

Senex resumes production at Snatcher oil field in the South Australian Cooper Basin

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Senex Energy Limited (Senex) advises that oil production recommenced yesterday at the Snatcher oil field in PEL 111 on the western flank of the South Australian Cooper Basin.

Appraisal activities at the Snatcher oil field ceased in January 2010 following a one-in-forty year flood of the Cooper Basin that inundated the field and isolated the two producing oil wells, Snatcher-1 and Snatcher-2. Senex regained access to the field in late 2011 and work commenced in January 2012 to reinstate production from these wells and complete a third well, Snatcher-3, for production.

Localised rain and flooding cut access to the field several times in recent months and delayed work for several weeks. Notwithstanding those delays, Senex constructed causeways to the isolated Snatcher-1 and Snatcher-2 wells and completed construction of new production facilities for the field (refer Figure 1).

New hydraulic pumping units are currently being installed at Snatcher-1 and Snatcher-2, to reinstate production of the rod-pumped wells, with the flood damaged beam pumps remaining in-situ but non-operational (refer attached photographs).

Senex Managing Director Ian Davies said planned development work at Snatcher oil field was expected to result in a rapid increase in production from the field in the 2012/13 financial year.

"Before the field was inundated in 2010, Snatcher-1 and Snatcher-2 were producing more than 500 barrels of oil per day (gross) from the mid Birkhead channel sands. We expect to reinstate production from those wells within weeks and have agreed on an accelerated program for the field with our joint venture partner Beach Energy Limited," he said.

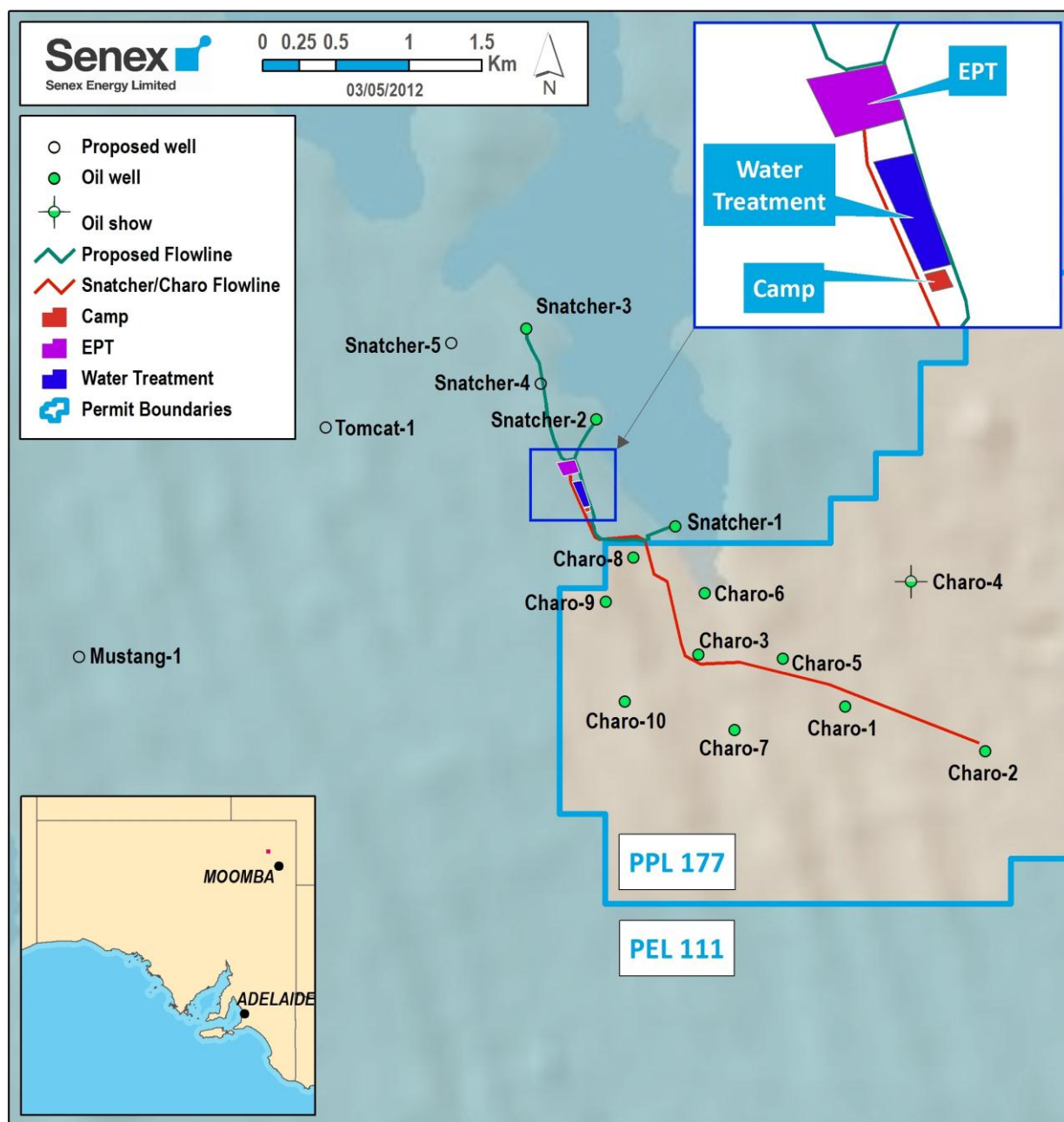
Senex and Beach have agreed to drill two new appraisal wells, Snatcher-4 and Snatcher-5, at the field, with drilling at Snatcher-4 expected to commence within the coming weeks.

The Snatcher oil field is adjacent to the Santos-operated Charo oil field in PPL 177. Senex holds a 60% interest in PEL111 and is Operator of the joint venture, with the remaining 40% interest held by Beach.

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Figure 1 – Snatcher oil field infrastructure



Work on the reinstatement of oil production at Snatcher oil field

