

## Unconventional gas exploration programs on schedule

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**Senex Energy Limited (Senex) advises that unconventional gas exploration work in the southern Cooper Basin permit PEL 516 is on track.**

### KEY POINTS

- The comprehensive fracture stimulation program at Sasanof-1 is scheduled to commence on 15 May 2012.
- An extensive coring program is underway at Talaq-1.

### Sasanof-1 fracture stimulation update

Halliburton fracture stimulation equipment and personnel have been secured for Sasanof-1 and work will commence as soon as regulatory approvals have been finalised. The lease is currently being prepared for the work and equipment is being moved to site. The program is expected to commence on 15 May 2012 and to take at least 11 days.

Senex is undertaking several tests to finalise the design of commercial-scale fracture stimulations at Sasanof-1 and assess the potential for gas production. Senex has received early results of rock mechanics testing and analysis of core samples from three Roseneath and three Murteree shale samples, with results demonstrating that the shales become increasingly brittle with depth, helping to identify fracture initiation points. In addition, extensive testing on cores from the Patchawarra tight sands is being finalised to support fracture stimulation design.

Sasanof-1 is the first of three dedicated unconventional gas wells to be drilled in PEL 516 (Senex 100%) in the 2011/12 financial year. It is located 40 kilometres north west of the successful Vintage Crop-1 well, which delivered an oil discovery and showed very favourable conditions for unconventional gas (refer Figure 1).

### Talaq-1 drilling update

Drilling on Talaq-1, the second dedicated unconventional gas exploration well, commenced on 10 April 2012 and reached the first coring point yesterday. This morning, Senex collected 17.4 metres of core from the upper Roseneath shale between 2,340 and 2,358 metres. Over the coming week, Senex will collect more than 300 metres of core from the Roseneath and Murteree shales as well as the tight sands and coals of the Patchawarra Formation.

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**Figure 1 – Location of unconventional gas exploration wells**

