

Monthly drilling report – November 2013

Release Date: 4 December 2013

Key points

- Burruna-3 discovers new Birkhead Formation oil accumulation in southern Cooper Basin permit PEL 115
- Worrior-8 discovers a new oil accumulation in the Patchawarra Formation in PPL 207
- Good oil shows across multiple zones at Acrasia-6 in PPL 203 with wireline logs currently being run
- Drilling continues on the Vintage Crop-3 oil appraisal well in PPL 241
- Coal seam gas drilling mobilises to Indy wells in Queensland Surat Basin permit ATP 771P

OIL EXPLORATION, APPRAISAL AND DEVELOPMENT

Senex and its joint venture partners have drilled 12 oil wells since 1 July 2013, with 10 wells cased and suspended for future testing and production. The location of Senex oil interests is shown in Figure 1.

Burruna-3 appraisal well (*PEL 115: Senex 80% and operator*)

The Burruna-3 oil well successfully appraised the Namur Formation intersected by the Burruna-2 discovery and confirmed the structural mapping of the field. Wireline logs also established that the well encountered approximately three metres of net pay in sandstones of the lower Birkhead Formation.

The lower Birkhead Formation oil accumulation is additional to the Namur Formation oil accumulation identified in Burruna-2. The well is located 560 metres southeast of Burruna-2 and was drilled to a depth of 1,664 metres.

Planning is now underway to complete the well in the Birkhead Formation.

Acrasia-6 appraisal well (*PPL 203: Senex 100%*)

Drilling of the Acrasia-6 appraisal well commenced on 14 November and reached total depth of 2,369 metres. The well, which is located approximately 300 metres south of Acrasia-1 was designed to appraise the extent of the Acrasia Hutton Sandstone oil accumulation, produce un-swept oil in the Birkhead, Poolowanna and Tinchoo sandstone reservoirs, and evaluate the potential of the Arrabury Formation.

Core was cut over an interval of 34 metres from 2,262 – 2,296 metres through the interbedded sandstones and shales of the Arrabury Formation. Analysis of the core will yield information on fluid saturation, reservoir quality and sedimentological characteristics. Good oil shows have been evident throughout the target zones. Wireline logs are currently being run.

Vintage Crop-3 appraisal well (*PPL 241: Senex 100%*)

Drilling is continuing on the Vintage Crop-3 appraisal well, which was designed to appraise the southern extent of oil accumulations within the McKinlay Member and Murta Formation and test the potential of the Birkhead and Hutton formations. Vintage Crop-3 is located approximately 430 metres south of the Vintage Crop-1 oil discovery and total depth is expected to be approximately 1,700 metres.

FORWARD OIL DRILLING PROGRAM

Senex continues delivering on plans to drill more than 30 wells during 2013/14, testing the oil potential of permits across the Cooper-Eromanga Basin. The first stage of the drilling program focused on the southern Cooper-Eromanga Basin and successfully discovered four new oil accumulations.

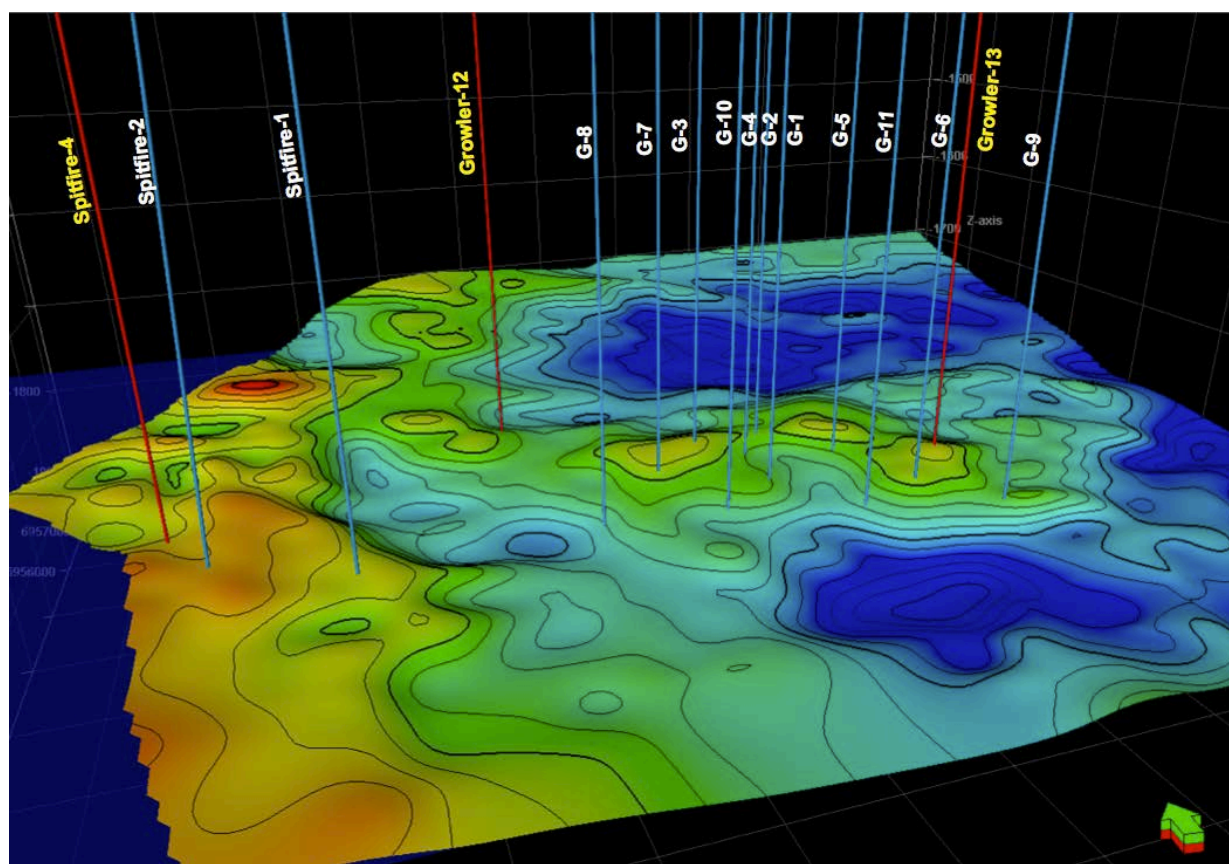
The drilling program will now move to other highly-prospective acreage in the Cooper-Eromanga Basin, including the western flank oil fairway with wells planned for Spitfire, Growler, Mustang and Snatcher oil fields. The program will then test exploration and appraisal targets from the Cordillo and Lignum 3D seismic surveys.

The next three prospects are described below and their location is shown in Figure 1.

Growler-12 and Growler-13 wells (PPL 242: Senex 60% and operator)

Recent studies completed on the reprocessed Mollichuta 3D seismic volume have shown that the Growler field may extend beyond the currently assumed limits. The data suggests areas of porous sandstone to the north and east, above the established oil-water contact. Two wells, the Growler-12 appraisal well and Growler-13 exploration well, are designed to evaluate the Birkhead Formation reservoir at locations independent of each other, as shown in Figure 2.

Figure 2 – Location of Growler and Spitfire wells



Growler-12 will appraise the extent the Birkhead reservoir north of the main Growler field. Growler-12 is located 1,400 metres northwest of Growler-3, which intersected an interpreted net oil pay of 14.7 metres in the mid-Birkhead Formation. The total depth of Growler-12 is expected to be 1,850 metres.

Growler-13 exploration well will assess the extent of a distinct section of the mid-Birkhead reservoir east of the main Growler field. Growler-13 is located 500 metres northeast of Growler-6, which intersected an interpreted net oil pay of 10.8 metres in the mid-Birkhead Formation. The total depth of Growler-13 is expected to be 1,830 metres.

Spitfire-4 appraisal well (*PEL 104: Senex 60% and operator*)

Spitfire-4 will appraise the extent of the mid-Birkhead reservoir that was encountered in previous Spitfire wells. Spitfire-4 will be drilled 500 metres northwest of Spitfire-2 (as shown in Figure 2), which intersected an interpreted net oil pay of 6.5 metres in the mid-Birkhead Formation.

OIL COMPLETIONS PROGRAM

Acrasia-7 development well (*PPL 203: Senex 100%*)

Senex successfully completed the Acrasia-7 development well as an oil producer in September. The well is scheduled to commence production from the Tinchoo and Pooloowanna formations this month.

Worrior-8 development well (*PPL 207: Senex 70% and operator*)

On 22 November, Senex announced that production testing at the Worrior-8 development well had successfully flowed oil and gas from the Patchawarra Formation. During the test, oil flowed at a rate of 670 barrels of oil per day with gas flowing at 0.7 million standard cubic feet per day.

Analysis of data received to date has identified the reservoir most likely contains an oil leg to a gas reservoir. Interpretation of existing Worrior wells incorporating the new data indicates the Patchawarra accumulation may extend across the entire field. An appraisal plan to confirm the nature of the accumulation is under way. This may include re-entry of existing wells and drilling of new appraisal wells. Subject to the outcome of the appraisal program and joint venture approval, it is the Operator's view that full development of the reservoir is likely during 2014.

Dunlop-1 exploration well (*PEL 113: Senex 100%*)

Dunlop-1 was completed in the McKinlay Member after producing at 1,200 bopd during drill stem testing. An extended production testing facility has been constructed and free-flow production commenced during the month. Further appraisal drilling is planned for the second half of 2013/14.

COAL SEAM GAS EXPLORATION

2013/14 work program

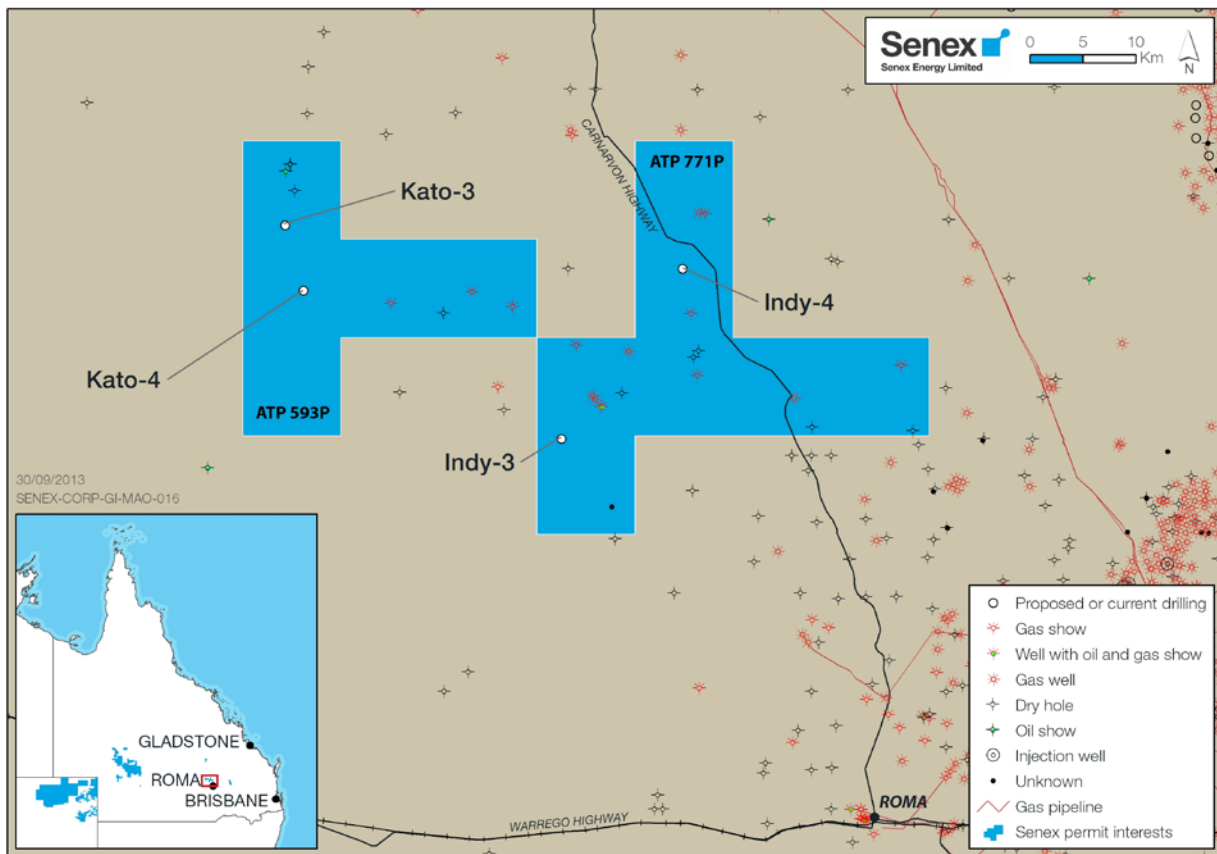
Senex has made good progress on the four core hole program in its western Surat Basin coal seam gas permits ATP 593P and ATP 771P (both Senex 45% and Operator), which was designed to further delineate reserves and resources:

- The second well, Kato-4, was plugged and abandoned after successfully coring the entire coal section.
- The third well, Indy-3, spudded on 22 November and reached total depth on 1 December. Logging and testing is currently underway.

All wells will be plugged and abandoned upon completion of testing. Well locations are shown in Figure 3.

Senex expects work to commence in calendar year 2014 on the remaining six planned wells in the QGC operated eastern Surat Basin permits PL 171 and ATP 574P (Senex 20% and 30% respectively).

Figure 3: Western Surat Basin coal seam gas well locations



DRILLING REGISTER

Exploration, appraisal and development drilling undertaken in 2013/14 is shown below:

Oil

Well	Location	Spud date	Type	Result	Status
Worrior-8	PPL 207	22-Jun-2013	Development	Net pay of 18 metres	Shut-in for pressure build-up and data collection
Worrior-9	PPL 207	4-Jul-2013	Exploration	Unsuccessful	Plugged and abandoned
Burruna-2	PEL 115	6-Aug-2013	Exploration	Net pay of 5.3 metres, 3,600 bopd during testing	Completed and producing
Acrasia-7	PPL 203	24-Aug-2013	Development	Net pay of 6.3 metres	Completed as an oil producer
Ventura-2	PPL 214	28-Aug-2013	Development	Net pay of 13.4 metres	Cased and suspended as a future oil producer
Kobari-2	PEL 516	14-Sep-2013	Exploration	Oil shows over 22 metres	Cased and suspended as a future oil producer
Pirie-1 ¹	PEL 105	30-Sep-2013	Exploration	Moderate oil shows in the Birkhead Formation	Operator cased and suspended as a potential oil producer
Dunlop-1	PEL 113	1-Oct-2013	Exploration	Net pay of 3 metres, 1,200 bopd during DST	Completed and producing
Moothandella-4 ²	ATP 794P	5-Oct-2013	Appraisal	Interpreted net pay of 10 metres in total	Cased and suspended pending testing
Sprigg-1	PEL 514	6-Oct-2013	Exploration	Interpreted net pay of 6.3 metres	Cased and suspended pending testing
Pirraminta-2	PEL 514	22-Oct-2013	Exploration	Residual oil only	Cased and suspended as a future water well
Burruna-3	PEL 115	8-Nov-2013	Appraisal	Interpreted net pay of ~3 metres	Cased and suspended as a future oil producer
Acrasia-6	PPL 203	14-Nov-2013	Appraisal		Currently running logs
Vintage Crop-3	PPL 241	24-Nov-2013	Appraisal		Drilling ahead

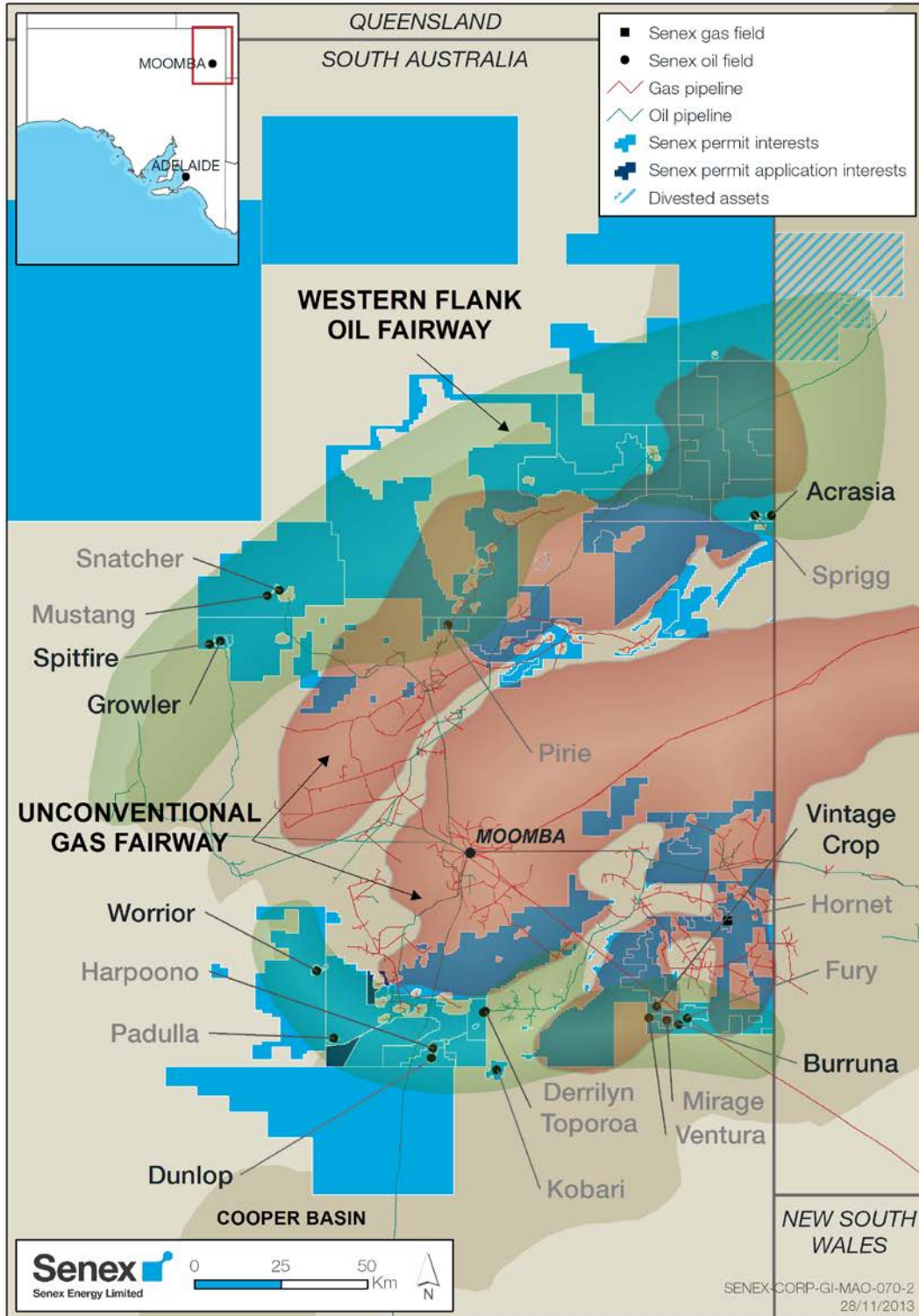
Gas

Well	Location	Spud date	Type	Status
Paradise Downs-10 ³	PL 171	13-Aug-2013	Appraisal	Cased and suspended
Kato-3 ⁴	ATP 593P	13-Oct-2013	Exploration	Plugged and abandoned after testing
Kato-4 ⁴	ATP 593P	27-Oct-2013	Exploration	Plugged and abandoned after testing
Indy-3 ⁴	ATP 771P	22-Nov-2013	Exploration	Total depth reached, logging and testing is underway

- 1 Operated by Tellus Resources
2 Operated by Bridgeport Energy

- 3 Operated by QGC
4 Core hole not designed for gas production

Figure 1: Senex conventional oil fields (operated and non-operated)



For further information contact:

Ian Davies
Managing Director
Senex Energy Limited
Phone: (07) 3837 9900

Andrew Barber
Corporate Affairs Manager
Senex Energy Limited
Phone: (07) 3335 9821 or 0418 783 701

Competent person's statement

Unless otherwise indicated, the statements contained in this drilling report about Senex's reserves and resources estimates have been compiled by Mr James Crowley BSc (Hons), who is General Manager – Exploration, a full time employee of Senex, in accordance with the definitions and guidelines in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers (SPE PRMS). Mr Crowley consents to the inclusion of the estimates in the form and context in which they appear. Senex's reserves and resources are consistent with the SPE PRMS.