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## BEACH WESTERN FLANK DRILLING CAMPAIGN TO COMMENCE WITHIN THE WEEK

Beach advises the following in relation to its operations in PELs 91 and 92 in the Western Flank of the Cooper Basin:

- Minimum 16 well program to commence this week
- Ensign#30 rig currently 95% moved in to PEL 92 area
- Ensign#18 rig expected early March

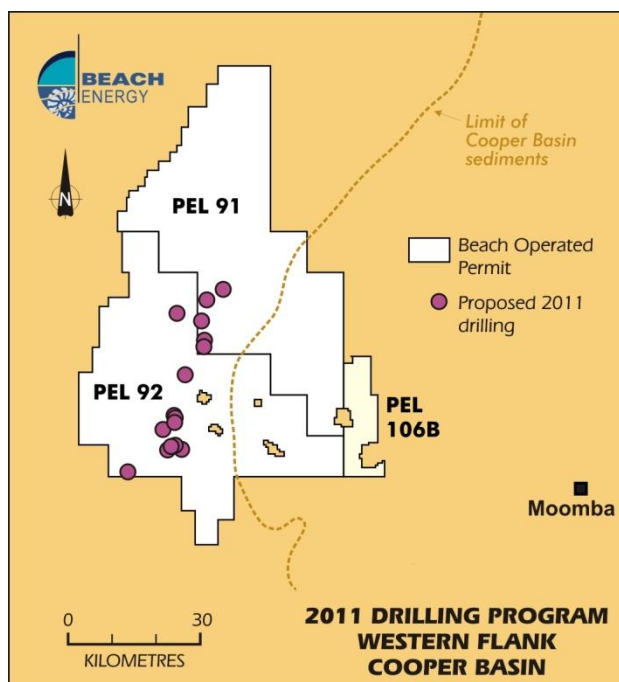
### Cooper Basin Western Flank

Beach Energy Ltd (ASX: BPT, "Beach") has contracted the Ensign#30 and Ensign#18 drilling rigs to carry out a minimum 16 well program on the Western Flank. The Ensign#30 rig is currently completing its move into the area and the Ensign#18 rig will move into the Western Flank on completion of its current contractual commitments with another operator. The firm program consists of:

- five exploration wells in PEL 91 (Beach 40%)
- seven exploration wells in PEL 92 (Beach 75%)
- four wells to further appraise and develop the Parsons and Butlers Oilfields (PEL 92).

Exploration prospects to be addressed by the program range in size from approximately 0.5 to 5.5million barrels of recoverable oil. If successful, together with facilities upgrades, these projects will provide a material reserves upgrade and subsequent significant increase in operated production during FY11 and FY12.

The program will commence with the drilling of two development wells on the prolific Parsons Field which will accelerate production of remaining reserves in excess of 800,000 barrels and increase recovery over the field's



economic life. The two wells are forecast to add 1,000 barrels of oil per day to PEL 92 production which is currently around 5000 barrels per day. This rate has been maintained despite the continued flooding of the Cooper Creek as oil from the Beach operation is transported by flowline to Tantanna negating the requirement for trucking. These increased volumes through the line will translate directly to increased cashflow.

In addition to the firm program, the PEL 106B Joint Venture (Beach 50%) is considering a possible four well program in its successful gas play to follow up previous discoveries and recent successful testing at Brownlow and Canunda. Engineering work is currently underway to design and construct infrastructure to transport PEL 106B gas and liquids to sales delivery point.

### **Western Flank Access**

The Kudnarri bridge will provide vehicle access to drilling locations on the Western Flank while the Cooper Creek is flowing. Work is also underway on measures to maintain supply to the drilling rigs in the case where further flooding or local rain events temporarily limit road access. This includes setting up hubs on the Western side of the Cooper Creek for services such as wireline logging and cementing.

Beach (75%) operate PEL 92 on behalf of the joint venture which includes Cooper Energy (25%).

Beach (40%) operate PEL 91 on behalf of the joint venture which includes Drillsearch (60%).

Beach (50%) operate PEL 106B on behalf of the joint venture which includes Drillsearch (50%).

### **INTERNATIONAL**

The GPZZ-4 well in Abu Sennan Concession, Egypt is currently drilling ahead and had reached 2772m measured depth in the Abu Roash Formation as of 6am 15<sup>th</sup> February.

### **For more information contact**

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#### **Investor Relations**

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