

## Gas flows to surface at Sasanof-1 unconventional gas exploration well

Release Date: 4 June 2012

**Senex Energy Limited (Senex) is pleased to advise positive preliminary results from its unconventional gas exploration campaign in South Australian Cooper Basin permit PEL 516 (Senex: 100%).**

### KEY POINTS

- Formation gas recorded at surface during initial flowback at Sasanof-1.
- Evidence of condensate and fluorescence in the Epsilon Formation at Talaq-1.
- Drilling reaches total depth at Talaq-1.
- Wireline logging underway at Talaq-1.

### Formation gas flows to surface at Sasanof-1

Senex commenced 'flowback' at the Sasanof-1 well last week, following the completion of an extensive hydraulic fracture stimulation program to test gas quality and deliverability.

Preliminary results on both measures have been positive, with gas flowing to surface from the target zones within the Permian section at Sasanof-1. Flowback operations at Sasanof-1 are continuing with the well producing fracture stimulation fluid and gas. Nitrogen is being injected into the well on occasion to assist in lifting the fracture stimulation fluid to surface.

Senex Managing Director Ian Davies said "Although these are early days for the company's unconventional gas exploration campaign, the preliminary results from Sasanof-1 are extremely good. We now have concrete evidence of unconventional gas flows from the Permian section following fracture stimulation, and a growing body of data to model the gas production potential of the liquids-rich southern Cooper Basin," he said.

Over coming weeks, Senex will carefully monitor well behaviour and continue to measure the quantities of gas, stimulation fluid and sand recovered from the well bore.

### **Logging underway at Talaq-1**

Talaq-1 is the second of three dedicated unconventional gas exploration wells to be drilled by Senex in the initial campaign in PEL 516. Drilling on this well commenced on 10 April and reached a total depth of 2,879 metres on 1 June 2012.

A comprehensive coring program was undertaken during drilling. Senex collected more than 320 metres of core from the Roseneath and Murteree shales as well as the tight sands and coals of the Patchawarra Formation.

High gas readings were observed throughout the Permian Section during drilling. Preliminary analysis of the mud logs has confirmed the presence of condensate and fluorescence in the Epsilon Formation, which suggests the presence of liquid hydrocarbons.

Over the weekend, Senex commenced wireline logging of the well. Once the extensive logging program is complete, the well will be cased and suspended pending the commencement of a comprehensive fracture stimulation program, which will be undertaken in conjunction with Senex's third unconventional gas exploration well, Skipton-1.

The location of Senex's unconventional gas exploration activities is highlighted in Figure 1.

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**Figure 1: Location of Sasanof-1 and Talaq-1**

