



Monthly Drilling Report

January 2017

For immediate release – 1 February 2017

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ASX Ltd
Companies Announcement Office
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AUSTRALIA – COOPER AND EROMANGA BASINS

DEVELOPMENT

South Australian Gas – SACB JV

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

A three-well gas development campaign commenced in the Kanowana Field, which is located approximately 40 kilometres northwest of the Moomba processing facility. The Kanowana structure is a four-way dip closure which has been developed primarily on the western side of the field. Recent 3D seismic data interpretation indicated the structure may extend further east than original 2D data suggested, thereby offering development potential. The wells are being drilled via a single pad and are targeting gas and gas liquids in the Patchawarra Formation and oil in the Tirrawarra Sandstone. The first two wells of the campaign, Kanowana-12 and Kanowana-13, were cased and suspended as future Patchawarra Formation and Tirrawarra Sandstone producers. Based on preliminary interpretation, results were broadly in-line with pre-drill estimates and are summarised below.

Well	Gas			Oil		
	Zone	Net Pay (metres)	Gross Section (metres)	Zone	Net Pay (metres)	Gross Section (metres)
Kanowana-12	Patchawarra	57	376	Tirrawarra	29	33
Kanowana-13	Patchawarra	41	373	Tirrawarra	22	36

EXPLORATION AND APPRAISAL

Western Flank Gas – ex PEL 106

(Beach 100%)

The Crockery-1 gas exploration well is the second of a four-well Permian exploration and appraisal campaign within Beach's 100% owned ex PEL 106 and ex PEL 91 permit areas. Crockery-1 was drilled to test stratigraphic traps on the western flank of the Patchawarra Trough and targeted the Patchawarra Formation. Crockery-1 reached total depth of 2,774 metres on 28 January 2017 and encountered 7.2 metres of net pay across a 19 metre gross section. Testing is currently underway.

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Western Flank Oil – ex PEL 104 / 111

(Beach 40%, Senex Energy 60% and operator)

The Spitfire-8 oil appraisal well was drilled to test a northwest extension of the Birkhead reservoir in the Spitfire Field. The prospect was identified following recent inversion of the Aquillus and Mollichuta 3D seismic surveys, which aimed to delineate the mid-Birkhead reservoir. Spitfire-8 was cased and suspended as a future oil producer following intersection of approximately seven metres of net pay in the target zone. Results were in-line with pre-drill estimates and the well is expected to be brought online in Q3 FY17.

South Australian Gas – SACB JV

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

Strzelecki-32 was drilled as a vertical gas appraisal well in the Strzelecki Field, which is located approximately 45 kilometres southeast of the Moomba processing facility. The prospect was identified following a detailed reservoir study of the Patchawarra Formation and was drilled to test a potential southwest extension of the field. Strzelecki-32 targeted the Patchawarra Formation as a primary objective and the overlying Toolachee Formation as a secondary objective. The well was cased and suspended as a future potential Toolachee Formation producer following intersection of approximately 12 metres of net pay across a 60 metre gross section. No pay was encountered in the Patchawarra Formation.

Queensland Gas – SWQ JV

(Beach 23.2%, Santos 60.06% and operator, Origin 16.74%)

Raffle-2 was drilled as a standalone gas appraisal well in the Raffle Field, which is located approximately 70 kilometres southwest of the Ballera processing facility. The well is crestally located on the western culmination of the Raffle Field. Raffle-2 targeted the Toolachee Formation as a primary objective and the Epsilon Formation as a secondary objective. The well was cased and suspended as a future Toolachee Formation producer following intersection of three metres of net pay across a 120 metre gross section, which was below pre-drill estimates. The well also encountered four metres of net pay across a 97 metre gross section in the Callamurra Member.

Monthly Drilling Report – Period ended 06:00, 1 February 2017

Well	Participants	Progress and Summary	Primary Targets
Cooper Basin Operated			
Crockery-1	BPT* 100.00%	Drilling this month: 2,774 metres	Patchawarra Formation
PRL 130		Current depth: 2,774 metres (total depth)	
Gas exploration		Status: Running drill stem tests	
C/E Basin, SA			
Cooper Basin Non-operated			
Kanowana-12	BPT 20.21%	Drilling this month: 3,290 metres	Patchawarra Formation
PPL 233	STO* 66.60%	Current depth: 3,290 metres (total depth)	Tirrawarra Sandstone
Gas development	ORG 13.19%	Status: Cased and suspended as a future Permian gas producer	
C/E Basin, SA			
Kanowana-13	BPT 20.21%	Drilling this month: 3,365 metres	Patchawarra Formation
PPL 233	STO* 66.60%	Current depth: 3,365 metres (total depth)	Tirrawarra Sandstone
Gas development	ORG 13.19%	Status: Cased and suspended as a future Permian gas producer	
C/E Basin, SA			

Cooper Basin Non-operated				
Spitfire-8	BPT 40.00%	Drilling this month:	1,827 metres	Birkhead Formation
PPL 258	SXY* 60.00%	Current depth:	1,827 metres (total depth)	
Oil appraisal C/E Basin, SA		Status:	Cased and suspended as a future Birkhead Formation oil producer	
Strzelecki-32	BPT 20.21%	Drilling this month:	2,055 metres	Patchawarra Formation
PPL 22	STO* 66.60%	Current depth:	2,055 metres (total depth)	
Gas appraisal C/E Basin, SA	ORG 13.19%	Status:	Cased and suspended as a future Permian gas producer	
Raffle-2	BPT 23.20%	Drilling this month:	2,468 metres	Toolachee Formation
PL 142	STO* 60.06%	Current depth:	2,468 metres (total depth)	
Gas appraisal C/E Basin, QLD	ORG 16.74%	Status:	Cased and suspended as a future Permian and Triassic gas producer	

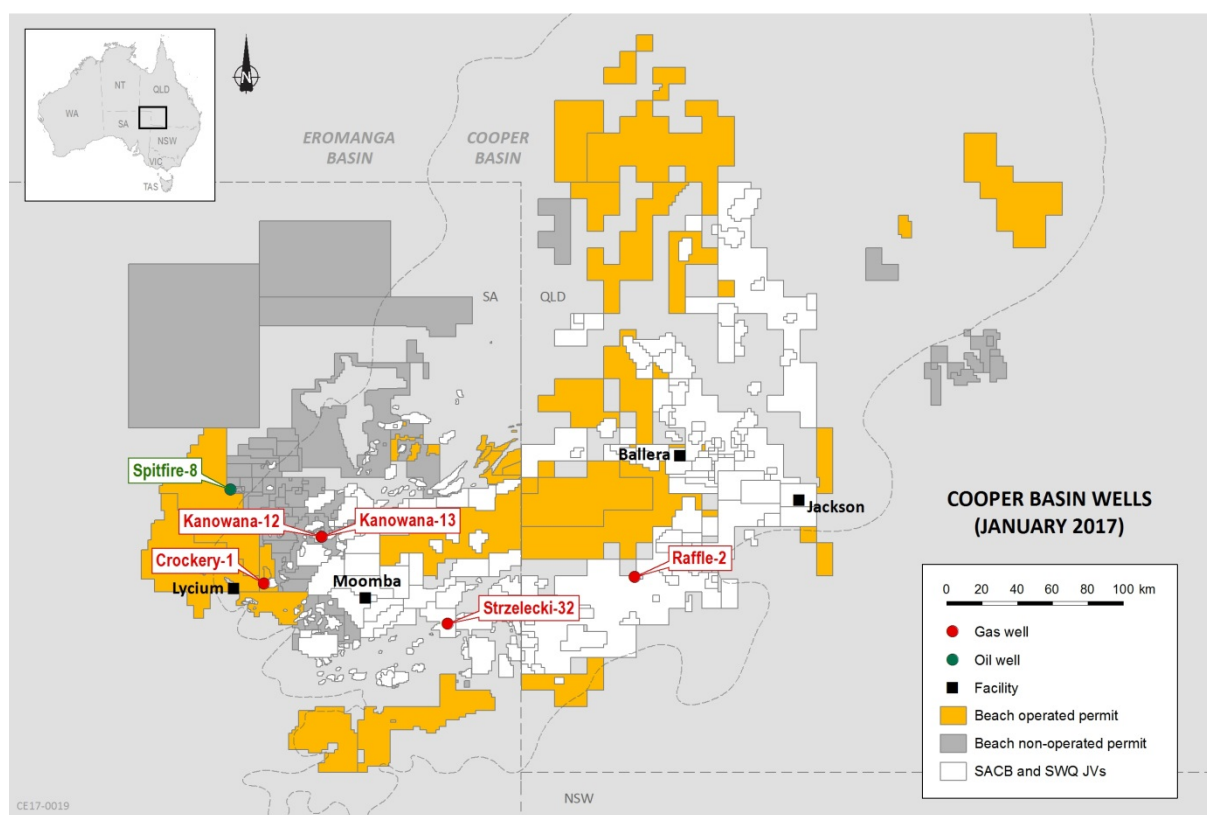
(*) Operator

BPT Beach Energy Ltd

ORG Origin Energy Ltd

STO Santos Ltd

SXY Senex Energy Ltd



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