



## AusTex Spuds Sixteenth vertical well at Snake River Project targeting Mississippi Lime Play

- Drilling of two new vertical wells per month continues
- Nicholson #20-7 reaches TD, intersecting 375 feet of Miss Lime
- Drilling underway on the 16<sup>th</sup> Snake River well – the Read #20-8
- Production of Snake River wells tracking above typical type curves for vertical wells

United States mid-continent focused oil & gas producer AusTex Oil Limited (**ASX:AOK – OTCQX:ATXDY**) is pleased to update shareholders on its vertical well drilling program at the Company's 100% owned Snake River Project in Northern Oklahoma.

### Nicholson #20-7 well reaches TD

Drilling operations on the Nicholson #20-7 vertical well successfully reached TD at 4,732 feet over the weekend. The well intersected 375 gross feet of the target Mississippi Lime interval including 30 feet of highly porous Chat at 4,330 feet. Additional porosity streaks were logged in the Mississippi Lime interval.

Logs and samples indicate the presence of hydrocarbons in additional intervals including the Woodford Shale and the Skinner and Cleveland Sands. Casing has been run and cement set with the well to be completed for oil and gas production.

### Read #20-8 Well

Drilling operations have now commenced on the Read #20-8 vertical well, the 16<sup>th</sup> vertical well at the Snake River Project. Surface casing has been set to 286 feet and contractors are waiting on cement to set prior to drilling ahead. The well is targeting the Mississippi Lime interval and is a step out well from the #20-7 with an expected TD of 4,750 feet.

AusTex Executive Chairman Richard Adrey commented: *“Our program of drilling two new vertical production wells per month at the Snake River Project is on track and progressing to plan. We have just commenced drilling our 16<sup>th</sup> vertical well at Snake River with two further wells to follow next month.*

*“Snake River is continuing to shape up as an excellent asset with oil and gas production data tracking well above typical type curves for vertical wells. With an estimated ultimate recovery of 85,000 barrels of oil equivalent per well at a cost of \$600,000, the economics of the vertical well program are exceptional, and this is starting to be recognised in our growing revenue and production numbers. These wells are costing one-sixth of a horizontal well with between a third and a fourth of the Estimated Ultimate Recoveries (EURs).*

*“AusTex is well placed to continue the same level of development in 2013 and we will continue to drill two vertical wells per month at Snake River this year, as well as participating in horizontal well development programs.”*

AusTex will shortly update shareholders on its production for the December quarter. The company will also shortly report on development activities for new vertical wells which are now entering production. AusTex has also provided a new image and table (overleaf) of its vertical and horizontal wells at the Snake River Project.

### For further information please contact:

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

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

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

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

Level 7, 207 Kent Street,  
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)

**Russell Krause**  
(Non-Executive Director)

**Daniel Lanskey**  
(Managing Director)

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

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

**Company Secretary**  
Tom Bloomfield +61 2 9290 9617

### **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.

