

Senex to commence oil exploration program with Ambassador Exploration

Release Date: 22 June 2012

Senex Energy Limited (Senex) is set to commence a two well oil exploration program with Ambassador Oil and Gas Limited (Ambassador) following the release of the Century Drilling Rig 3 from the Talaq-1 well site following successful completion of drilling and casing. Talaq-1 is now suspended awaiting fracture stimulation.

Century Rig 3 is currently rigging up at the Shocking-1 well site in PEL 516 (Senex: 100%), 65 km south-east of Moomba. Shocking-1 is the first of two conventional oil wells to be drilled in joint venture with Ambassador following the execution of a farm-in agreement.

The Shocking-1 well is targeting mean recoverable oil potential of greater than 250,000 barrels of oil primarily from the Murta, McKinlay, and Birkhead formations. Secondary targets include the Mid-Namur and Hutton Sandstone formations.

Under the terms of the farm-in agreement, Ambassador will pay 100% of drilling costs to earn a 60% interest in each successful prospect. Following the drilling of Shocking-1, Century Drilling Rig 3 will move to the second farm-out well location, Kruger-1 (refer attached map).

Managing Director Ian Davies said Senex was looking forward to working with Ambassador on these exciting prospects.

“Targeted farm-outs are consistent with our growth strategy as they clearly enable Senex to cover additional exploration targets within our large acreage position. We look forward to a successful joint venture with Ambassador and welcome their first investment in the Cooper Basin,” he said.

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Figure 1: Location of Shocking-1 and Kruger-1

