

Fracture stimulation program successfully completed at Sasanof-1 unconventional gas exploration well

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Senex Energy Limited (Senex) has successfully completed its pioneering hydraulic fracture stimulation program at the Sasanof-1 unconventional gas exploration well in South Australian Cooper Basin permit PEL 516 (Senex: 100%).

Senex is the first company to undertake a multi-zone fracture stimulation on a dedicated unconventional gas exploration well in the liquids-rich southern Cooper Basin.

The extensive stimulation program at Sasanof-1 targeted four intervals within the Permian section via a 4½" cased test well, successfully fracture stimulating the upper and lower Patchawarra tight sands, as well as the Roseneath and Murteree shales (refer Figure 1).

Senex will now conduct post-stimulation clean-up activities at Sasanof-1 to remove fracture stimulation fluid and any excess sand from the well bore. During this flow back stage, Senex will measure and observe the behaviour of the well to assess gas deliverability and quality. Preliminary test results are expected within approximately two weeks.

Senex Managing Director Ian Davies said the detailed work program at Sasanof-1 was the first step in an exciting journey of discovery about the unconventional gas potential of this proven energy province.

"South Australia's southern Cooper Basin is highly prospective for liquids-rich unconventional gas. Our exploration program is thorough and focused on gathering data that will inform and shape our continuing investigations to prove up a world-class unconventional gas resource.

"In evaluating the success of this unconventional gas well, gas flow to surface is one of several key measures. Other important measures of success include the presence of condensate and heavy gases, as well as low carbon dioxide levels," he said.

Sasanof-1 is located 40 kilometres north west of the successful Vintage Crop-1 well (refer Figure 2).

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Figure 1: Fracture stimulation zones of the Permian section at Sasanof-1

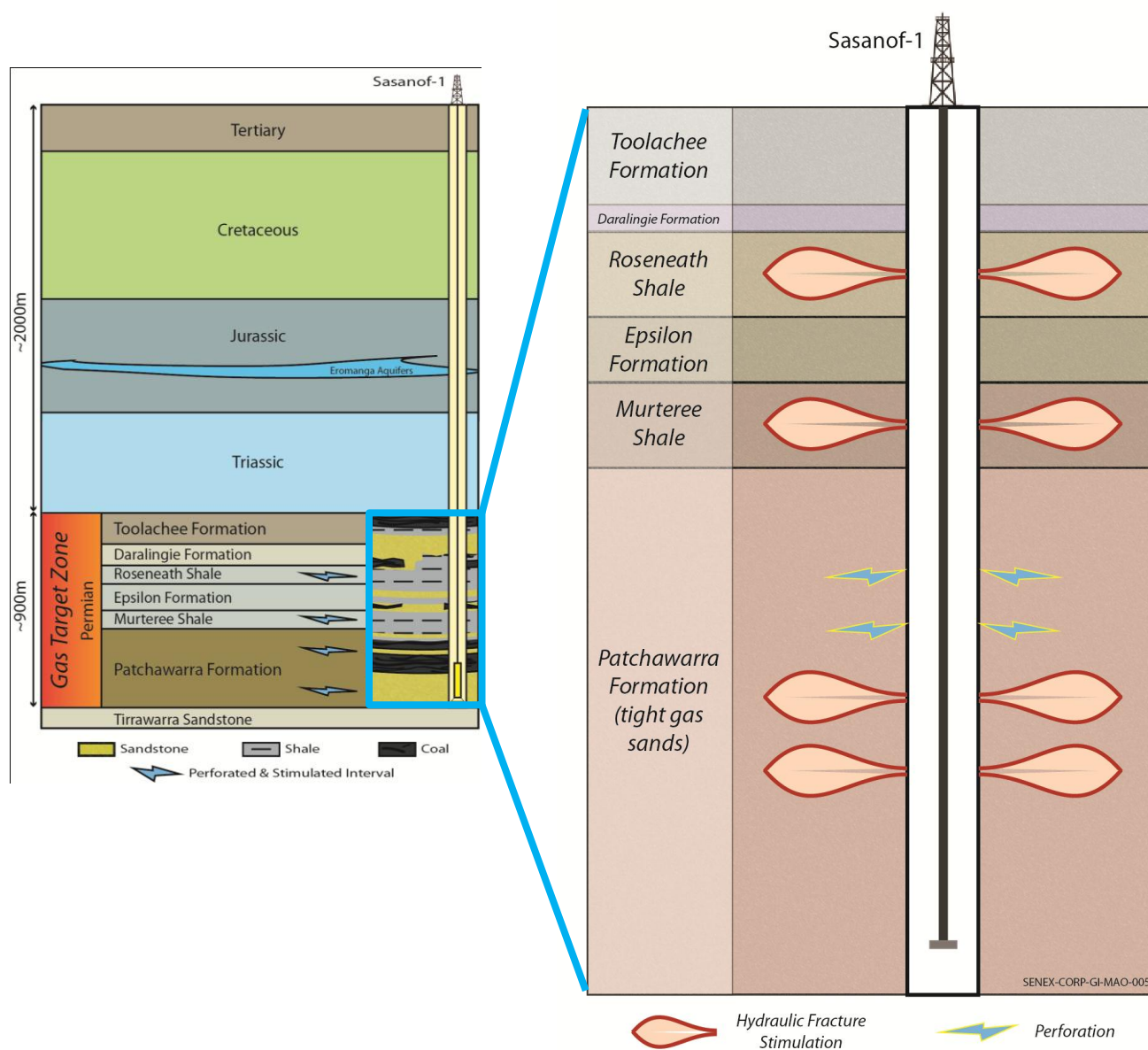


Figure 2: Location of Sasanof-1

