

Monthly drilling report – July 2014

Release Date: 6 August 2014

Senex Energy Limited (Senex, ASX: SXY) drilling activities are currently focused on oil exploration in the South Australian Cooper-Eromanga Basin. The FY15 work program will be released with the company's FY14 results on 26 August 2014.

Sabre-1 exploration well (*PEL 111: Senex 60% and operator*)

The Sabre-1 exploration well was drilled to test the oil-bearing potential of the mid-Birkhead Sandstone approximately 2 kilometres southwest of the Snatcher-9 production well. EDA Rig 3 commenced drilling the vertical well on 14 July 2014 and reached a total depth of 1,900 metres.

The well encountered good oil shows but the reservoir was poorly developed. The well was subsequently drill stem tested and recovered a small amount of water with a trace of oil. As a result, the well was plugged and abandoned.

Warthog-1 exploration well (*PEL 111: Senex 60% and operator*)

The Warthog-1 exploration well will be drilled to test the oil-bearing potential of the mid-Birkhead Sandstone approximately 2 kilometres northwest of the Mustang-1 oil discovery. The prospect is located on the western flank of the South Australian Cooper Basin.

EDA Rig 3 is currently mobilising to site and will drill the well to a total depth of approximately 1,890 metres.

Squire-1 exploration well (*PRL 59: Senex 100%*)

Squire-1 well will be the first prospect to be drilled in the company's northern permits in the South Australian Cooper Basin, following interpretation of the Cordillo 3D seismic data. It is located approximately 50 kilometres north west of Acrasia oil field as shown in Figure 1.

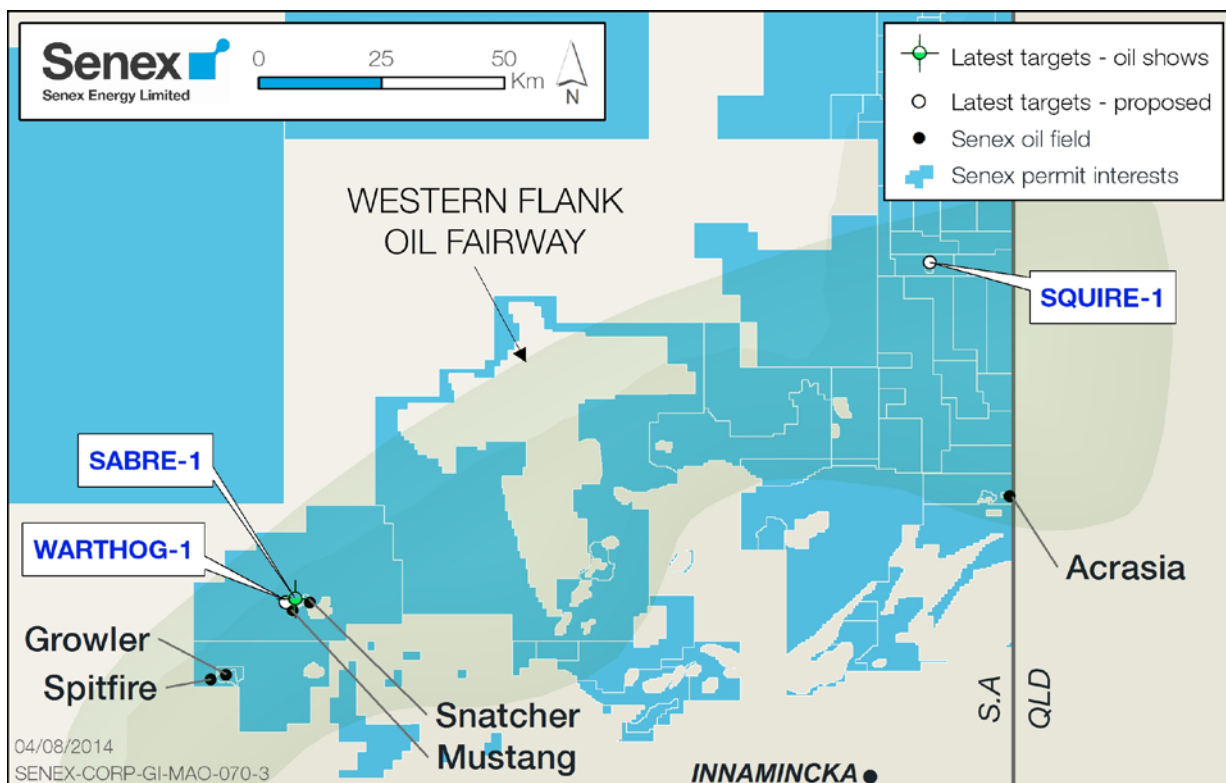
Squire-1 is designed to evaluate the oil potential of the Tinchoo Formation and will reach a total depth of approximately 2,430 metres. Secondary targets are the Birkhead Formation and Wimma Sandstone. EDA Rig 4 is currently going through final acceptance checks prior to mobilising to site.

DRILLING FOR THE MONTH ENDING 31 JULY 2014

Well	Participation	Status of operations	Primary targets
Sabre-1 PEL 111 Oil exploration SA Cooper Basin	SXY* 60% BPT 40%	Report time: 0600 (CST) 04/08/14 Total depth: 1,900 m Operation: Plugged and abandoned Progress: 1,900 m	Birkhead Formation
Warthog-1 PEL 111 Oil exploration SA Cooper Basin	SXY* 60% BPT 40%	Report time: 0600 (CST) 04/08/14 Total depth: 1,890 m Operation: Mobilising to site Progress: 0 m	Birkhead Formation
Squire-1 PRL 59 Oil exploration SA Cooper Basin	SXY* 100%	Report time: 0600 (CST) 04/08/14 Total depth: 2,430 m Operation: Acceptance testing Progress: 0 m	Tinchoo Formation, Birkhead Formation, Wimma Sandstone

* Denotes operatorship
SXY Senex Energy Limited
BPT Beach Energy Limited

Figure 1: Location of latest exploration wells



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