



ASX/Media Release

21 July 2010

AusTex Oil Limited

A.C.N. 118 585 649

Level 56, MLC Centre
19-29 Martin Place
Sydney NSW 2000

Telephone +61 2 9238 2363
Fax +61 2 8088 7280

Contact

Daniel Lanskey
Managing Director
dan.lanskey@austexoil.com

Website

www.austexoil.com

Directors

Dr Peter Power (Chairman)
Daniel Lanskey (Managing Director)
Richard Adrey (Executive Director)
Kay Philip (Non-executive Director)
Trevor Sykes (Non-Executive Director)

About AusTex

AusTex Oil Ltd (ASX: AOK) which was listed on the ASX in January 2008 is focused on reworking and development of oil and gas leases in the USA. The company produces oil and gas from leases in Oklahoma and Kansas. Since listing, AusTex has increased its lease interests from 1,000 acres to 69,000 acres.

Drilling commences on Baggett #33-4 Well

Completion update

Lancaster Lease Group - Oklahoma

AusTex Oil Limited (**ASX:AOK**), advises that drilling of the Baggett #33-4 commenced overnight on the Lancaster Lease Group, Tulsa County, Oklahoma. Surface pipe has been set at 322 feet.

The well is targeting the Red Fork and Tenaha Formations with an expected Total Depth of 1,900 feet. Drilling operations should be completed within 3-4 days.

The Hollie #2, Mayo Moore #6 and the Helen Lancaster #1 wells have now been completed for production with pump jacks being fitted. Production testing on these three wells will commence later this week.

AOK holds a 100% Working Interest and 81.25% Net Revenue Interest in this project.

For further information please contact;
Daniel Lanskey
Managing Director
Tel. +61 2 9238 2363
Or visit www.austexoil.com