

MONTHLY DRILLING REPORT OCTOBER 2010

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

FREQUENCY OF DRILLING REPORTING

As indicated in its ASX announcement on 27 September 2010, Maverick will be reporting drilling progress on its Blue Ridge leases to the market on a monthly basis. In relation to Maverick's Boling Dome, Edwards Reef and Foothold lease holdings, any drilling progress on these leases will be reported on a weekly basis once drilling commences. To meet its Listing Rule obligations, Maverick will continue to make immediate disclosure to the ASX of material issues as required.

HIGHLIGHTS AND RECAP

- **THREE WELLS DRILLED. ALL WILL BE PRODUCERS. FOURTEEN CORED OIL PAY ZONES.** Maverick has been successful in identifying multiple oil pay zones in each of the three wells drilled in the developmental drilling program since listing. Two of these wells are flowing oil producers. The third has been perforated and is being screened and gravel packed.
- **DOUBLED THE NUMBER OF TOP DRIVE DRILLING RIGS.** Since July 2010 Maverick has doubled the number of top drive "Maverick style" automatic drilling rigs in its fleet from two to four with its recent acquisitions. Both new rigs are expected to become operational in 2011.
- **DOUBLED THE NUMBER OF WORKOVER RIGS.** Maverick's second internally built workover rig has been completed and deployed to the Blue Ridge field. This rig is being used for internal well completion operations.
- **DOUBLED ITS SALT DOME OIL FIELD PRESENCE.** When Maverick listed it had an acreage and operating presence in one oil field – Blue Ridge Dome. Since listing Maverick has acquired an oil and gas lease covering 1,625 net acres on Boling Dome, a second salt dome approximately 40 miles from Blue Ridge. Additional lease acquisition work on Boling Dome is continuing. While Boling has similar reservoir characteristics to Blue Ridge, oil reserves have not been calculated for the Boling Dome acquisition at this time.
- **27% INCREASE IN BLUE RIDGE ACREAGE.** In October 2010 Maverick acquired an additional 250 net acres of oil and gas leases on Blue Ridge Dome. There was a previously drilled oil producer on this additional acreage. This acquisition increased Maverick's holding to approximately 1,150 net acres. Oil reserves have not been calculated for the additional acreage at this time.

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DRILLING ACTIVITY HIGHLIGHTS FOR THE MONTH

Blue Ridge

Maverick intends to drill 9 new wells on Blue Ridge Dome from September 2010 to December 2010, 30 new wells from January 2011 to June 2011, with approximately 50 wells over an initial 12 month period from listing date.

At 2 November 2010 (US CDT), Maverick is on schedule to meet its 12 month Blue Ridge drilling targets. Maverick has drilled three tests in the developmental drilling program since listing, setting and cementing production casing on all of them. The Directors expect to reach total depth on a fourth Blue Ridge test this week. Three more drill sites are being prepared at the time of this announcement.

The three wells drilled have been successful in discovering oil in multiple "core confirmed" pay zones. Maverick has completed two of them as flowing oil wells. The third is being completed at the time of this announcement with the completion rig on location.

Other leases

Maverick did not undertake any drilling activity on its Boling Dome, Edwards Reef or Foothold lease holdings during the month of October 2010.

PRODUCTION ACTIVITY FOR THE MONTH

During October 2010, Maverick sold approximately 7,310 gross barrels of oil from its Blue Ridge production operations with approximately 480 gross barrels waiting for collection at 31 October 2010. It must be noted that production from Maverick's new wells the Hill #201 and Blakely #204 is not included in the sales figure or waiting for collection figure as initial oil production from these wells is being held in test tanks on these leases.

FIELD AND RIG OPERATIONS ACTIVITY FOR THE MONTH

During October 2010 the newly acquired Walker-Neer 250-40 drilling rig was delivered from West Virginia to Blue Ridge field operation headquarters. During October 2010 two loads of the newly acquired Walker-Neer 150-25 drilling rig also arrived at Blue Ridge field operation headquarters. The remainder of the 150-25 equipment is in transport to Blue Ridge from Ohio. Since listing Maverick has added a three man lease crew to further expedite completion hook-ups and production support. Additional field equipment acquisitions are also underway in preparation for the U.S. winter drilling season.

OTHER ACTIVITIES UPDATE

With listing completed, focus on accelerated field operations is paramount. Exploration activities such as seismic reprocessing and interpretation, lease analysis for future acquisitions, and database building is underway. Boling Dome database and title work is also in full swing.

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DETAILED DRILLING ACTIVITY FOR THE MONTH

Report time 2100 hrs 2 November 2010 (US CDT).

BLUE RIDGE - Location - 5.5 kms South East of Missouri City, Texas, USA			
Well name	Lease name	Working interest	Current status and progress since last announcement
Hill #201	Lilea Hill	100%	<p>Status: Flowing oil.</p> <p>Depth: 1,965 feet (drilled depth).</p> <p>Progress: Well drilled and completed since initial announcement on 27 September 2010 that drilling had commenced. Oil sales to begin in November 2010.</p> <p>Log / Core confirmed oil pay zones: 4</p> <p>The well is currently producing from a zone at 1,828 feet.</p> <p>Status / Production: Flowing approximately 10 BOPD and increasing slightly. Indications of a tight reservoir. The Directors believe production on this well will clean up and stabilise in the range of 10 to 15 BOPD. In the opinion of the Directors this is not the best potential producing zone in the well and is not at Maverick's target rate of 25 BOPD. The Directors are nevertheless testing this zone with a decision to be made whether to continue to produce from the zone or move up to a potentially higher producing zone.</p>
Blakely #204	Blakely	100%	<p>Status: Flowing oil.</p> <p>Depth: 2,779 feet (drilled depth).</p> <p>Progress: Well drilled and completed since last report. Oil sales to begin in November 2010.</p> <p>Log / Core confirmed oil pay zones: 4</p> <p>The well is currently producing from a zone at 2,114 feet.</p> <p>Production rate: Flowing in the range of 50 to 55 BOPD on an 8/64 choke with 250 psi of flowing pressure. The Directors anticipate reducing this flow rate to 35-40 BOPD to assist with the longevity of the well.</p>

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BLUE RIDGE - Location - 5.5 kms South East of Missouri City, Texas, USA			
Well name	Lease name	Working interest	Current status and progress since last announcement
Zivley #165	Zivley	90%	<p>Status: Completion operations underway. Production testing.</p> <p>Depth: 4,614 feet (drilled depth).</p> <p>Progress: Well drilled and casing set since last report. Completion operations in progress.</p> <p>Log / Core confirmed oil pay zones: 6 The well has been perforated in an oil pay zone at 4,100 feet.</p> <p>Test rate: Yet to be determined at the time of this announcement. This information will be included in the November 2010 monthly report.</p>
Lee #66	Lee	100%	<p>Status: Drilling underway.</p> <p>Current depth: 2,912 feet.</p> <p>Progress: Drilling commenced since last report. Target depth approximately 3,500 feet.</p> <p>Indication of hydrocarbons: The well will be analysed for indications of hydrocarbons once drilling is completed and results included in the November 2010 monthly report.</p>
West Schenck B #108	West Schenck	100%	<p>Status: Site preparation complete.</p> <p>Current depth: Not applicable.</p> <p>Progress: Permit approved. Drilling to commence 8 November 2010. Target depth of 4,800 feet.</p>
West Schenck B #102	West Schenck	100%	<p>Status: Site preparation underway.</p> <p>Current depth: Not applicable.</p> <p>Progress: Permit approved. Drilling to commence mid November 2010. Target depth of 4,400 feet.</p>
Blakely #207	Blakely	100%	<p>Status: Site preparation underway.</p> <p>Current depth: Not applicable.</p> <p>Progress: Permit approved. Drilling to commence late November 2010. Target depth of 3,200 feet.</p>

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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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