

Oil Discovery at Vintage Crop-1

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Senex Energy Limited (Senex) advises that the Vintage Crop-1 exploration well in South Australian Cooper Basin permit PEL 516 (Senex 100%) has discovered a new oil field with the successful testing of the McKinlay Member.

A gross oil column of 10 metres with a three metre net pay was encountered in the McKinlay Member of the Murta Formation. A Drill Stem Test on the McKinlay Member recovered 39 barrels of 54.6 API, light brown oil in a 3 hour flow period, equivalent to a flow rate of 312 barrels of oil per day. Preliminary interpretation of the Drill Stem Test and wireline log data indicates at least 305,000 barrels of oil in place from this well.

Oil shows were also detected in the Namur Sandstone and the Birkhead Formation. The Namur Sandstone interval will be tested after production casing has been run and coring of the Permian section has been completed.

At present the well is being set up to run the 7" production casing after which the well will be deepened into the Permian sequence to provide a preliminary evaluation of unconventional gas targets in the coals and shales underlying the oil targets.

A 9 metre core will be cut in the coal sequences of the Toolachee Formation and four 9 metre cores will be cut in the shale sequences of the Roseneath and Murteree Shales. The Toolachee Formation is over 100 metres thick and the Roseneath and Murteree Shales are expected to be at least 100 metres thick.

Senex will run a specialised logging suite to help determine the minerals present in the shales. Subsequently, the cores will be used for desorption tests to determine gas and hydrocarbon liquids contents, and to evaluate porosity, permeability and mechanical properties.

Senex Managing Director Ian Davies said "This very pleasing result from the oil targets for Vintage Crop-1 in Senex's 100% owned PEL 516 further underpins the rationale for the acquisition of Stuart Petroleum, and the oil discovery will pay for the testing of the unconventional gas targets in the underlying coals and shales."

Vintage Crop-1 is located approximately 65 kilometres south east of Moomba, close to Santos' oil-producing Narcoonowie and Carowinnie fields.

For further information contact:

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

About Senex Energy

Senex Energy Limited is the new name for Victoria Petroleum NL - a respected energy business with more than a quarter of a century of experience in Australia's oil and gas industry. In July 2010 the company was rejuvenated with the appointment of a new management team, the relocation of its head office from Perth to Brisbane, and the decision to focus the business on its valuable acreage on Australia's east coast. The dynamic energy business is pursuing rapid growth in its oil production business in the Cooper Basin, and is working to build a valuable and highly profitable east coast gas business. Find out more by visiting www.senexenergy.com.au

Attached:

Depth map of PEL 516 showing the location of Vintage Crop-1

