

Oil discovery at Burruna-2

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Senex Energy Limited (Senex, ASX: SXY) has delivered a significant oil discovery with the Burruna-2 exploration well in southern Cooper-Eromanga Basin permit PEL 115 (Senex 80% and Operator, Orca Energy (ASX: OGY) 20%).

Wireline logs have confirmed a net pay interval in the mid Namur Formation of 5.3 metres and a subsequent drill stem test has resulted in oil free-flowing to surface at a rate of over 750 barrels per day with no associated water. Burruna-2 will be cased and suspended as a future oil producer.

Elsewhere in the Cooper-Eromanga Basin, the Namur Sandstone has proven to be a high quality reservoir with very high permeability and recovery factors, and substantial oil production rates.

Senex cut eighteen metres of core through the Murta Formation, which will be analysed for permeability, porosity and rock strength to aid in the design of production enhancement techniques. Free oil was observed with the recovered core and hydrocarbon fluorescence was noted over a gross interval of 14 metres. This further confirms the potential of the regionally extensive Murta Formation to deliver incremental production through existing infrastructure and assets.

Ensign Rig 48 commenced drilling Burruna-2 on 6 August 2013 and reached a total depth of 1,916 metres. The well is located approximately 320 metres north east of the Burruna-1 exploration well which was drilled in 1982.

The success of Burruna-2 confirms the opportunity to add reserves and increase oil production across Senex's extensive South Australian Cooper Basin permits from the current 30+ well drilling program. Ensign Rig 48 will now move to the Ventura-2 development well in PPL 214.

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Figure 1 – Senex conventional oil fields (operated and non-operated)

