



## AusTex's daily production averages 500 boepd

- Daily production of 500 boe/day achieved during final week of September
- Production growth driven by:
  - #20-1 vertical well achieving 30-day initial production average of 95 boepd
  - #20-3 vertical well achieving 7-day initial production average of 92 boepd
- #20-5 connected to tank battery & production testing commencing this week
- Vertical and Horizontal well development program continuing at Snake River
- Significant monthly production growth expected from October onwards

United States focused oil & gas producer AusTex Oil Limited (ASX:AOK OTCQX:ATXDY) is pleased to report that during the final week of September 2012 the Company achieved a key production milestone with an average oil and gas production of 500 barrels of oil equivalent per day.

The significant increase in average daily production was due primarily to the contribution of only two new wells coming on stream at the company's 100% owned Snake River Project in North Oklahoma.

The #20-1 vertical well achieved a 30-day initial production average of 95 boepd, and the #20-3 vertical well achieved a 7-day initial production average of 92 boepd.

AusTex is extremely encouraged by the performance of these two new production wells and the company confirms that the vertical well development program is continuing with six additional vertical wells now in various stages of development. Of note, the #20-5 is being completed and connected to the tank battery this week. A further two vertical wells are expected to be drilled this month.

Executive Chairman Richard Adrey commented: *"This production performance is an early confirmation of the consistent production we are likely to record from October onward, and it reflects the impact of our ongoing vertical well development program at Snake River.*

*"Of particular note is the performance of the #20-1 after 30 days. For some time we have been saying that we want to deliver wells into production that have more sustainable and consistent production rates and the #20-1 reflects this.*

*"Importantly, this production confirms that we are in the early stages of building a revenue profile which will help to fund AusTex's future growth.*

*"Shareholders should be aware that AusTex's production, while pleasing, is still in its infancy. With three vertical wells in the development phase, a further six vertical production wells to be drilled this calendar year, and a planned horizontal well participation program with Range Resources, we are confident that our production profile is only just being established."*

**AusTex Oil Limited**  
A.C.N. 118 585 649

**ASX: AOK**  
**OTCQX: ATXDY**

Level 57, MLC Centre  
19-29 Martin Place  
Sydney NSW 2000  
Telephone +61 2 9238 2363  
Fax +61 2 8088 7280

### Contact

Daniel Lanskey  
Managing Director  
[dan.lanskey@austexoil.com](mailto:dan.lanskey@austexoil.com)

### Website

[www.austexoil.com](http://www.austexoil.com)

<https://twitter.com/AusTexAOK>

### Directors

**Richard Adrey**  
(Executive Chairman)

**Kwang Hou Hung**  
(Deputy Chairman)

**Justin Clyne**  
(Non-executive Director and  
Company Secretary)

**Daniel Lanskey**  
(Managing Director)

**Kay Philip**  
(Non-executive Director)

**Luis Vierma**  
(Non-executive Director)

### 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 highly prospective Mississippi Lime play in Northern Oklahoma and Kansas.

**Well Status Update – Snake River Project - Northern Oklahoma**

	<u>Well</u>	<u>Status</u>	<u>Comments</u>
<u>Production Hub No. 1</u> AOK 100%	<u>#14-5</u>	<b>Producing</b>	
	<u>#15-4</u>	<b>Producing</b>	
	<u>#17-6</u>	<b>Producing</b>	Change-out of pump and tubing to increase production mid month.
	<u>#14-7</u>	<b>Production Testing</b> <b>Miss Lime solid</b>	Miss Chat to be perforated and completed. 40boep/d
<u>Production Hub No. 2</u> AOK 100%	<u>#20-D1 SWD</u>	Operational	Gas Sales Underway
	<u>#20-1</u>	<b>Producing</b> <b>30 day ave</b>	95 boe/day
	<u>#20-2</u>	Fracced & awaiting Flow back and Completion	
	<u>#20-3</u>	Production Testing 7 day ave	92 boe/day
	<u>#20-4</u>	Fracced & awaiting Flow back & Completion	Target 12 October for production testing.
	<u>#20-5</u>	Fracced & awaiting Flow back and Completion	Target 19 October for production testing
	<u>#21-3</u>	Frac set for October	
<u>Horizontal Wells</u>  Range Production Co. Operator	<u>Balder #1-30N</u>  AOK 13.76% Working Interest	<b>Producing</b>	

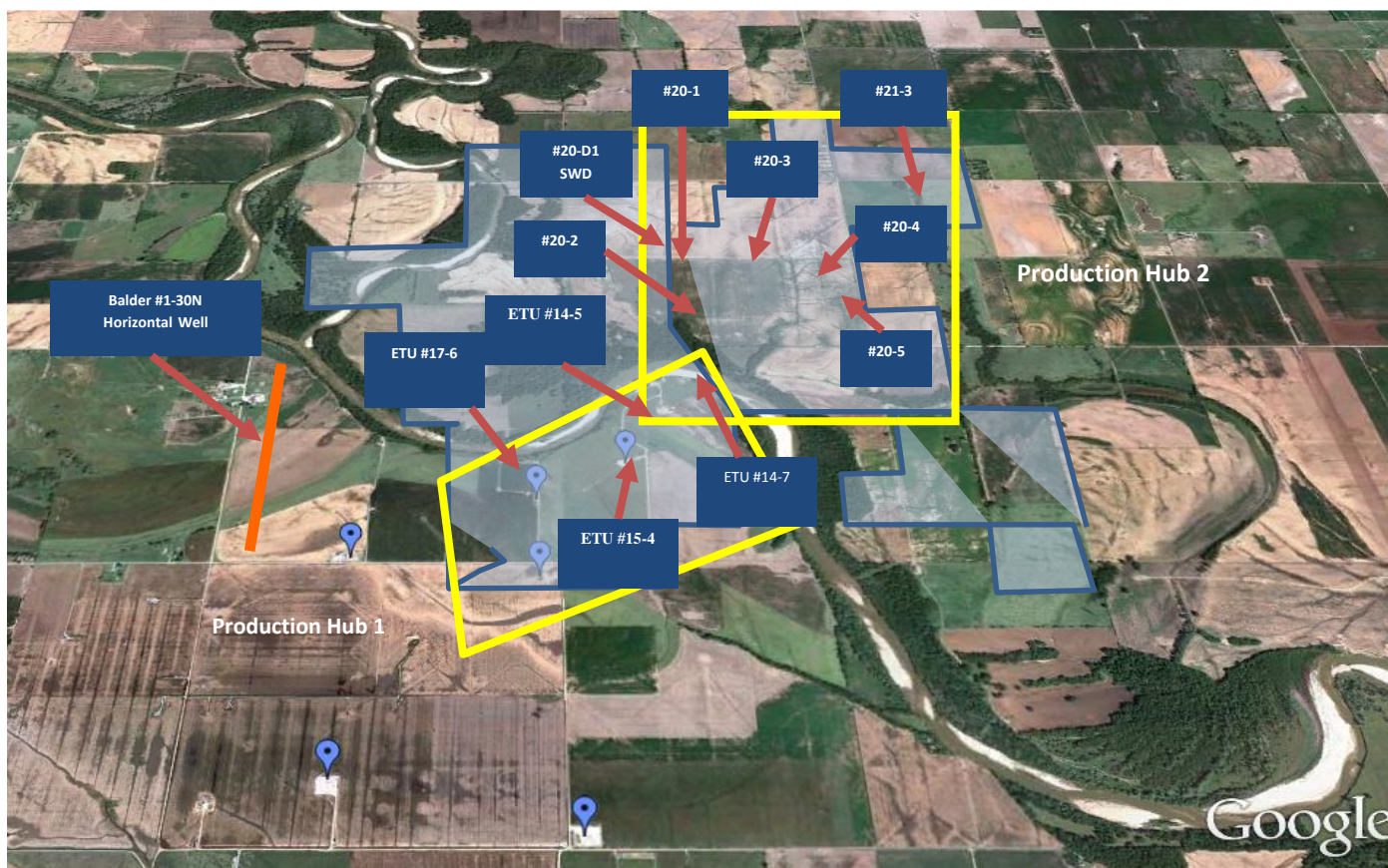


Figure 1: Location of wells on South-West section of Snake River Project, Northern Oklahoma

**For further information please contact:**

**Daniel Lanskey,**  
**Managing Director**  
**Australia +61 408 885018**

**Richard Adrey**  
**Executive Chairman**  
**USA +1 918-743-7300**

Released through Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448

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