WINCHESTER-1/ST-1 – WA-323-P – DAMPIER SUB-BASIN

WEEKLY PROGRESS REPORT No. 13

Octanex N.L. (ASX Code: OXX) (Company) has been advised by Santos Offshore Pty Ltd, the Operator of the Winchester-1/ST-1 exploration well being drilled in the Dampier Sub-basin permit WA-323-P, that at 06:00 hours (WST) on Tuesday, 9 July 2013, the well was at a depth of 3464m MDRT (measured depth below rotary table) and running in hole to commence drilling an 8½" sidetrack hole.

Operations over the last week have seen preparations for drilling the sidetrack completed. This included plugging back the well to 3481m MDRT, testing the blow-out preventers, milling a hole through the casing and leak-off-testing of the 9¾" casing.

Planned operations over the coming week are to drill the 8½” sidetrack hole to penetrate the Triassic interval sandstone reservoirs where gas shows were encountered in Winchester-1 and to then run wireline logs over the open hole section. The significance of these gas shows will be assessed on completion of the wireline logging.

Winchester-1/ST-1 is a sidetrack to Winchester-1. It is being drilled by the Ensco-109 jack-up rig (Figure 1), in approximately 75m of water.

Figure 1: The Ensco-109 Jack-up Rig
Winchester-1/ST-1 is targeted to evaluate the hydrocarbon potential of the Triassic aged reservoirs penetrated by Winchester-1. The well has been designed, *inter alia*, to target potential reservoir zones, each associated with high amplitude seismic events (Figure 2). Winchester-1/ST-1 is located on the northeast trending Parker Terrace, representing a structural high separated from the Rankin Trend to the east.

**Figure 2: Winchester-1 Well Design**

The Company’s wholly-owned subsidiary, Winchester Resources NL, holds a 25% participating interest in the WA-323-P and WA-330-P permits (see the Location Map of the Permits and Winchester-1/ST-1 at Figure 3 on the following page) and this interest is being free carried through the drilling of the Winchester-1/ST-1 well.

The participants in the WA-323-P and WA-330-P permits and their Joint Venture are:

- **Santos Offshore Pty Ltd** (Subsidiary of SANTOS Limited (ASX Code: STO)) 75%
- **Winchester Resources NL** (Subsidiary of Octanex N.L. (ASX Code: OXX)) 25%

**On behalf of the Board**

J.G. Tuohy  
Company Secretary  
9 July 2013
Figure 3: WA-323-P & WA-330-P and Winchester-1/ST-1 Location Map