



DIVISION OF  
CORPORATION FINANCE  
MAIL STOP 7010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-7010

December 28, 2006

Mr. Terrance N. Fern  
Chairman, Managing Director and Chief Executive Officer  
Petsec Energy Ltd  
Level 12, Alfred Street  
Sydney, NSW 2000 Australia

**Re: Petsec Energy Ltd**  
**Form 20-F for the Fiscal Year Ended December 31, 2005**  
**Filed May 22, 2006**  
**File No. 001-14101**

Dear Mr. Fern:

We have completed our review of your Form 20-F and related filings and do not, at this time, have any further comments.

Sincerely,

Karl Hiller  
Branch Chief