

Kato-2 coal seam gas exploration well delivers excellent results

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Senex Energy Limited (Senex), as Operator of the Queensland ATP 593P joint venture, advises that preliminary results for the Kato-2 coal seam gas (CSG) exploration well have indicated good coal and carbonaceous shale thickness with gas flowing to surface during drill stem testing.

Kato-2 was drilled to investigate the CSG potential of the Walloon Coal Measures in the north western region of the Queensland Surat Basin, approximately 38 kilometres south of Injune (refer attached map).

The well was spudded on 4 March 2012 and reached a total depth of 304.6 metres. Almost 240 metres of core was collected, with 28 coal and carbonaceous shale core samples currently being analysed for gas composition, gas saturation and other attributes. In addition, four successful drill stem tests were conducted over intervals in both the Juandah and Taroom Coal Measures to evaluate the potential for gas deliverability, with gas flowing to surface from one test. The rig was released on 12 March 2012.

Senex Managing Director Ian Davies said the preliminary results from the drill stem tests indicated excellent permeability while the net coal seam thickness was in line with that intersected in Kato-1.

“During the coring of the Walloon Coal Measures we intersected 10.5 metres of net coal in the Juandah and Taroom Coal Measures along with 5.6 metres of net gas bearing carbonaceous shale. The results of the coring and permeability testing has shown that the CSG potential indicated in ATP 771P continues into the neighbouring ATP 593P,” he said.

Senex holds a 45% interest in ATP 593P and the neighbouring ATP 771P and is Operator of the joint venture.

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Figure 1: Kato-2 coal seam gas exploration well location

