

## Fortnightly drilling report – Appraisal drilling continues at Snatcher oil field in the Cooper Basin

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Release Date: 7 November 2012

### Key points

- Senex Energy Limited (**Senex**) spudded the Snatcher-9 appraisal well on 2 November to assess the northern limits of the Snatcher oil field on the Cooper Basin's western flank.
- Weatherford Rig 826 is drilling ahead on Senex's fourth unconventional gas exploration well Kingston Rule-1 in the southern Cooper Basin.
- Extended production testing of the successful Mustang-1 oil exploration well is expected to commence in late November, weather permitting.
- Senex finalised preparations for a new 3D seismic survey of PEL 104 and PEL 111 adjacent to the successful Growler and Snatcher oil fields.
- Work continued on a 224 square kilometre 3D seismic survey of the acreage north of the Cuisinier oil field to identify the next generation of oil targets in the Queensland Cooper Basin.

### OIL BUSINESS

Senex continued its focus on oil appraisal and development in its western flank acreage during the fortnight, with a new appraisal well spudded in PEL 111 to test the northerly extension of the Snatcher oil field in PPL 240 (Senex 60% and Operator; Beach Energy Limited 40% in both permits).

The Snatcher-9 oil appraisal well is a deviated well in PEL 111, targeting the mid-Birkhead Formation some 270 metres south of its surface location. The bottom hole location is approximately 380 metres north west of the bottom hole location for the Snatcher-10 appraisal well in PPL 240. Ensign Rig 48 commenced drilling on the well on 2 November, targeting total depth of 1,909 metres. At 6.00 am this morning, the rig had reached 1,530 metres.

Once drilling is complete at Snatcher-9, Ensign Rig 48 will move south to drill the Spitfire-2 appraisal well, 530 metres north west of the Spitfire-1 exploration well in PEL 111.

Also at the Snatcher oil field, Senex continued its program of completions and workovers to optimise production from the field, with the Snatcher-1 production well undergoing a remedial

workover. In coming weeks, Wild Desert Rig 10 will complete the successful Snatcher-8 and Snatcher-10 wells for production.

Planning is well advanced for an upgrade of the production facilities and access roads associated with the successful Mustang-1 oil exploration well in PEL 111. It is expected that an extended production test will commence in late November, weather permitting.

During the fortnight, Senex finalised preparations for a new 3D seismic survey of acreage within PEL 104 and PEL 111, adjacent to the successful Growler and Snatcher oil fields. The purpose is to cover areas that have not previously been surveyed and to further define areas covered in 2009 as part of the Mollichuta 3D seismic survey. The Lignum 3D seismic survey covers 310 square kilometres. Line clearing, subject to weather impact, should start in the next week with data capture commencing later in November.

In Queensland Cooper Basin permit ATP 752P (Barta Block) (Senex 15%, Santos Limited 45% and Operator), the joint venture continued the data capture phase of a 224 square kilometre 3D seismic survey of the acreage north of the Cuisinier oil field. The survey aims to identify the next generation of oil targets for the joint venture in the Murta Formation, Birkhead Formation and Hutton Sandstones. Data capture is approximately 25% complete.

## **UNCONVENTIONAL GAS BUSINESS**

In the southern Cooper Basin, Senex continued drilling its fourth operated unconventional gas exploration well, Kingston Rule-1, in PEL 115 (Senex 55% and Operator, Orca Energy Limited (ASX: OGY) 20%). Kingston Rule-1 is located approximately 15 kilometres south east of Senex's successful unconventional gas exploration well Skipton-1.

At 6.00 am today, Weatherford Rig 826 had reached 2,083 metres and was drilling ahead to a total depth of 2,897 metres. The well will evaluate the Roseneath-Epsilon-Murteree package of shale and tight gas sands, and the tight gas sands and coal seams of the Patchawarra Formation.

Detailed planning is underway to commence a large scale hydraulic fracture stimulation program at Kingston Rule-1, Skipton-1 and Talaq-1 in December 2012 to test gas quality and deliverability.

## **COAL SEAM GAS BUSINESS**

No coal seam gas wells were drilled in the last fortnight.

Figure 1: Senex conventional oil exploration, appraisal and development activities

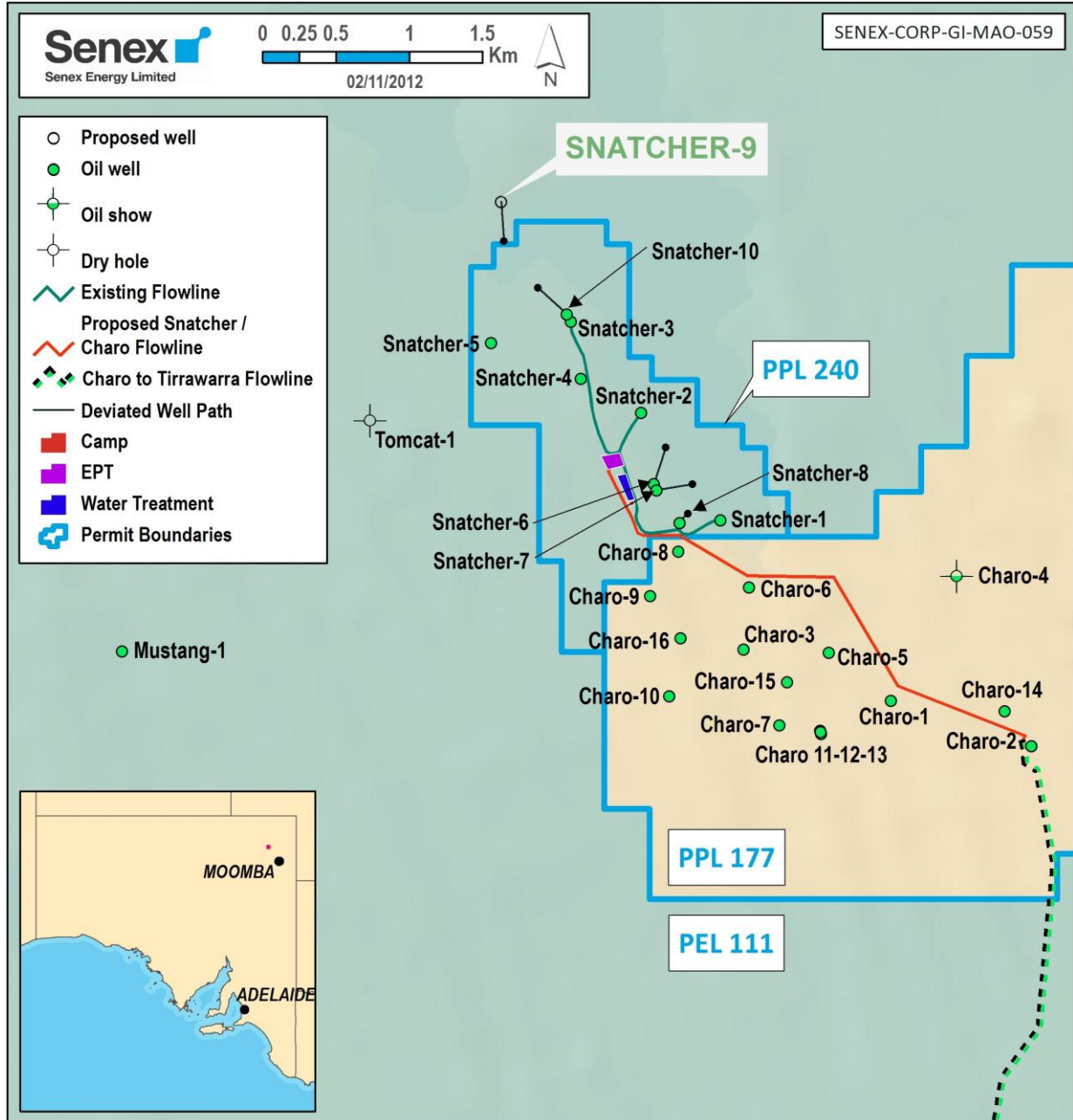


Figure 2: Lignum 3D Seismic Survey

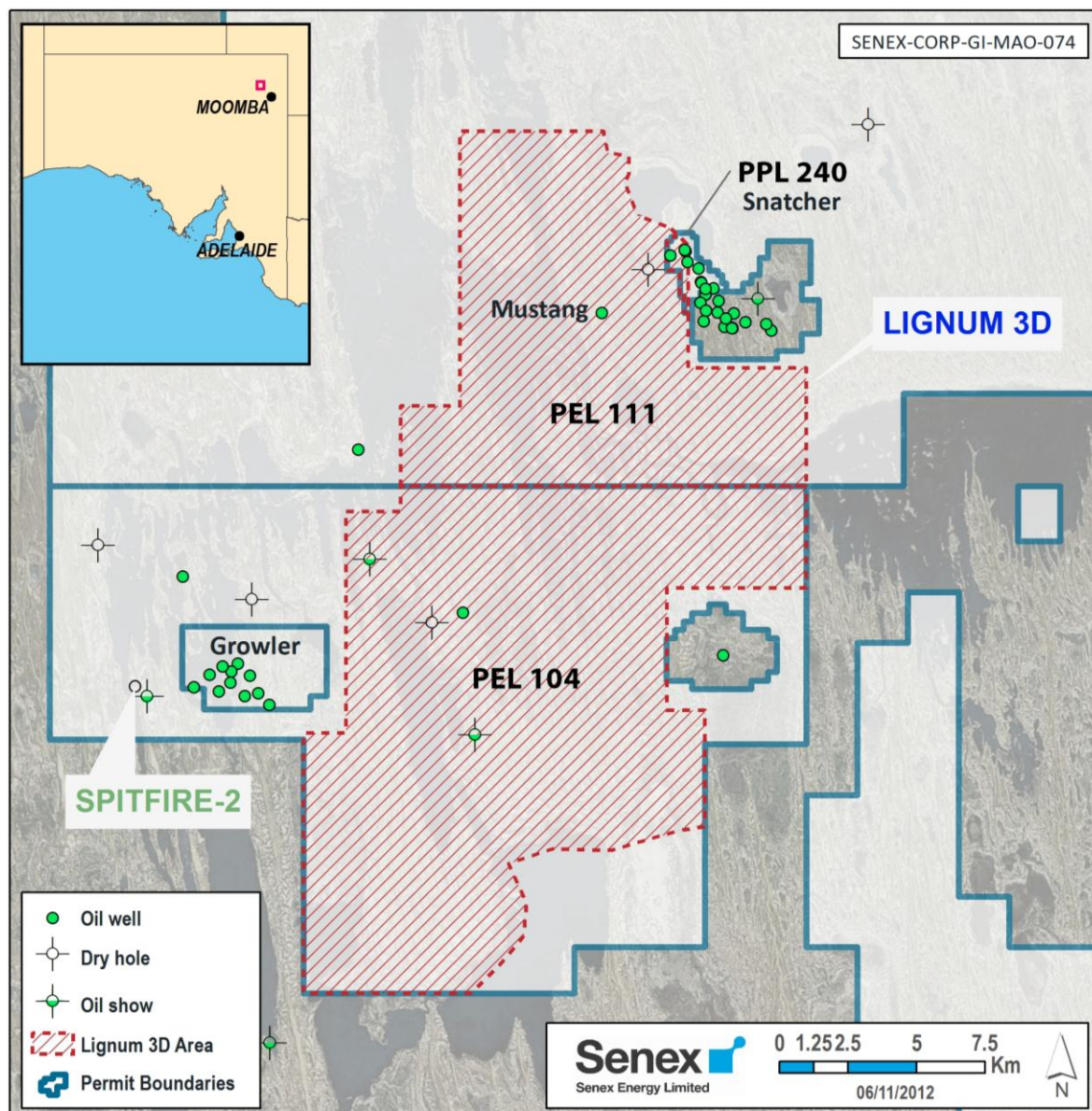
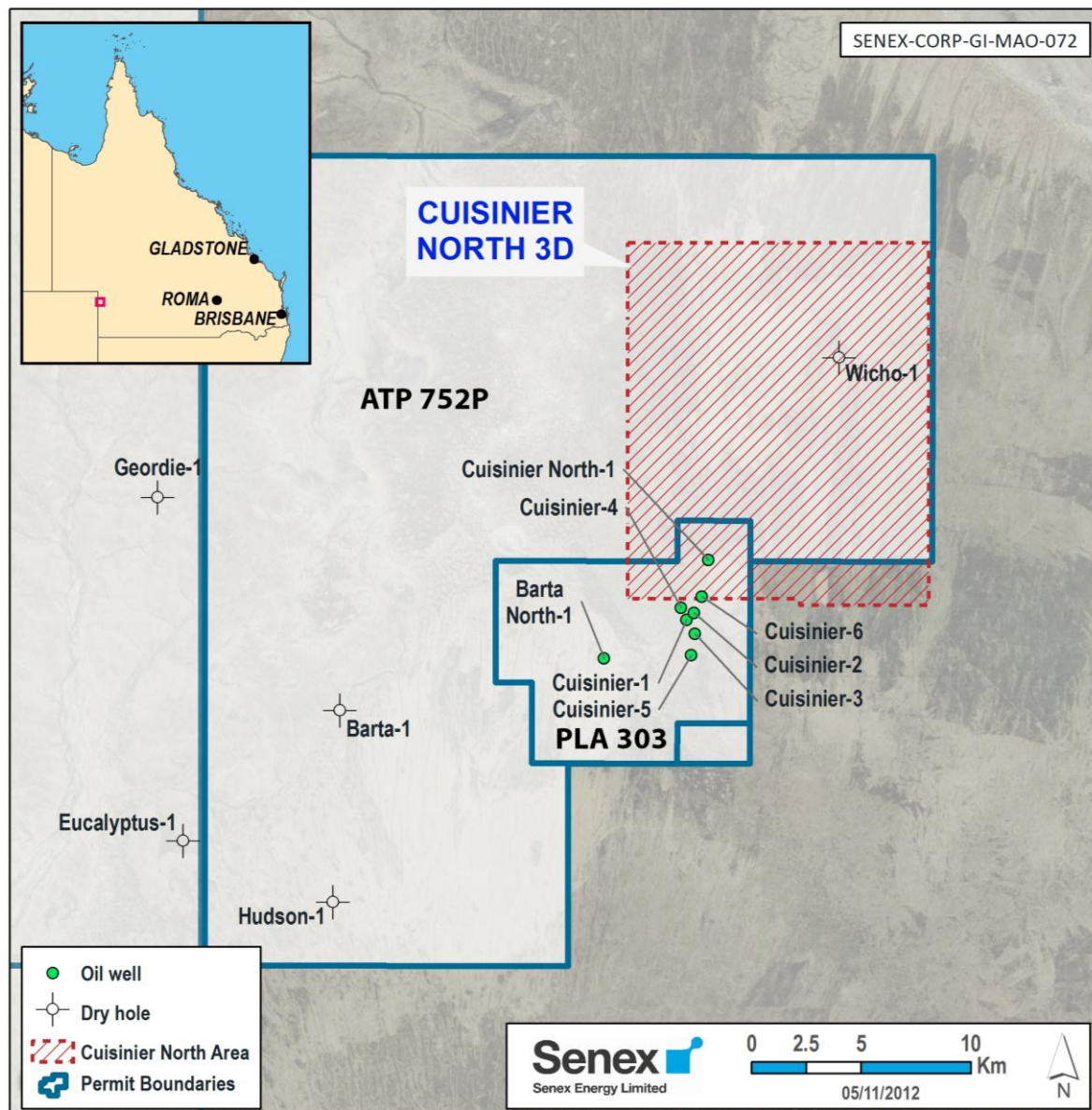
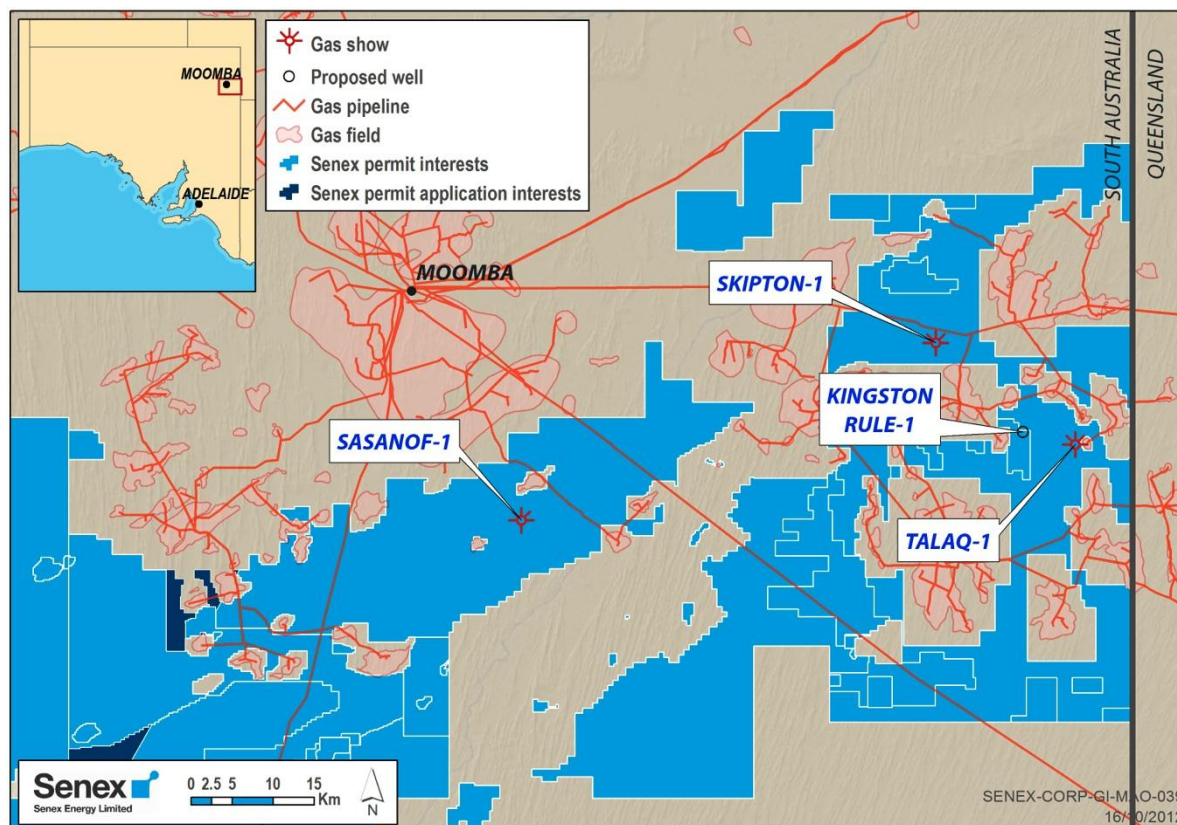


Figure 3: Cuisinier North 3D Seismic Survey



**Figure 4: Senex unconventional gas exploration activities**



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**Competent persons statement**

Unless otherwise indicated, the statements contained in this drilling report about Senex’s reserves estimates have been compiled by Dr Steven Scott BSc (Hons), PhD, who is General Manager – Exploration, a full time employee of Senex, in accordance with the definitions and guidelines in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers (SPE PRMS). Dr Scott consents to the inclusion of the estimates in the form and context in which they appear. Senex’s reserves and resources are consistent with the SPE PRMS.