3,450 feet (drilled depth).</p> <p><b>Progress:</b> Completed well. Well came in flowing then sanded up. Installed screen and well will be put on pump tomorrow.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 15</b></p> <p><b>Log / Core confirmed oil pay zones: 10</b></p> <p><b>Production:</b> About to commence pumping.</p>
Gordon #228	100%	<p><b>Status:</b> Drilled and casing set. Awaiting completion.</p> <p><b>Depth:</b> 4,163 feet (drilled depth).</p> <p><b>Progress:</b> The well is awaiting a workover rig for completion. Scheduled for completion following Gordon #229.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 14</b></p> <p><b>Log / Core confirmed oil pay zones: 9 plus 1 cored gas productive</b></p> <p><b>Production:</b> Awaiting completion.</p>
Gordon #229	100%	<p><b>Status:</b> Drilled and casing set. In completion stage.</p> <p><b>Depth:</b> 4,118 feet (drilled depth).</p> <p><b>Progress:</b> The workover rig has moved on location for completion and testing.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons: 22</b></p> <p><b>Log / Core confirmed oil pay zones: 6 plus 2 cored gas productive</b></p> <p><b>Production:</b> Awaiting completion.</p>
Gordon #225	100%	<p><b>Status:</b> Drilling ahead.</p> <p><b>Depth:</b> 3530 feet (drilled depth at end of month).</p> <p><b>Progress:</b> Permitted depth is 4,500 feet.</p> <p><b>Log / Core confirmed zones with presence of hydrocarbons:</b> Yet to be determined.</p> <p><b>Log / Core confirmed oil pay zones:</b> Yet to be determined.</p> <p><b>Production:</b> Yet to be determined.</p>

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BLUE RIDGE – Location – 5.5 kms South East of Missouri City, Texas, USA		
Well name	Working interest	Current status and progress since last announcement
Gordon #231	100%	<b>Status:</b> Drilling ahead. <b>Depth:</b> 460 feet (permitted target depth 4,500 feet) <b>Progress:</b> Cementing surface casing <b>Log / Core confirmed zones with presence of hydrocarbons:</b> Yet to be determined. <b>Log / Core confirmed oil pay zones:</b> Yet to be determined. <b>Production:</b> Yet to be determined.

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### About Maverick Drilling & Exploration Limited (ASX: MAD)

Maverick is a diversified oil company with existing oil production and reserves focusing on low cost development of low risk drilling prospects. Maverick's flagship assets are leases and oil reserves that it holds over parts of the Blue Ridge Dome, an established producing oil field located south of Houston, Texas in the United States and its wholly owned subsidiary Maverick Drilling Company, a 37 year old contract drilling company based in Texas.

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