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Sundance Energy Australia Limited ABN 76 112 202 883

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**ASX Code: SEA**



General Manager  
The Company Announcements Office  
Australian Securities Exchange

## Operations Update

### EAGLE FORD

- Successfully fracture stimulated the Hoskins EFS 4H (SEA 100% working interest). The well is in the early stage of flow back on a restricted choke to maximize ultimate recoveries and is performing in line with the Company's expectations;
- Drilled the Hoskins EFS 2H (SEA 100% working interest) in 17.5 days and the Teal Ranch EFS 2H (SEA 100% working interest) in 16.5 days from SPUD to TD;

### MISSISSIPPIAN/WOODFORD

- Set a bridge plug isolating a water bearing fracture in the Kightlinger 19-3-8-1HM (SEA 87.5% working interest) resulting in a new 24 hour IP of 278 boe and 30 day average of 179 boepd;
- Drilled the Rother 16-4-11-2HM (SEA 100% working interest) which is scheduled to be completed in the second quarter;
- Participated in 4 gross (0.5 net) non-operated horizontal Mississippian wells, primarily operated by Slawson and Devon.

### WATTENBERG

- Completed a natural gas line upgrade to increase capacity for the Company's Wattenberg field development;
- Successfully fracture stimulated and brought into production 9 vertical Wattenberg wells in late March 2013, including the MLD 21-22 that had initial production on 23 March 2013 of 331 boe and a 7 day average of 201 boepd.

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Sundance Energy (“Sundance” or “the Company”) has active development programs targeting the Eagle Ford, Mississippian/Woodford, Wattenberg, and Bakken/Three Forks. Inclusive of the full quarter’s Eagle Ford production, in which the Company owned an economic interest, production averaged approximately 1,900 boepd net of royalties. Excluding Eagle Ford production prior to the implementation date of the merger with Texon, the Company averaged 1,227 boepd net of royalties. Production for the quarter was inline with the Company’s previously released guidance.

## EAGLE FORD OVERVIEW

As at 31 March 2013, the Company had 7 gross (6.0 net) producing wells in the Eagle Ford. Additionally, the Company had 2 gross (2.0 net) wells in progress targeting the Eagle Ford.

Prior to implementation of the merger with Texon, Texon drilled the **Hoskins EFS 4H** (SEA 100% working interest). On 6 February 2013 the casing parted while preparing to pump the first stage of Texon’s completion. The completion was delayed while the casing was repaired and tested.

Sundance finalized integrity testing of the casing and initiated a thirty-stage fracture stimulation on 2 April 2013. To maximize conductivity Sundance increased proppant concentrations and used an intermediate strength proppant. The well was successfully fracture stimulated using approximately two times the total proppant as typical wells in the immediate vicinity. The Hoskins EFS 4H is currently being flowed back on a restricted choke to minimize closure stress and maximize long-term recoveries from the well.

During the quarter, Sundance entered short-term rig contracts with Nabors and Pioneer for the development of its Eagle Ford assets during 2013.

The Nabors rig SPUD the **Hoskins EFS 2H** (SEA 100% working interest) on 8 March 2013 and reached total depth (“TD”) in 17.5 days on 26 March 2013. The Company moved the rig to the **Teal Ranch EFS 2H** (SEA 100% working interest) which SPUD on 4 April 2013 and reached TD in 16.5 days on 22 April 2013. Both wells are currently being prepared for fracture stimulation. The Nabors rig will be moved to the Company’s next well, the **Wheeler EFS 1H** (SEA 100% working interest).

The Pioneer rig is expected to mobilize to Sundance’s assets during the second quarter of 2013 where it will first drill the **Peeler EFS 2H** (SEA 89% working interest).

Sundance’s Eagle Ford wells have achieved the following initial production rates:

Well Name	Working Interest	Net					
		Revenue Interest	Peak 24-Hour	30 Day	60 Day	90 Day	1 Year
Tyler Ranch EFS 1H	82%	62%	1,071	714	618	528	286
Tyler Ranch EFS 2H	82%	62%	1,278	503	626	622	365
Teal EFS 1H	100%	75%	1,467	390	384	357	193
Hoskins EFS 1H	100%	75%	1,276	732	657	571	271
Peeler EFS 1H	89%	67%	1,324	563	507	449	-
Hoskins EFS 3H	100%	75%	1,329	853	716	-	-
Quintanilla SMEF EFS 1H	50%	38%	697	480	443	-	-
<b>Avg Production Rate</b>			<b>1,206</b>	<b>605</b>	<b>565</b>	<b>505</b>	<b>279</b>

## ANADARKO BASIN OVERVIEW

The Company has increased its acreage position targeting the Mississippian/Woodford to approximately 41,000 acres across its three prospects. The Company is not actively seeking additional mineral leases at this time although it continues to add to its acreage position as it finalizes leases in process or through the forced pooling process in Oklahoma.

- Mulhall Project, Logan County, Oklahoma ~26,000 net mineral acres
- S Goltry Prospect, Alfalfa County, Oklahoma ~3,000 net mineral acres
- Harvey County, Kansas Prospect ~12,000 net mineral acres

As at 31 March 2013, 7 gross (3.3 net) wells were in progress in the Greater Anadarko Basin.

### *Mulhall / Logan County, Oklahoma*

Sundance successfully set a bridge plug in the **Kightlinger 19-3-8-1HM** (SEA 87.5% working interest) to isolate a natural vertical fracture that was causing higher than expected water production from the well. After setting the bridge plug, the well reached a new 24 hour IP of 278 boe and 30 day IP of 179 boepd.

Sundance completed drilling the **Rother 16-4-11-2HM**, a horizontal Mississippian well, during the quarter. This well is a re-drill of the **Rother 16-4-11-1HW** which Sundance chose to abandon after several attempts to free a stuck drill pipe after the previously announced fatality in December 2012. The completion is scheduled for the second quarter of 2013.

Devon, Slawson and other private companies are conducting aggressive drilling campaigns throughout Sundance's Logan County, Oklahoma prospect. Currently, Sundance has participated in 6 gross (0.8 net) non-operated wells testing both the Mississippian and Woodford formations across its acreage position paralleling the eastern flank of the Nemaha Ridge.

Sundance's Mississippian/Woodford wells have achieved the following initial production rates:

Well Name	Formation	Operator	Working Interest	Net Revenue Interest	Peak 24-Hour	30 Day	60 Day	90 Day
Branson 17-4-23-1HM	Miss.	SEA	100%	80%	652	476	376	307
Kightlinger 19-3-8-1HM*	Miss.	SEA	87%	70%	278	179	137	-
Hopfer 1-7MH	Miss.	Devon	14%	11%	503	200	223	207
<b>Avg Production Rate</b>	<b>Miss.</b>				<b>478</b>	<b>285</b>	<b>245</b>	<b>257</b>
McPhail 1-19H (W1)	Wdfrd	Slawson	20%	16%	251	151	-	-
<b>Avg Production Rate</b>	<b>Woodford</b>				<b>251</b>	<b>151</b>	-	-

\*Production data after setting bridge plug to isolate water bearing fracture

## DENVER-JULESBURG BASIN OVERVIEW

### Wattenberg Field

During the month of March, Sundance finalized installation of the 8-inch gas gathering line to alleviate high line pressures. The Company subsequently fracture stimulated the Codell formation and tied in 9 vertical Wattenberg wells (SEA average working interest 100%) late during the month of March.

## WILLISTON BASIN OVERVIEW

Across the Company's Phoenix and Goliath projects in the Williston Basin, 1 gross (0.01 net) wells were completed during the three month period ended 31 March 2013. Based on the Company's current information as at 31 March 2013, 7 gross (0.5 net) wells were in progress in the Williston Basin. Activity continues across these projects and production from the Williston Basin will continue to provide significant cash flow to the Company.

## SUMMARY OF DEVELOPMENT ACTIVITY

Development activity for the three month period ended **31 March 2013** is summarized below.

GROSS WELLS	PRODUCING				IN PROGRESS			Total
	31-Dec-12	Acquired	New	31-Mar-13	Drilling	Waiting on Frac	Fracing/ Production Testing	
Phoenix	29	-	-	29	-	7	-	7
Goliath	83	-	1	84	-	-	-	-
Manitou	7	-	-	7	-	-	-	-
<b>Williston Basin</b>	<b>119</b>	<b>-</b>	<b>1</b>	<b>120</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>7</b>
Wattenberg	61	6	10	77	-	-	-	-
Niobrara	3	-	1	4	1	1	-	2
<b>DJ Basin</b>	<b>64</b>	<b>6</b>	<b>11</b>	<b>81</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>2</b>
S. Goltry	-	-	-	-	-	-	2	2
Mulhall	2	-	1	3	1	2	2	5
Other	1	-	-	1	-	-	-	-
<b>Anadarko Basin</b>	<b>3</b>	<b>-</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>7</b>
Choke Canyon	-	7	-	7	-	2	-	2
<b>Eagle Ford</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>
<b>Total</b>	<b>186</b>	<b>13</b>	<b>13</b>	<b>212</b>	<b>2</b>	<b>12</b>	<b>4</b>	<b>18</b>

  

NET WELLS	PRODUCING				IN PROGRESS			Total
	31-Dec-12	Acquired	New	31-Mar-13	Drilling	Waiting on Frac	Fracing/ Production Testing	
Phoenix	2.4	-	-	2.4	-	0.5	-	0.5
Goliath	1.8	-	-	1.8	-	-	-	-
Manitou	0.1	-	-	0.1	-	-	-	-
<b>Williston Basin</b>	<b>4.3</b>	<b>-</b>	<b>-</b>	<b>4.3</b>	<b>-</b>	<b>0.5</b>	<b>-</b>	<b>0.5</b>
Wattenberg	42.6	5.8	9.9	58.3	-	-	-	-
Niobrara	0.5	-	0.3	0.8	-	-	-	-
<b>DJ Basin</b>	<b>43.1</b>	<b>5.8</b>	<b>10.2</b>	<b>59.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
S. Goltry	-	-	-	-	-	-	1.8	1.8
Mulhall	1.9	-	0.2	2.1	0.2	1.1	0.2	1.5
Other	0.1	-	-	0.1	-	-	-	-
<b>Anadarko Basin</b>	<b>2.0</b>	<b>-</b>	<b>0.2</b>	<b>2.2</b>	<b>0.2</b>	<b>1.1</b>	<b>2.0</b>	<b>3.3</b>
Choke Canyon	-	6.0	-	6.0	-	2.0	-	2.0
<b>Eagle Ford</b>	<b>-</b>	<b>6.0</b>	<b>-</b>	<b>6.0</b>	<b>-</b>	<b>2.0</b>	<b>-</b>	<b>2.0</b>
<b>Total</b>	<b>49.4</b>	<b>11.8</b>	<b>10.4</b>	<b>71.6</b>	<b>0.2</b>	<b>3.6</b>	<b>2.0</b>	<b>5.8</b>

Note: The information presented does not reflect wells in which the Company owns less than a 1% working interest.

## QUARTERLY UPDATE INVESTOR CONFERENCE CALL

Sundance is hosting an investor conference call on its Quarterly results and update. Please find details below.

**Day:** Tuesday, 30 April 2013

**Time:** 11:00 am AEST

**Australian participants dial-in:** 1800 558 698 or +61 2 9007 3187

**USA participants dial-in:** 1855 8811 339

**Passcode:** 729881

All participants will be asked for their full name, company and passcode when joining the conference call.

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#### *About Sundance Energy Australia Limited*

*Sundance Energy Australia Limited (ASX: SEA) is an Adelaide-based, independent energy exploration company, with a wholly owned US subsidiary, Sundance Energy Inc., located in Denver, Colorado, USA.*

*The Company is focused on the acquisition and development of large, repeatable oil and natural gas resource plays in North America. Current activities are focused in the Eagle Ford, Williston, Denver-Julesburg and Anadarko Basins.*

*A comprehensive overview of the Company can be found on Sundance's website at [www.sundanceenergy.net](http://www.sundanceenergy.net).*