

Monthly Drilling Report

September 2016

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AUSTRALIA – COOPER AND EROMANGA BASINS

DEVELOPMENT

Western Flank Oil (Ex PEL 91: Beach 100%)

The Stunsail-3 development well was drilled to develop oil bearing reservoirs in the Namur and Mid-Namur Sandstone in the Stunsail Field, which is located approximately 85 kilometres northwest of the Moomba processing facility. Stunsail-3 also assessed potential for reservoir development in the Birkhead Formation. The well was cased and suspended after intersecting two metres of net pay in the Namur Sandstone and four metres of net pay in the Mid-Namur Sandstone. The well also encountered a 15 metre gross interval within the Birkhead Formation with strong oil shows. The well is to be completed as a Birkhead oil producer to provide extended production test information for this reservoir. The well is expected to be online in Q2 FY17.

Beach has now completed all three development wells in its FY17 operated Western Flank drilling campaign. All three development wells were in line with pre-drill expectations and have been cased and suspended. All are expected to be completed and come online in Q2 FY17.

EXPLORATION AND APPRAISAL

South Australian Gas

(Fixed Factor Area Joint Venture: Beach 20.21%, Santos 66.6% and operator, Origin 13.19%)

A five-well appraisal and development campaign on the central flank of the Big Lake Field, which is located approximately 20 kilometres south-east of the Moomba processing facility continued. The campaign aims to expand the central development area of the field and is targeting the Patchawarra Formation, Tirrawarra Sandstone and Merrimelia Formation, with the Epsilon Formation providing a secondary target. The campaign includes four development wells (Big Lake-135 to -138) which are being drilled from a single pad. Big Lake-135 was cased and suspended as a future Permian gas producer. The well intersected gas pay in the target zones consistent with a low-side outcome. Big Lake-136 was drilling ahead and the end of the reporting period and has subsequently been cased and suspended as a future gas producer.



Western Flank Oil

(Ex PEL 91: Beach 100%)

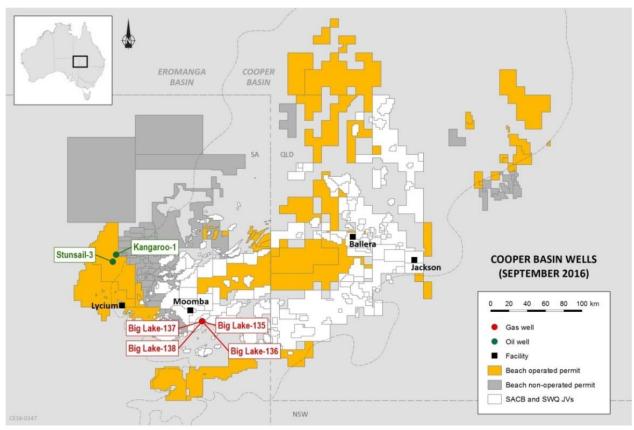
The first well of Beach's operated 10 exploration well campaign for FY17, Kangaroo-1, was spudded on 29 September 2016 and is currently drilling ahead. The well is targeting stratigraphically trapped oil within the Birkhead Formation, approximately four kilometres North West of the Spitfire Field, which produces oil from the target reservoir interval. Wellsite drilling operations are expected to take 13 days to complete.

Monthly Drilling Report - Period ended 06:00, 1 October 2016

Well	Participants		Progress and summary		Primary targets
				Cooper Basin operated	
Kangaroo-1	BPT*	100.00%		766 metres	Birkhead Formation
PRL 156 (ex PEL 91)	┨	10010070	Current depth:	766 metres	
Oil exploration			Status:	Running surface casing	
C/E Basin, SA					
9,2,343, 57.			1		1
Stunsail-3	BPT*	100.00%	Drilling this month:	1,142 metres	Namur Sandstone
PPL 260 (ex PEL 91)			Current depth:	1,821 metres (total depth)	Mid Namur Sandstone
Oil development			Status:	Cased and suspended as a future Namur/Mid Namur	
C/E Basin, SA				Sandstone oil producer	
			•	·	•
			Co	oper Basin non-operated	
Big Lake-135	BPT	20.21%	Drilling this month:	853 metres	Patchawarra Formation
PPL 11	STO*	66.60%	Current depth:	3,185 metres (total depth)	Tirrawarra Sandstone
Gas development	ORG	13.19%	Status:	Cased and suspended as a future Permian gas producer	Merrimelia Formation
C/E Basin, SA					
	•				
Big Lake-136	BPT	20.21%	Drilling this month:	2,550 metres	Patchawarra Formation
PPL 11	STO*	66.60%	Current depth:	3,321 metres	Tirrawarra Sandstone
Gas development	ORG	13.19%	Status:	Drilling ahead	Merrimelia Formation
C/E Basin, SA					
Big Lake-137	BPT	20.21%	Drilling this month:	0 metres	Patchawarra Formation
PPL 11	STO*	66.60%	Current depth:	771 metres	Tirrawarra Sandstone
Gas development	ORG	13.19%	Status:	Surface hole only, part of 4 well pad program	Merrimelia Formation
C/E Basin, SA					
Big Lake-138	BPT	20.21%	Drilling this month:	0 metres	Patchawarra Formation
PPL 11	STO*	66.60%	Current depth:	785 metres	Tirrawarra Sandstone
Gas development	ORG	13.19%	Status:	Surface hole only, part of 4 well pad program	Merrimelia Formation
C/E Basin, SA					

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