Magellan Petroleum Announces Weekly Drilling Report Muthero-4 & Tunkalilla-1

HARTFORD, Conn., Feb. 21—PRNewswire-FirstCall/— Magellan Petroleum Corporation (Nasdaq: MPET; ASX: MGN) ("Magellan") announced that its 100% owned subsidiary, Magellan Petroleum Australia Limited ("MPAL") advises the following drilling report.

Nockatunga Fields - Queensland

The Muthero-4 appraisal well in PL 51 southwest Queensland is being cased and suspended as a future oil producer.

Muthero-4 spudded on February 13 and was drilled to a total depth of 1,440 meters. Oil shows were recorded in the Murta Member and the upper Birkhead Formation. Wireline logs indicate 6 meters of net pay in the upper Birkhead Formation. The well is being cased and suspended. The rig will now move to the Muthero-5 appraisal well location approximately 250 meters southwest of Muthero-4.

Cooper Basin - South Australia

The Tunkalilla-1 exploration well spudded in PEL 94 in South Australia on February 13 and was drilled to a total depth of 1,422 meters. No hydrocarbon shows were encountered in the Namur Sandstone or the Murta Member targets. Wireline logs were run and the well has been plugged and abandoned. The rig was released on February 20 and moved to the Telowie-1 well location, also in PEL 94.

The Telowie-1 exploration well is located on the southern flank of the Cooper Basin and will test a simple anticlinal structure located on the north-eastern end of the Milpera Horst. The well is approximately 4.8 kilometers northeast of Maslins-1 which recovered oil from the Murta Member. Telowie-1 is programmed to a total depth of 1,367 meters RT. The primary objective is the Namur Sandstone and the McKinlay Member with secondary potential in the Murta Member. The Operator assesses the mean potential resource in the Namur Sandstone at 2.1 MMSTB of oil. Telowie-1 is expected to spud later this week.

Muthero-4 Details:

Petroleum Title:           PL 51, Queensland
Location:                Approximately 240 meters SE of Muthero 3
Coordinates:             Latitude: 27 degrees 42' 46.64" South
                        Longitude: 142 degrees 36' 54.43" East (GDA 94)
JV Operator:             Santos Limited
Drilling Rig:            PDI 721
Total Depth:             1,440 meters RT
Objectives:              Primary - Murta Member
                        Secondary - Birkhead Formation
Operations for period:    The well was drilled in 10-5/8" hole to 219 m and
                        8-5/8" surface casing was set. The well was then
                        drilled in 7-7/8" hole to a total depth of 1,440
                        m. Wireline logs were run and the well is being
                        cased and suspended.
Progress for Period:      925 meters.
Participants in Muthero-4 are:

Magellan Petroleum Corporation  38.994%
Santos Limited Group (Operator)  61.006%

Tunkalilla-1 Details:

Petroleum Title:           PEL 94 South Australia
Location:                Approximately 3.5 km north of Maslins-1
Coordinates:             Latitude: 28 degrees 50' 55.41" South
                        Longitude: 140 degrees 01' 17.54" East (GDA 94)
JV Operator:             Beach Petroleum Ltd
Drilling Rig: Century Rig 3
Total Depth: 1,422 meters RT
Objectives:
Primary - Namur Sandstone / McKinlay Member
Secondary - Murta member
Operations for period:
The well spudded on February 13, 2007 and was drilled in 12-1/4" hole to the surface casing depth of 651 m. The well was then drilled in 7-5/8" hole to a total depth of 1,422 metres. No hydrocarbon shows were encountered in the Namur Sandstone or the Murta Member targets. Wireline logs were run and the well was plugged and abandoned and the rig has been released.
Progress for Period: 1,196 meters.

Telowie-1 Details:
Petroleum Title: PEL 94 South Australia
Location: Approximately 4.8 km northeast of Maslins-1
Coordinates: Latitude: 28 degrees 51' 47.31" South
Longitude: 140 degrees 03' 36.76" East (GDA 94)
JV Operator: Beach Petroleum Ltd
Drilling Rig: Century Rig 3
Proposed Total Depth: 1,367 meters RT
Objectives:
Primary - Namur Sandstone / McKinlay Member
Secondary - Murta member
Participants in Tunkalilla-1 and Telowie-1 are:
Magellan Petroleum Corporation 35%
Beach Petroleum Ltd (Operator) 50%
Victoria Petroleum NL 15%

Forward Looking Statements

Statements in this release which are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995. These statements about Magellan and MPAL may relate to their businesses and prospects, revenues, expenses, operating cash flows, and other matters that involve a number of uncertainties that may cause actual results to differ materially from expectations. Among these risks and uncertainties are the extent of the recoverable reserves at those properties and the risk that any wells drilled may fail to encounter hydrocarbons in commercially recoverable quantities. Any forward-looking information provided in this release should be considered with these factors in mind. Magellan assumes no obligation to update any forward-looking statements contained in this release, whether as a result of new information, future events or otherwise.

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