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COMMENCEMENT OF BELAIT NORTH 3D SEISMIC PROGRAM - BRUNEI BLOCK M

Tap Oil Limited (ASX Code: TAP) has commenced field operations for a 3D seismic survey in Block M, onshore Brunei as part of its exploration and development program.

Work has begun on surveying and line clearing. The survey covers approximately 136 sq km and is expected to take some 5 months to complete.

Tap Oil Managing Director and Chief Executive Officer, Peter Stickland, said the 3D seismic survey will provide Tap with detailed subsurface information along the northern, less explored portion of the Belait trend.

"We have identified several interesting leads on 2D seismic data in this area and believe they warrant detailed scrutiny by 3D data to reduce risk before being considered for drilling," Mr Stickland said.

"This seismic operation complements our 2010 Block M drilling program in the southern part of the Belait trend. The first well in this program, Mawar-1, is due to spud in the next few days. This is an exciting time for our company in Brunei," he said.

Tap Energy (Borneo) Pty Ltd, as operator of Block M, has contracted BGP Inc. to conduct the field operations. Crew numbers are expected to increase to peak at over 1,000 people in September when the recording phase of the survey reaches full operational capacity.

The area to be covered by the Belait North 3D seismic survey lies in the north central part of Block M and covers a northern extension of the prospective trend covered by the 2009 Belait 3D seismic survey. The area is bisected by the Belait River, with jungle-covered hills to the south and more subdued terrain to the north. The aim of the survey is to identify additional drilling targets along the trend for possible drilling in 2011/2012.

Participants in Block M are:

Tap Energy (Borneo) Pty Ltd	39%
Kulczyk Oil Ventures Inc.	36%
China Sino Oil Co. Ltd	21%
Jana Corporation Sdn Bhd	4%

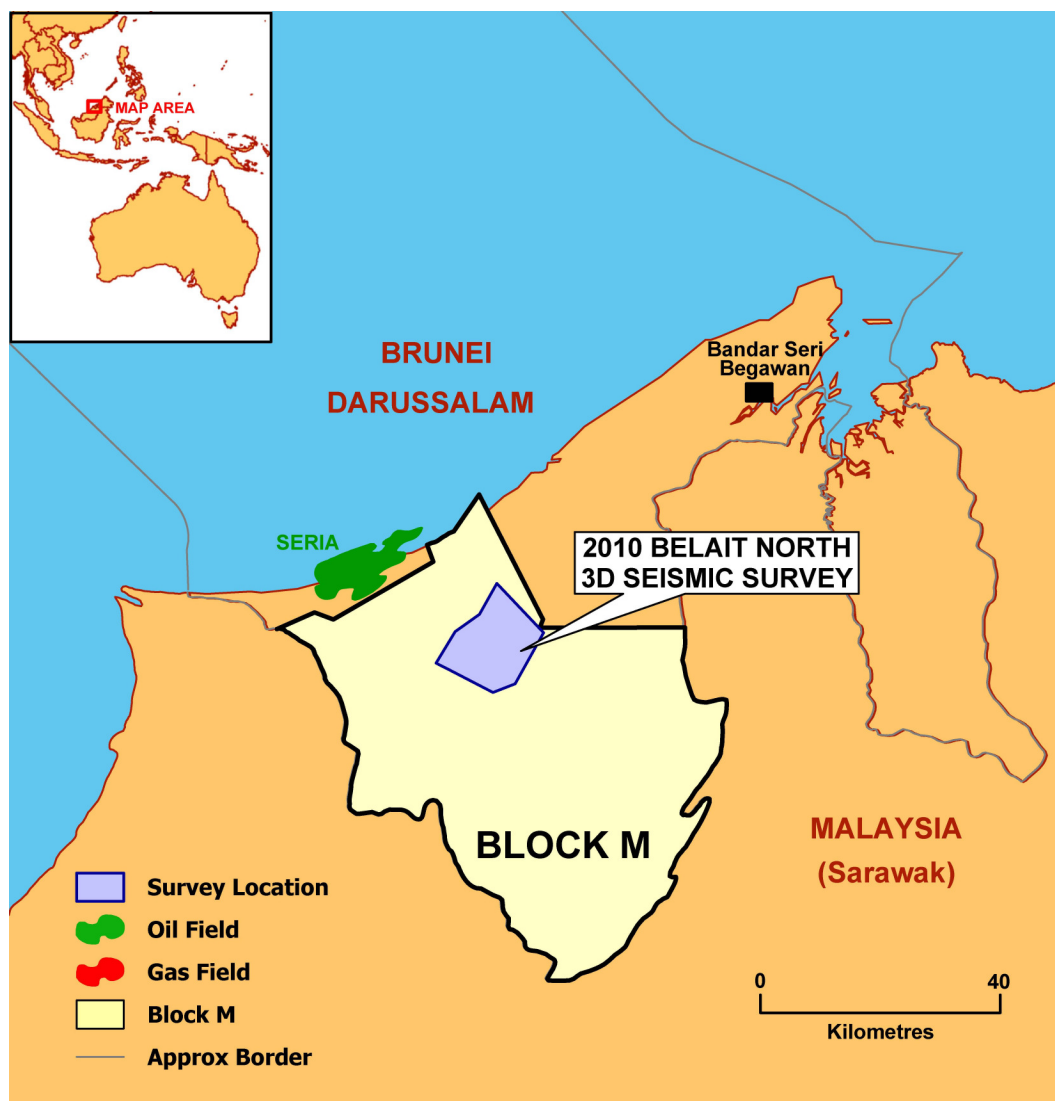
Background

Block M is being explored under a Petroleum Sharing Agreement signed with Brunei National Petroleum Company (PetroleumBRUNEI) in August 2006.

Block M covers an area of approximately 3,011 km² (see attached map) in the Baram Delta Basin and is the largest onshore permit in Brunei. The Block contains the Belait anticlinal trend along which hydrocarbon seeps occur and oil and gas have been encountered in previous drilling.

The Belait trend is characterised as having recoverable hydrocarbons in the range of eight to 64 million barrels of oil. Block M is regarded as under-explored having not seen a concerted exploration effort using modern exploration methods for over 20 years.

Tap became the Operator of the Block M Joint Venture in April 2008 and acquired both 2D and 3D seismic data in 2009. The Joint Venture is planning to drill at least two wells on the prospective Belait anticlinal trend in 2010.



2010 Belait North 3D Seismic Survey

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