

5 July 2019

**ASX Release**  
**SM74 D14 Well Progress Report**

- **The Byron operated SM74 D14 BP1 exploration well has been drilled to a total depth of 14,933 MD, 13,591 TVD having logged wet sands in the primary objective**
- **SM74 D14 BP1 Plug and Abandon operations have begun**
- **Real-time Gamma Ray and Resistivity logs were acquired indicating thick high quality wet sands with low quality thin resistive possibly hydrocarbon bearing sands suggesting a failed trap**
- **A drilling rig has been contracted for the drilling of Byron's next exploration program well, the Byron SM58 #11, which is expected to spud in mid-August**

Byron Energy Limited ("Byron or the Company") (ASX: BYE) advises that the Byron operated SM74 D14 Bypass No.1 ("D14 BP1") well was drilled to a depth of 14,933 feet measured depth ("MD")/ 13,591 feet true vertical depth ("TVD"). As of 5:00 AM US Central Daylight Time on 4 July 2019, the D14 BP1 well has been drilled through the 13,000 Sand and also the 13,500 Sand which was the primary objective. Through the use of real-time gamma and resistivity logging tools, the well bore has been deemed uncommercial and is currently being plugged and abandoned. Because the first two primary objectives were wet and due to difficult hole conditions, it was decided not to drill deeper and current operations are to plug and abandon the hole.

The presence of stacked thick, high quality wet sands interbedded with thin resistive show sands, is indicative of a trapping fault seal that has failed, leaving only thin, non-commercial residual hydrocarbons in place. This stratigraphic combination is interpreted to have produced the observed seismic amplitudes. The SM74 D14 BP1 and the D14 original hole ("D14 OH) wells logged several minor resistive sands with indicative hydrocarbon shows within the lower 13,000 Sand zone of interest (as previously announced by Byron on 25 June 2019) and these sands have also been deemed uncommercial.

Byron faced significant challenges during the drilling of the SM74 deep prospect resulting in stuck drill pipe in the D14 original wellbore (D14 OH) which required the drilling of the D14 BP1 bypass wellbore. The exceptional combined efforts of Byron's staff, external advisors, vendors and providers allowed the bypass well to be safely and efficiently drilled to a depth sufficient to test the prospect. The Byron operated well was managed by Stokes & Spiehler, Byron's primary consulting drilling engineers utilising the White Fleet Drilling Rig WFD350 with primary downhole and mud services provided by Halliburton.

Byron had farmed-out a 30% working interest share of the SM74 prospect to Metgasco Limited ("Metgasco") (ASX: MEL) on industry standard terms whereby Metgasco will earn its interest by paying 40% of the initial well dry hole costs and Byron will pay the remaining 60%. Byron, through its wholly owned US subsidiary Byron Energy Inc., is the operator of the well.

Plugging and abandonment operations will be ongoing into next week. Byron will issue a final progress report on the SM74 D14 BP1 plug and abandon operations when they are complete.

Byron is pleased to advise that the Enterprise 263 rig has been contracted for the drilling of Byron's next exploration program well, the Byron SM58 #11, which is expected to spud in mid-August. Byron will issue further information as developments occur.

**CEO Comment**

**Maynard Smith, Byron's CEO had this to say regarding the SM74 D14:**

*"While the result was disappointing, the data will provide valuable seismic calibration within the deeper high pressured stratigraphic section of the area. Byron's drilling team, made up of Byron staff, external advisors and vendors are to be commended for their exceptional efforts. I would like to thank each of them for their dedication and professionalism on a very difficult and complex well which was drilled safely and efficiently to a depth sufficient to test the prospect. We would like to thank our joint venture drilling partner, Metgasco, for its participation, as well as acknowledge the offset operator for their cooperation in drilling off the SM73 D Platform."*

*"The Byron team will now focus on the upcoming exploration and development drilling program in the prolific shallow section of the greater SM73/71 Field Area beginning with the Byron SM58 #11 well. Byron has contracted the Enterprise 263 drilling rig for a mid-August estimated spud date."*

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**About Byron:**

**Byron Energy Limited** ("Byron or the Company") (ASX: BYE) is an independent oil and natural gas exploration and production company, headquartered in Australia, with operations in the shallow water offshore Louisiana in the Gulf of Mexico. The Company has grown through exploration and development and currently has working interests in a portfolio of leases in federal and state waters. Byron's experienced management team has a proven record of accomplishment of advancing high quality oil and gas projects from exploration to production in the shallow water in the Gulf of Mexico. For more information on Byron please visit the Company's website at [www.byronenergy.com.au](http://www.byronenergy.com.au).