

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): March 26, 2010 (March 25, 2010)

Magellan Petroleum Corporation

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

1-5507

(Commission File Number)

06-0842255

(IRS Employer Identification No.)

7 Custom House Street, Portland, ME

(Address of Principal Executive Offices)

04101

(Zip Code)

207-619-8500

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement***Evans Shoal Assets Sale Deed***

On March 25, 2010, Magellan Petroleum Australia Limited (“MPAL”), the wholly-owned Australian subsidiary of Magellan Petroleum Corporation (the “Company”) entered into an Assets Sale Deed (the “Agreement”), dated March 25, 2010, with Santos Offshore Pty Ltd. (“Santos” or the “Seller”). Closing and completion of the purchase is subject to regulatory and other approvals and is expected to occur in the second half of 2010.

Under the Evans Shoal Agreement, MPAL has agreed to purchase, and the Seller has agreed to sell, all of the Seller’s interests in the undeveloped Evans Shoal gas field, which consist of: (i) a 40% participating interest in the Evans Shoal Joint Operating Agreement and (ii) a 40% legal and beneficial ownership interest in the Evans Shoal Title (as defined in the Agreement) ((i) and (ii) together, the “Assets”). Under the Agreement, the total purchase price for the purchase and sale of the Assets is Aus. \$100 million (U.S. \$91 million), which may be subject to adjustment (the “Purchase Price”), plus an additional Aus. \$100 million (U.S. \$91 million) in post-closing contingent payments, as more fully described below.

The Evans Shoal field, which was first discovered in 1988, is a large yet-to-be-developed gas field which is the subject of Exploration Permit NT/P48 and is located in the Bonaparte Basin approximately 300 kilometers north of Darwin in Australian waters in the Timor Sea. Three exploratory wells were drilled at the field in the 1980s.

The Seller is an indirect, wholly-owned subsidiary of Santos Limited and the current owner of a 40% participating interest in the Evans Shoal field. The Seller has also served as the operator of the Evans Shoal field under a Joint Operating Agreement between Santos and its field partners: Shell Development (Australia) Pty Ltd. (25%); Petronas Carigali (Australia) Pty Ltd. (25%); and Osaka Gas Australia Pty Ltd. (10%).

On March 25, 2010, MPAL made an Aus. \$15 million deposit payment into an escrow account for the benefit of the Seller, concurrently with the execution and delivery of the Agreement to the Seller, in accordance with the terms of the Agreement. The Agreement provides certain limited circumstances under which MPAL would be entitled to terminate the Agreement or receive a return of the deposit payment from escrow and other circumstances under which MPAL would forfeit the deposit payment.

Prior to the Completion Date, MPAL and the Seller are required to take certain Completion steps described in the Agreement to prepare for the closing of the transfer of title to the Assets from the Seller to MPAL at “Completion” (as defined in the Agreement), which is expected to be approximately nine (9) months following execution and delivery of the Agreement. On the Completion Date, ownership of and title to the Assets will transfer from the Seller to MPAL, provided that MPAL makes the required Completion Payment of Aus. \$85 million (U.S. \$77.3 million) to the Seller, which amount may be subject to specified post-closing adjustments as described in the Agreement. As part of the transaction, MPAL would seek to replace Santos as the operator of Evans Shoal under the Joint Operating Agreement. The Seller has agreed to provide assistance and cooperate with MPAL in the continued assessment of the exploitation of the Evans Shoal field prior to and for a transition period after Completion under a certain Technical Services Agreement for Evans Shoal to assist MPAL to assume the role of Operator of the Evans Shoal field.

As part of the transaction, MPAL and the other owners will evaluate the Evans Shoal field development project, including consideration of the work program for the exploration, appraisal, development and production of natural gas or other petroleum from within the area which is the subject of the Evans Shoal Title (and other areas) and the proposal to develop, construct and operate facilities for the gathering and processing of that natural gas or other petroleum on and around the relevant location, and related activities, including the construction, operation and maintenance of pipelines and other ancillary services and facilities (the "Evans Shoal Project").

Following the Completion Date, MPAL will be required to make two additional contingent payments to the Seller, in addition to the Aus. \$100 million (U.S. \$91 million) Purchase Price, should MPAL and the other owners determine to move forward with the Evans Shoal Project. In the event that MPAL and the other field owners make a Final Investment Decision (as defined in the Agreement) to proceed with the development, funding and implementation of the Evans Shoal Project for the commercial and economic discovery and production of gas within the area which is the subject of the Evans Shoal Title, then MPAL will be required to make an additional Aus. \$50 million (U.S. \$45.5 million) payment to the Seller within 30 days after the Final Investment Decision. Thereafter, MPAL will be required to make an additional Aus. \$50 million (U.S. \$45.5 million) payment to the Seller within 30 days after MPAL's notification to the Seller that there has occurred 30 consecutive days of cumulative production of gas (excluding the production of Commissioning Gas) from the Evans Shoal Project.

The purchase and sale of ownership of the Seller's interests in the Evans Shoal field is conditioned upon (i) receipt of consent to the transfer from the Seller to MPAL from the other existing owners of the Evans Shoal field described above, and (ii) receipt of approval of relevant Australian government authorities, including the Australian Foreign Investment Review Board. The Agreement also contains customary representations and warranties regarding the Evans Shoal field and related matters. In addition, the parties have agreed to indemnify each other for certain specified liabilities, as described in the Agreement.

The above summary of the Evans Shoal Agreement is qualified in its entirety by reference to the full text of the Evans Shoal Agreement, dated as of March 25, 2010, a copy of which the Company intends to file as an exhibit to its quarterly report on Form 10-Q for the quarter ending March 31, 2010.

Item 8.01 Other Events

Company Press Releases

On March 25, 2010, the Company issued a press release announcing the signing of the Evans Shoal Agreement. A copy of the Company's March 25, 2010 press release is filed herewith as Exhibit 99.1 and is hereby incorporated by reference.

On March 24, 2010, the Company issued a press release announcing the grant of a new exploration permit, offshore Northern Territory, Australia and an update on U.K. drilling timing. A copy of the Company's March 24, 2010 press release is filed herewith as Exhibit 99.2 and is hereby incorporated by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Company press release, dated March 25, 2010.
99.2	Company press release, dated March 24, 2010.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

MAGELLAN PETROLEUM CORPORATION

By: /s/ WILLIAM H. HASTINGS

Name: **William H. Hastings**

Title: **President and Chief Executive Officer**

Dated: March 26, 2010

EXHIBIT INDEX

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99.1	Company press release, dated March 25, 2010.
99.2	Company press release, dated March 24, 2010.



MAGELLAN PETROLEUM CORPORATION ANNOUNCES AGREEMENT
TO ACQUIRE AN INTEREST IN THE EVANS SHOAL NATURAL GAS
FIELD, OFFSHORE AUSTRALIA

Portland, Maine, March 25, 2010 — Magellan Petroleum Corporation (NASDAQ: MPET) (ASX: MGN) announced the execution of an agreement by its wholly-owned subsidiary, Magellan Petroleum Australia Limited (MPAL), with Santos Limited (Santos) to purchase Santos' 40% interest in the Evans Shoal natural gas field (NT/P48), located in the Bonaparte Basin offshore Northern Australia.

Under the agreement, Magellan will pay Santos time-staged cash consideration equal to Australian \$100 million (US\$91 million equivalent) for its interest in Evans Shoal. Magellan would also pay additional contingent payments to Santos of Australian \$50 million (US\$45.5 million) upon a favorable partner vote on any final investment decision to develop Evans Shoal and Australian \$50 million (US\$45.5 million) upon first stabilized gas production from NT/P 48. Closing and completion of the purchase is subject to regulatory and other approvals and is expected to occur in the second half of 2010.

Evans Shoal is a large, yet to be developed natural gas field with previously announced, estimated contingent gas resource in excess of 6.6 TCF (trillion cubic feet), including CO₂ content. This resource is dependent upon completion, submission, and approval of a development plan and upon further drilling which Magellan believes will support the field's potential. The field has had a complete 3D seismic program covering 2,150 square kilometers or 840 square miles within the permit. Seismic analysis has confirmed the field's structural closure to cover in excess of 320 square kilometers or 125 square miles. As point of reference here, a typical Gulf of Mexico license block is 23 square kilometers or 9 square miles.

Magellan's President and Chief Executive Officer, William H. Hastings said "Clearly, this is a major step for Magellan. The Evans Shoal field is unique in its fit with our strategies and plans, its low cost development potential relative to other major projects, and its sheer size. We have top-tier co-owners in this project and we look forward to working with them on a near-term, timely development plan, coordinated with the Australian government. We are also currently working toward new equity financing options; the first segment of the transaction is settled with cash."

Evans Shoal was first discovered in 1988. It lies in a range of water depths from very shallow (less than 3 feet) to more than 300 feet and has had three wells drilled. Subsequent drill stem testing flowed gas at a stabilized rate of 25 MMCFD (million cubic feet per day). The field contains a substantive quantity of CO₂. Carbon dioxide is a significant feed component for the production of Methanol but can add cost to LNG development. The Evans Shoal acquisition could give Magellan and its partners a development opportunity with regard to Asia's growing LNG and Methanol markets. Magellan already has agreements with one of the world's largest methanol producers covering feasibility studies in the area of Evans Shoal.

As part of the transaction, MPAL would seek to replace Santos as the operator of Evans Shoal under the Joint Operating Agreement. We will work diligently with the Co-Owners to achieve consensus and implement a development plan that builds value. Co-owners in the Joint Operating Agreement for Evans Shoal are Petronas Carigali Pty Ltd (25%), Shell Development Pty Ltd (25%), and Osaka Gas Australia Pty Ltd (10%).

Forward Looking Statements

Statements in this press release which are not historical in nature are intended to be, and are hereby identified as, forward looking statements for purposes of the "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995. The Company cautions readers that forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward looking statements. Among these risks and uncertainties are estimates of reserves and the success or occurrence of potential development and operational plans and opportunities for the Evans Shoal field. The Company undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise.

Contact: William H. Hastings, President and CEO of Magellan, (207) 619-8501



**MAGELLAN PETROLEUM CORPORATION ANNOUNCES THE GRANT
OF A NEW EXPLORATION PERMIT, OFFSHORE NORTHERN
TERRITORY, AUSTRALIA AND UPDATES UK DRILLING TIMING**

Portland, Maine, March 24, 2010 — Magellan Petroleum Corporation (NASDAQ: MPET) (ASX: MGN) (“Magellan” or the “Company”) announces the award of an offshore exploration permit, Northern Territory, Australia and updates the timing of two exploration wells to be drilled onshore in the United Kingdom.

Offshore License Award, Australia

Magellan has accepted an offer from the Commonwealth – Northern Territory Offshore Petroleum Joint Authority for the grant of an exploration permit for petroleum over Area NT09-1, offshore Northern Territory. Area NT09-1 was offered for competitive bid under the 2009 Release of Offshore Petroleum Exploration Areas. Bidding closed on 3 December 2009.

Release Area NT09-1 is located in the Malita Graben of the Bonaparte Basin 220 kilometers (137 miles) northwest of Darwin, and is within the area where Magellan is conducting feasibility work in partnership with a large methanol producer.

Water depths range from 10 m to 170 m. Area NT09-1 is in an area of proven gas-prone Early-Middle Jurassic (Plover Formation) source and reservoir rock and adjacent to fault-bounded gas accumulations. The NT09-1 permit covers 6,305 square kilometres (2,460 square miles)

Magellan’s President and Chief Executive Officer, William H. Hastings said, “The Government’s grant of an exploration permit over Area NT09-1 (shown on the enclosed map) is another positive step for us toward our stated gas development strategy. We believe an important structural closure exists within this License area and are anxious to initiate a technical work program to study the area’s potential. Commercially, any gas that can be found in NT09-1 is complementary to the development plans of our neighbours at Evans Shoal and Caldita.”

UK Drilling Timing

Northern Petroleum, operator of PEDL 126 in the Weald Basin of Southern England, has issued a written advisory stating that it intends to spud the Markwells Wood exploration well, onshore United Kingdom, in June 2010. To achieve cost efficiencies, the intent is to drill Markwells Wood -1 in PEDL 126 and the Havant-1 on a prospect in PEDL 155 & PEDL 256 as a sequential drilling operation. Unfortunately construction of the Havant drill site, which commenced in late 2009, has been impacted by one of the worst winters in over a hundred years in the UK, causing delays to previous intentions for the drilling program.

Hastings further commented “We understand and share shareholder disappointment that the Markwells Wood well has not yet been drilled, but we also recognize our duty to be safe and responsible in and with our surroundings. Very poor winter weather – like it or not - has adversely affected our drilling schedule, but we now see a viable path forward and will work hard with our partners to execute on the plan by June.”

For further information, please contact:

William H. Hastings, President and CEO of Magellan, +1 207-619-8501

Forward- Looking Statements

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