



SUN RESOURCES NL

ABN 69 009 196 810
(INCORPORATED IN WESTERN AUSTRALIA)

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Monday, 5 November 2007

Announcements
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY, NSW 2000

Dear Sir/Ms,

RE: DRILLING STATUS - BONDI PROSPECT, SOUTH TEXAS, USA

Sun Resources NL ("Sun Resources") farmed into the exploration and development of the high potential Bondi-Coogee Prospect complex, in Wharton County, Gulf Coast, South Texas, last month. This complex is a 58 to 138 billion cubic feet gas equivalent ("bcfge") target contained in a number of prospects, principally Bondi and Coogee. These prospects have been generated from 3D seismic and have stacked Upper Wilcox sands objectives that are analogues of nearby production. In particular, the sand objectives have associated Direct Hydrocarbon Indicators ("DHIs") conforming to structural closure.

The Operator, Texon Petroleum Ltd ("Texon") has advised the status of the first well, Raun #1, on the Bondi Prospect at the weekend. Patterson deep rig #131 has been mobilized to site and is currently rigging up on a precollared hole drilled to 60 foot depth. Drilling operations are expected to be underway latter in the week.

The Bondi Prospect is a large 3 way closure with a 4 way dip component to the trap containing stacked Upper Wilcox sands objectives with associated DHIs that conform to structural closure and tie directly to Upper Wilcox sands in the adjacent productive Cottonmouth Field, 2.2 miles to the northwest. Wells in the Cottonmouth Field had initial production rates of 7 to 12 million cubic feet of gas per day with up to 200 barrels of oil as condensate. The prospect targets 30 to 67 bcfge in the multiple Upper Wilcox objectives within closure which are expected between 11,000 feet and total well depth of 13,500 feet.

Participants with interests in the drilling of the Bondi Prospect are;

	% Interest
## Sun Resources NL	15.00
## Texon Petroleum Ltd (Project Operator)	65.00
** Empyrean Energy PLC	<u>20.00</u>
	100.00
## Asx listed	
** AIM listed	

Yours sincerely
SUN RESOURCES NL

Dr Brad L Farrell
EXECUTIVE CHAIRMAN

This report is lodged on the Company's website, www.sunres.com.au. Information contained in this report was sourced from information provided by Texon E & P, Inc. and compiled by Dr B. L. Farrell, PhD, MSc, BSc (Hons Eco.Geol), FAIMM, MICA, CPGeol, MIMM, MPESA, who has had 38 years experience in the practice of geology and more than 5 years experience in petroleum geology.