

Senex begins FY17 Cooper Basin drilling campaign

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Senex Energy Limited (ASX:SXY, Senex) today announced the commencement of its FY17 oil and gas drilling program in the Cooper Basin.

The current drilling program will comprise a multi-well oil campaign including exploration, appraisal and development opportunities, and a high impact unconventional gas exploration well.

Oil appraisal and development

The first two wells of the campaign are located on the producing Worrior and Spitfire fields. **Worrior-11** (ex PEL 93: Senex 70% and operator, Cooper Energy 30%) is a development well targeting oil accumulations in the lower Birkhead and Hutton horizons. The well is due to be spudded in mid-December.

The rig will then move to **Spitfire-8** (ex PEL 104: Senex 60% and operator, Beach Energy 40%), a step-out appraisal well evaluating the extent of the Birkhead reservoir. The Spitfire field continues to perform strongly, with oil produced from six wells accessing the Birkhead reservoir.

Both wells will be drilled to increase overall field recoveries while utilising existing surface facilities.

Oil exploration

The second phase of the drilling campaign will commence in early 2017, involving oil exploration prospects located in PEL182 (Senex 60% and operator, Beach Energy 40%). The first wells to be drilled in the campaign are **Sparta-1** and **Hoplite-1**, which have been defined by the Jasmine 3D seismic survey. The wells will target the productive Namur oil horizon.

The key objective of the campaign is to prove oil migration and demonstrate the continuation of the western flank oil fairway to an area with minimum well control. Senex has identified multiple follow-up prospects in the event that the drilling campaign is successful.

Unconventional gas exploration

Pre-drill operations will commence on the **Silver Star-1** gas exploration well (PEL 638: Senex 53.75% and operator, Origin Energy 33.75% and Planet Gas 12.5%) in January 2017, with the well to be spudded in February. The original drilling schedule was delayed due to rig availability, with Easternwell 106 specifically chosen to accommodate the technical specifications of the well.

Silver Star-1 is a high impact gas exploration well targeting basin centred gas in the Permian sandstones of the Patchawarra Trough. The well is expected to be drilled to a depth of around 3,600 metres, with a potential lateral section of up to 1,500 metres. Overall, the total cost of the well is estimated at approximately \$15 million with Senex free carried by its joint venture party Origin for its share of expenditure under the farm-in arrangement.

Senex Managing Director and Chief Executive Officer, Ian Davies, said, “We are pleased to be back on the ground in the Cooper Basin, demonstrating our ability to execute work efficiently, safely and at lowest cost.

The Cooper Basin remains core to Senex’s growth strategy and we will continue to deploy capital at a moderate rate on high value opportunities, targeting reserves replacement and production.”

FURTHER INFORMATION

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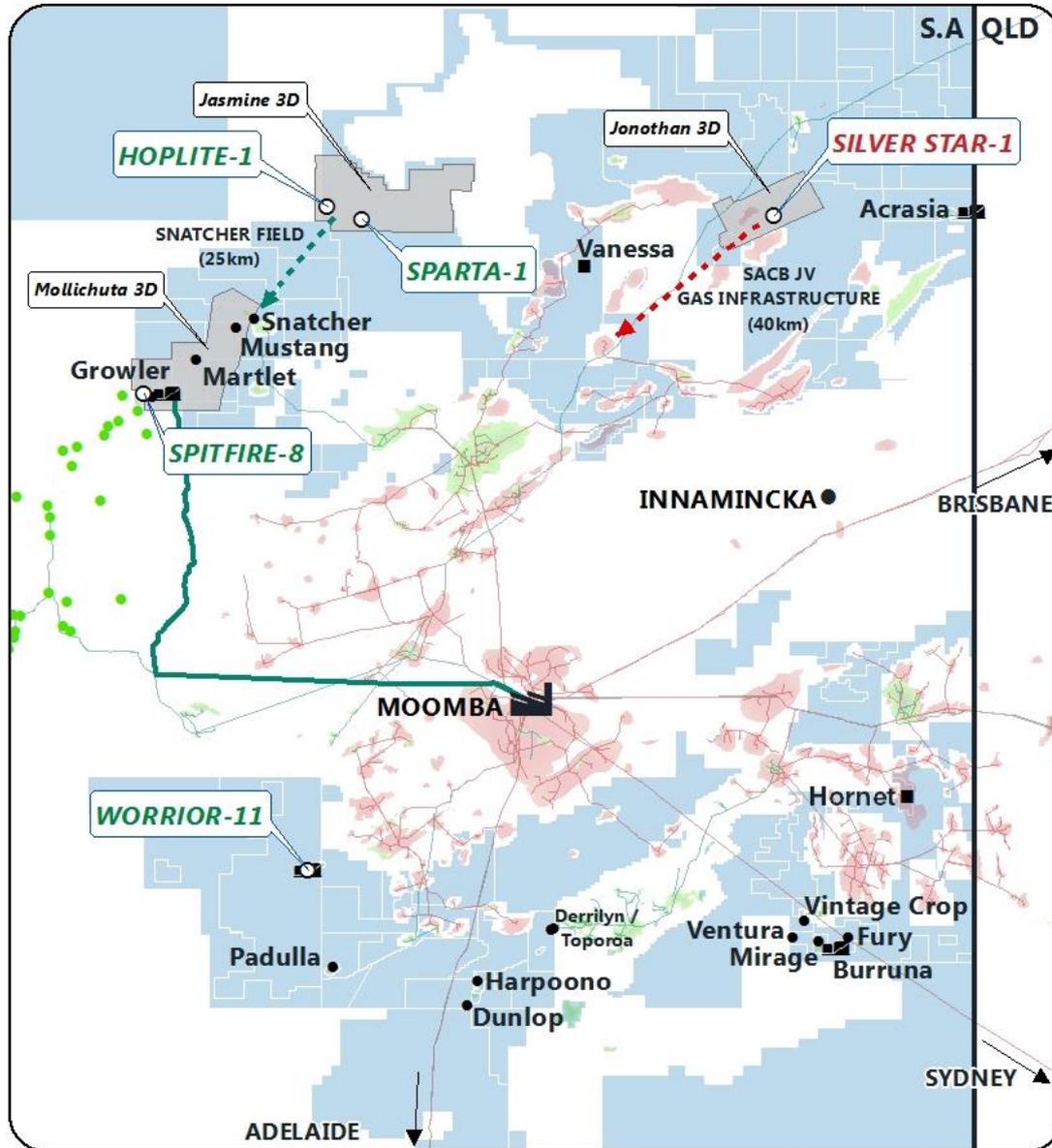
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ABOUT SENEX ENERGY

Senex is a growth focused exploration and production company based in Brisbane. With a 30-year operating history, Senex holds extensive onshore oil and gas acreage in the Cooper and Surat Basins. Senex operates the majority of its assets, produces around one million barrels of oil annually, and is successfully developing a gas business including the Western Surat Gas Project in Queensland.

Figure 1: Cooper Basin drilling campaign well locations



- Senex operational bases
- Moomba processing facility
- Senex gas field
- Senex oil field
- Beach operated fields
- Gas pipeline
- Oil pipeline
- Gas field
- Oil field
- Senex permit interests

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