



Monthly Drilling Report

July 2015

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DEVELOPMENT

AUSTRALIA – COOPER AND EROMANGA BASINS

South Australian Gas

(Fixed Factor Area Joint Venture: Beach 20.21%, Santos 66.6% and operator, Origin 13.19%)

A six-well campaign in the Tirrawarra and Gooranie fields is underway, targeting gas and gas liquids in the Patchawarra Formation and oil in the Tirrawarra Sandstone. The campaign is being undertaken as a result of past drilling, which highlighted significant remaining potential within both gas and oil reservoirs, and findings from the detailed Patchawarra Formation study undertaken in 2011. Tirrawarra-85 is the second well of the campaign and was cased and suspended following the intersection of gas and oil pay in line with pre-drill estimates. Tirrawarra-88 is currently drilling ahead.

Queensland Gas

(Beach 23.2%, Santos 60.06% and operator, Origin 16.74%)

The Windorah development program was proposed as a five-well development campaign, including two wells in the Whanto Field, two wells in the Mt Howitt Field and one well in the Toby Field. Whanto-3, located in PL 148 approximately 110 kilometres north-northeast of the Ballera gas processing plant, was the second Whanto Field development well and targeted the Toolachee and Patchawarra formations. The well was cased and suspended following the intersection of gas pay in line with pre-drill estimates. Mt Howitt-3 DW1, the first of two proposed development wells in the Mt Howitt Field, is located in PL 141 approximately 110 kilometres northeast of the Ballera plant. The well was side-tracked after experiencing hole instability, however, despite a low-side gas pay outcome, was cased and suspended as a future producer. Following results from Mt Howitt-3 DW1, the joint venture has decided not to proceed with the final development well of the campaign, Mt Howitt-4.

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The broader 2015 Windorah-Marama development project includes pipeline installation from the Whanto, Mt Howitt and Toby fields to the existing Coonaberry gathering system. This will allow existing wells to be brought online and deliver additional capacity for development and near-field exploration drilling outcomes.

Queensland Oil

(Beach 20.0%, Santos 55.0% and operator, Origin 25.0%)

The Cocinero-3 development well was drilled in ATP 1189P in the Cocinero Field, which is located approximately 80 kilometres north-west of the Ballera gas processing facility. Drilling of Cocinero-1 in 2014 proved the extension of the adjoining Cuisinier Murta reservoir into the joint venture's permit area, and also discovered a new Hutton Sandstone oil reservoir. Consequently, Cocinero-3 was drilled to further evaluate and develop the Murta Formation and Hutton Sandstone, with the primary objective being the Hutton Sandstone. The well encountered approximately 2.4 metres of net oil pay in the Murta Formation and approximately 7.4 metres of net oil pay in the Hutton Sandstone. Based on this result, Cocinero-3 was cased and suspended as a future Murta and Hutton oil producer, and will initially be completed over the Hutton reservoir.

EXPLORATION AND APPRAISAL

AUSTRALIA – COOPER AND EROMANGA BASINS

South Australian Gas

(Patchawarra East Joint Venture: Beach 17.14%, Santos 72.32% and operator, Origin 10.54%)

Beanbush-2, a standalone appraisal well, is currently drilling ahead. The well is being drilled to further define original gas in place in the Beanbush Field, which is located in PPL 156 approximately 100 kilometres north-east of Moomba. The well is targeting conventional gas in the Toolachee, Epsilon and Patchawarra formations, as well as thick coals present in these three formations.

Queensland Gas

(Beach 23.2%, Santos 60.06% and operator, Origin 16.74%)

The Windorah near-field exploration program is proposed as a five-well campaign to test simple four-way dip closures, as well as the potential for stratigraphic trap and basin centred gas plays across a large geographical area of the Windorah Trough, proximal to the Whanto Field. Whanto-4 is the first well of the campaign and is currently drilling ahead.

The Bolah-2 standalone appraisal well is currently drilling ahead in the Bolah Field in ATP 1189P, which is located approximately 50 kilometres north of the Ballera processing facility. The field was discovered in late 2013 following the intersection of gas pay in the Toolachee and Patchawarra formations. Bolah-2 is being drilled to appraise the southern extent of the Bolah culmination and confirm sufficient gas is in place to justify the installation and connection of infrastructure. Bolah-2 also has the potential to de-risk further activities in the field, which may include acquisition of 3D seismic and full field development.

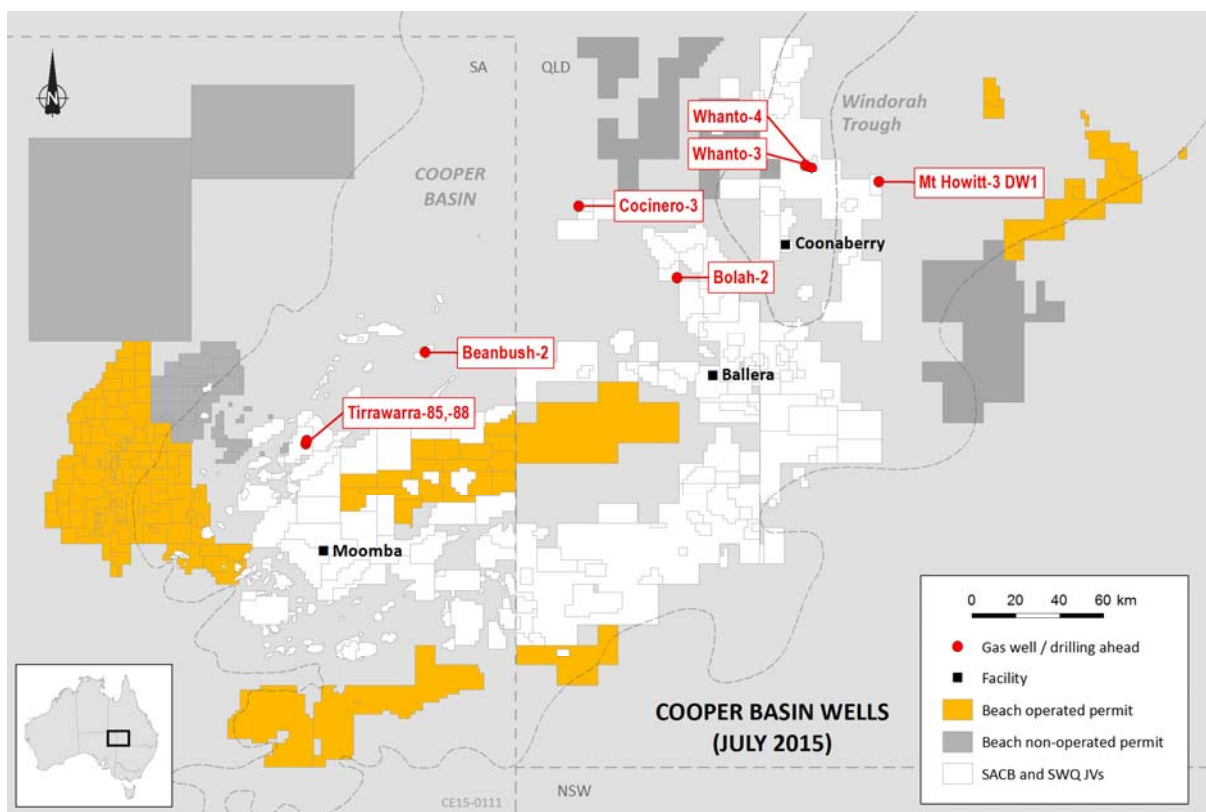


Monthly Drilling Report – Period ending 06:00, 1 August 2015

Well	Participants	Progress and Status	Primary Targets
Cooper Basin Non-operated			
Tirrawarra-85	BPT 20.21%	Drilling this month: 3,050 metres	Patchawarra Formation
PPL 20	STO* 66.60%	Current depth: 3,050 metres (total depth)	Tirrawarra Sandstone
Gas development	ORG 13.19%	Status: Cased and suspended as a future Permian gas producer	
C/E Basin, SA			
Tirrawarra-88	BPT 20.21%	Drilling this month: 969 metres	Patchawarra Formation
PPL 20	STO* 66.60%	Current depth: 969 metres	Tirrawarra Sandstone
Gas development	ORG 13.19%	Status: Drilling ahead	
C/E Basin, SA			
Whanto-3	BPT 23.20%	Drilling this month: -	Toolachee Formation
PL 148	STO* 60.06%	Current depth: 3,124 metres (total depth)	
Gas development	ORG 16.74%	Status: Cased and suspended as a future Permian gas producer	
C/E Basin, QLD			
Mt Howitt-3 DW1	BPT 23.20%	Drilling this month: 1,298 metres	Tinchoo Formation
PL 141	STO* 60.06%	Current depth: 2,300 metres (total depth)	
Gas development	ORG 16.74%	Status: Cased and suspended as a future Permian gas producer	
C/E Basin, QLD			
Cocinero-3	BPT 20.00%	Drilling this month: 2,076 metres	Hutton Sandstone
ATP 1189P	STO* 55.00%	Current depth: 2,076 metres (total depth)	Murta Formation
Oil development	ORG 25.00%	Status: Cased and suspended as a future Jurassic oil producer	
C/E Basin, QLD			
Beanbush-2	BPT 17.14%	Drilling this month: 2,513 metres	Toolachee Formation
PPL 156	STO* 72.32%	Current depth: 2,513 metres	Epsilon Formation
Gas appraisal	ORG 10.54%	Status: Drilling ahead	Patchawarra Formation
C/E Basin, SA			
Whanto-4	BPT 23.20%	Drilling this month: 2,936 metres	Toolachee Formation
PL 148	STO* 60.06%	Current depth: 2,936 metres	
Gas appraisal	ORG 16.74%	Status: Drilling ahead	
C/E Basin, QLD			
Bolah-2	BPT 23.20%	Drilling this month: 798 metres	Toolachee Formation
ATP 1189P	STO* 60.06%	Current depth: 798 metres	
Gas appraisal	ORG 16.74%	Status: Drilling ahead	
C/E Basin, QLD			
Swan Lake-12	BPT 20.21%	Drilling this month: 3,125 metres	Patchawarra Formation
PPL 101	STO* 66.60%	Current depth: 3,125 metres (total depth)	
Gas development	ORG 13.19%	Status: Cased and suspended. Beach elected not to participate	
C/E Basin, SA			

(*) Operator
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