

26 November 2012

## **Pennington-1 Western Flank oil exploration well spuds**

- **First exploration prospect drilled on new Aquillus 3D seismic**
- **Targeting up to 1.1 million barrels recoverable oil**
- **Drilling expected to take 10-14 days**

**Drillsearch Energy Limited (ASX: DLS)** is pleased to announce the spudding of Pennington-1 on 23 November at 22:30 hours. Pennington-1 is the first exploration well drilled on the Aquillus 3D seismic acquired by the PEL 91 Joint Venture as part of the 2011 exploration program. The PEL 91 Joint Venture consists of Drillsearch (60%) and Beach Energy (40% and Operator).

Pennington-1 is located approximately 9.3 km east of the Bauer Oil Field. The primary objective of Pennington-1 is to appraise the Namur Sandstone which is oil productive in several structures further west in PEL 91 at the Bauer, Chiton, and Hanson Oil Fields. The Birkhead Formation, Hutton Sandstone and Poolowanna Formation are considered secondary targets for oil and have been variously proven at the Basham Oil Discovery and the Bauer Oil Field in PEL 91, Christies and Sellicks Oil Fields in the adjoining permit, PEL 92, the Growler Oil Field in PRL 15.

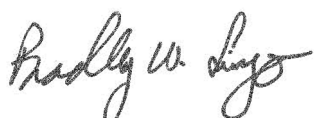
The Pennington Prospect is estimated to have a Mean Recoverable Prospective Resource of 480,000 barrels of oil and a High-side Recoverable Prospective Resource potential of up to 1.16 million barrels of oil.

Managing Director, Mr Brad Lingo said "Pennington-1 is a really exciting well for Drillsearch. It is the first exploration well in PEL 91 for this financial year. With the well located along the oil fairway that appears to have charged the Bauer Oil Field and being located so close to the Permian Edge, a good result at Pennington opens up a broad area east of the Bauer Oil Discovery for further exploration."

Pennington-1 will be drilled as a deviated well with logging and possible testing planned after the well reaches total depth. The main target zone is expected to be penetrated 5 to 7 days after spud.

Following the drilling of Pennington-1 the Ensign 930 rig will move to the PEL 106B Joint Venture where it will drill the Cpprabie-1 wet gas explorations well.

Yours faithfully



Brad Lingo  
Managing Director  
P+612 9249 9600  
[admin@drillsearch.com.au](mailto:admin@drillsearch.com.au)

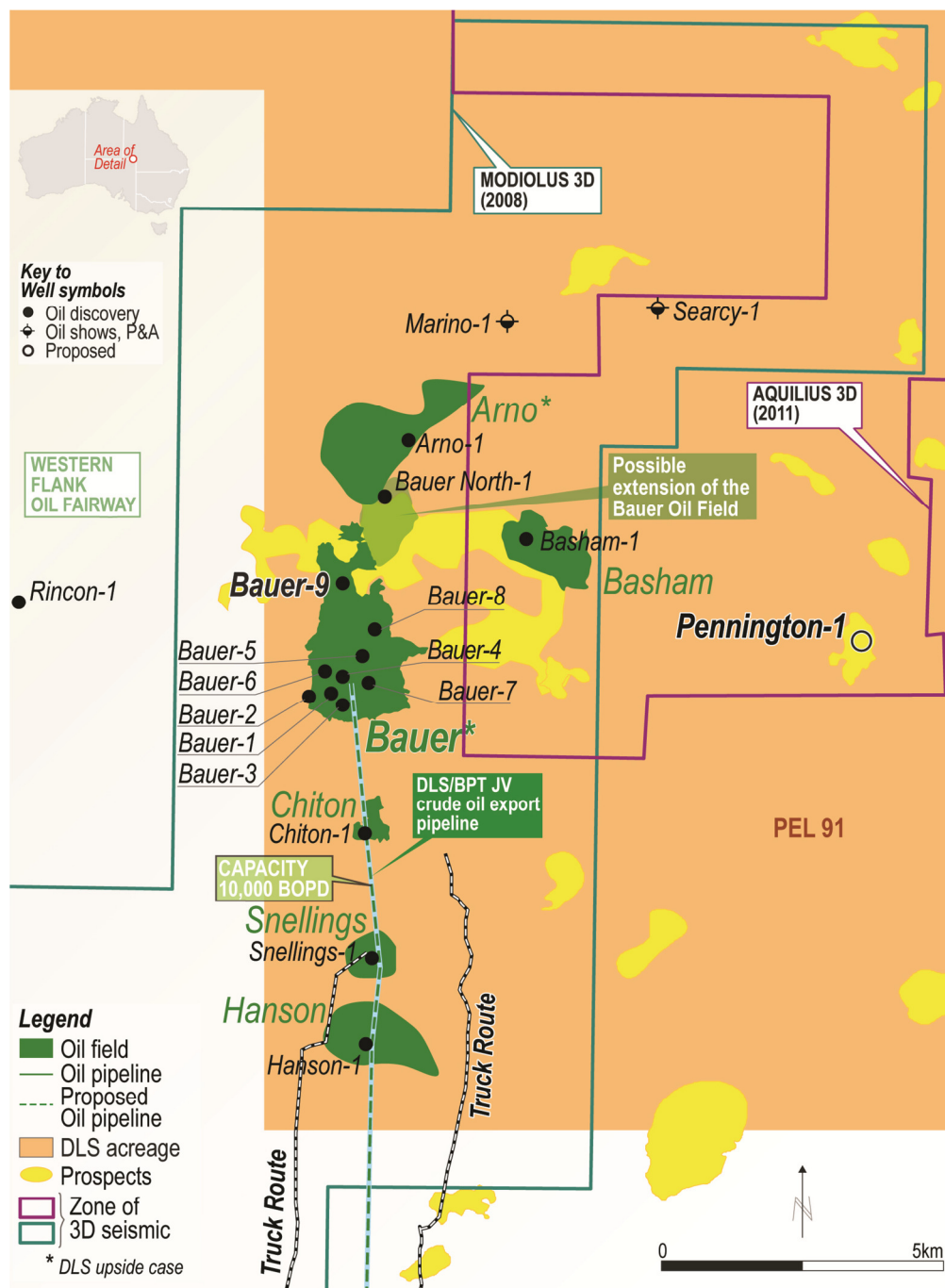
Or visit the website [www.drillsearch.com.au](http://www.drillsearch.com.au) and register for email alerts

Media enquiries to:

Justin Kelly, Director, Mercury Consulting, P: +61 2 8256 3350

E: [justin.kelly@mercuryconsulting.com.au](mailto:justin.kelly@mercuryconsulting.com.au)

## PEL 91 Western Flank Oil Fairway – Bauer Oil Field Development



### Competent Person Statement

Information on the Reserves and Resources in this release has been compiled by Mr. David Evans, Chief Technical Officer of Drillsearch who has given his consent as of the date of this release to the inclusion of this statement and the information in the form and the context in which they appear in this release.

**About Drillsearch Energy Limited** (ASX: DLS), which listed on ASX in 1987, explores and develops conventional and unconventional oil and gas projects.

Drillsearch has a strategic spread of petroleum exploration and production acreage in Australia's most prolific onshore oil and gas province, the Cooper-Eromanga Basins in South Australia and Queensland. The company's focus is on 'brownfields' exploration where geological risk is reduced and there is access to existing infrastructure, ensuring that any discoveries can be brought into production.