



ASX/Media Release
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About AusTex

AusTex Oil Ltd (ASX: AOK) is an Exploration and Production company that is focused on the development of oil and gas leases in the USA. The company produces oil and gas in Oklahoma and Kansas. AOK holds interests in ~26,000 net acres of oil and gas leases, including acreage in the exciting Mississippi Lime play in Northern Oklahoma and Kansas.

Balder #1-30N Horizontal Well Update Mississippi Lime Play - Northern Oklahoma

-  **Production testing set to commence**
-  **Multi-stage Frac successfully completed**
-  **Substantial reservoir knowledge gained**

AusTex Oil Limited (ASX:AOK – OTCQX:ATXDY) is pleased to report the following update on drilling operations in Northern Oklahoma.

Snake River Project - Balder #1-30N Horizontal Well

Section 30, Township 25 North, Range 1 East

Kay County, Oklahoma

AOK 13.73% Working Interest 11.15% Net Revenue Interest

The operator, Range Production Company Inc., reports that the Balder #1-30N horizontal well was successfully hydraulically fractured and is currently flowing back fluid. The well is being tied into onsite storage facilities for production testing.

As previously report the well reached a TMD of 8,952 including a 3,911 foot horizontal section in the Mississippi Lime formation. The horizontal section was stimulated with a 19 stage frac completed over two days of operations.

Range Production Company Inc., a subsidiary of Range Resources Corporation (NYSE:RRC), is the operator and holds the remaining working interest.

RRC has produced a typical type curve and economics based on previously drilled wells adjacent to the Balder #1-30 N. Estimated Ultimate Recovery (EUR) per well is between 400,000 BOE to 500,000 BOE comprising 70% liquids. With a drilling and completion cost of ~\$3.1m, their wells show an internal rate of return of between 90% to 105% using a \$100 oil price model on the above EURs (Please refer to Figure 1 below).

Managing Director of AOK, Daniel Lanskey commented, “Our participation in this well with Range has provided a substantial amount of additional reservoir knowledge and is another step in derisking the Snake River Project development. This information has provided us with a greater certainty of success as we

continue our development drilling with additional vertical wells underway. As this was the first horizontal well we have been involved in, we took a low risk approach by working with Range, who have been in full scale development in the area for over a year. We are continuing our discussions with other Companies regarding participation in additional horizontal wells. Our goal is to substantially increase our production in this project over the coming months”.

Further updates will be made when production testing commences.

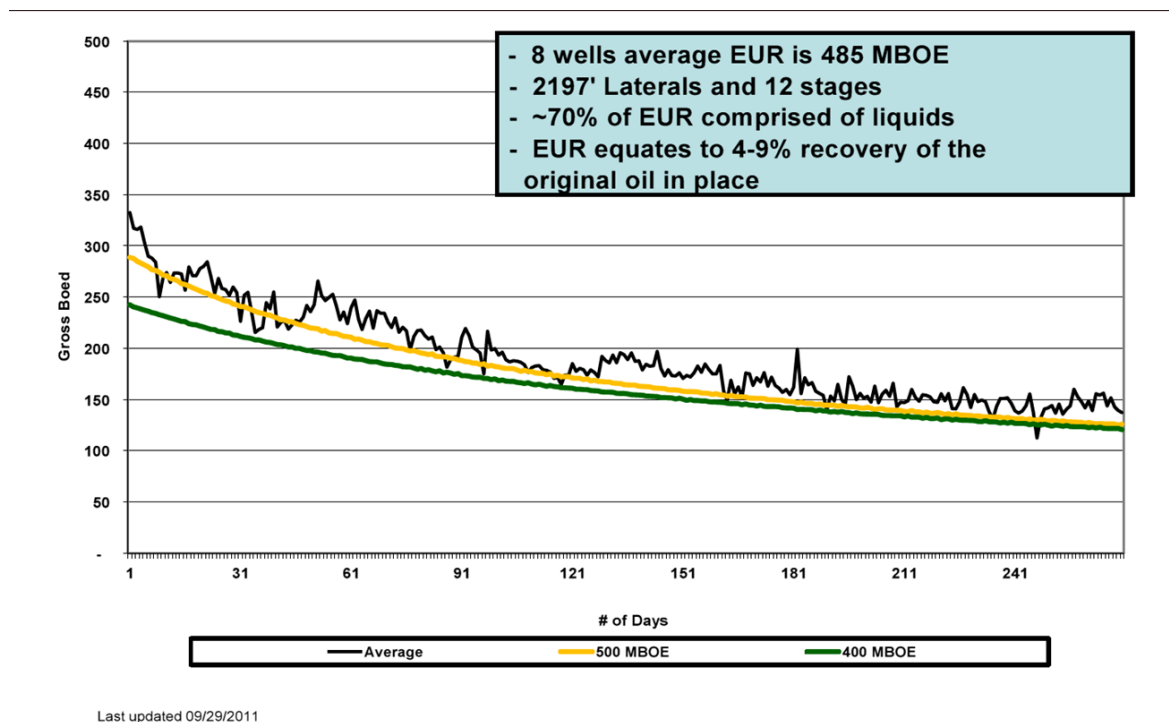


Figure 1 Mississippian Horizontal Type Curve published by Range Resources Inc.

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