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### ASX RELEASE

For Immediate Release – 3 August 2011  
 Ref. #089/11

### AUSTRALIA

#### Beach Operated Cooper-Eromanga Oil – Western Flank

Four exploration wells have been drilled in the Western Flank region during the report period.

#### PEL-92 (Beach 75%)

The Ensign#30 rig drilled the Wheatons-1 well, which was plugged and abandoned without oil shows. This was followed with success at the Rincon-1 exploration well located 20 kilometres NNW of Callawonga, which encountered a gross five metre oil column at the top of the McKinlay/Namur reservoir section. The well has been cased and suspended as a future oil producer.

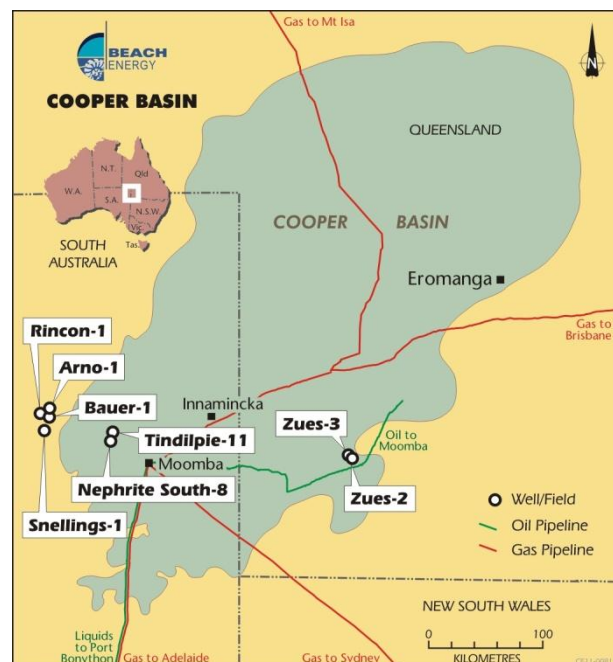
The rig is currently moving to the Elliston-1 location, also within PEL-92.

#### PEL 91 (Beach 40%)

The Ensign #18 rig drilled Arno-1 and Bauer-1, where a significant oil discovery was made.

At Arno-1, a small recovery of oil from a drill stem test (DST) of the Birkhead Formation and a thin oil column in the Namur Sandstone as indicated by wireline data, were assessed by Beach as sub-commercial accumulations. Beach determined that further testing and the casing of Arno-1 was not warranted, and subsequently elected not to participate in these well activities.

Drilling at Bauer-1 encountered a gross oil column of fifteen metres, with thirteen metres of net pay at the top of the McKinlay/Namur Sandstone interval. A preliminary volumetric assessment indicates



the discovery could hold in the order of two million barrels of recoverable oil (gross). Bauer-1 is located 2.6 kilometres north from the Chiton Oilfield and 5.9 kilometres north of the recent Hanson discovery. The well has been cased and suspended, with the rig to move to Searcy-1, which will be the final well in PEL-91’s approved five well exploration campaign.

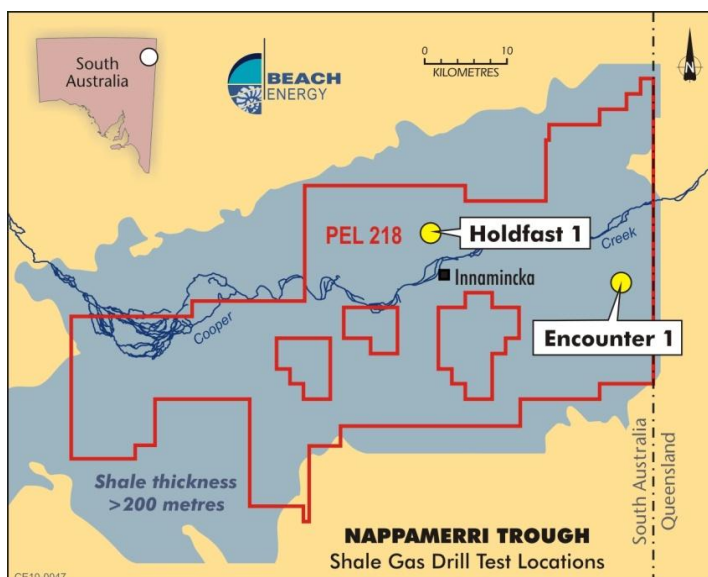
### Santos Operated Cooper Basin Oil and Gas Development

Two gas development wells (Tindilpie-11 and Nephrite South-8) were drilled in the Greater Tindilpie Field area during the month (Beach 20.21%). Both wells are currently being cased and suspended as future Patchawarra Formation gas producers, with the Saxon rigs scheduled to continue development drilling in this field for several weeks.

The Saxon#184 rig drilled two successful oil appraisal wells on the Zeus Field in Queensland (Total66 Block, Beach 30%). Zeus-2 and -3 are located 1240 metres and 510metres, respectively, from the Zeus-1 discovery and successfully intersected Hutton oil. Zeus-2 has been cased for future production and preparations are underway to run casing at Zeus-3.

### Beach Operated Cooper Basin Shale Gas Exploration – PEL 218

After fracture stimulation last month, Holdfast-1 was opened to flow early in July and is undergoing an extended clean-up and flow-testing program. When initially diverted to a separator the well flowed strongly at an average rate of 1.8 million standard cubic feet per day (MMscf/d) together with water (stimulation fluid) through a 32/64 inch choke. This flow is from the stimulated Roseneath Shale, Epsilon Formation and Murteree Shale interval of the well and exceeds Beach’s expectations for productivity from a vertical well in this play. Assessment of all aspects of the well performance, including gas composition, pressure analysis and rate decline will take place over the coming months. Accordingly, Beach is preparing to shut-in the well to gain pressure build-up information as part of performance evaluation.

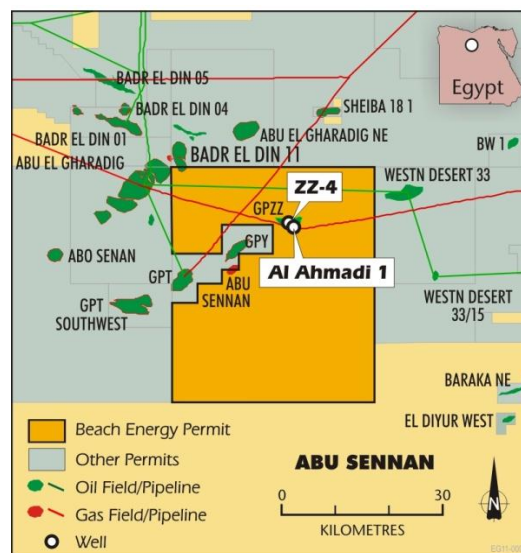


## INTERNATIONAL

### Kuwait Energy Operated – Abu Sennan Concession, Egypt

Al Ahmadi-1 (Beach 22%) spudded on 3 July and is currently drilling ahead at 2890metres having set intermediate casing at 2716 metres. Al Ahmadi-1 is the second well in a six-well drilling program that is designed to test several play concepts within the Abu Sennan concession.

A second rig has been contracted and moved to the ZZ-4 well-site and is preparing to conduct flow testing operations over oil shows within the Alam El Bueib Formation and the Alamein Dolomite.



## Drilling Report – Period ending 3 August 2011

Well	Participants	Progress & Summary	Primary Targets
<b>Rincon-1</b> PEL 92 Oil Exploration C/E Basin, SA	BPT* 75.00% COE 25.00%	Report Time: 0600 (CST) 3/08/2011 Depth: 1900m (TD) Operation: Well is cased and suspended as a future Namur Sandstone oil producer. Progress: 1900m	Namur Sandstone
<b>Bauer-1</b> PEL 91 Oil Exploration C/E Basin, SA	BPT* 40.00% DLS 60.00%	Report Time: 0600 (CST) 3/08/2011 Depth: 1931m (TD) Operation: Well is cased and suspended as a future Namur Sandstone oil producer. Progress: 1931m (TD)	Namur Sandstone Birkhead Formation
<b>Wheatons-1</b> PEL 92 Oil Exploration C/E Basin, SA	BPT* 75.00% COE 25.00%	Report Time: 0600 (CST) 3/08/2011 Depth: 1882m (TD) Operation: Well is plugged and abandoned. Progress: 1882m (TD)	Namur Sandstone
<b>Arno-1</b> PEL 91 Oil Exploration C/E Basin, SA	BPT* 40.00% DLS 60.00%	Report Time: 0600 hrs (CST) 3/08/2011 Depth: 1900m (TD) Operation: Well is cased and suspended (less than all parties). Progress: 1246m	Namur Sandstone Birkhead Formation
<b>Holdfast-1</b> PEL218 Gas Exploration C/E Basin, SA	BPT* 90.00% ADE 10.00%	Report Time: 0600 hrs (CST) 6/07/2011 Depth: 3487m (TD) Operation: Flow testing. Progress: 0m	R-E-M Interval
<b>Zeus-3</b> PL 301 Oil appraisal C/E Basin, QLD	BPT 30.00% STO* 70.00%	Report Time: 0600 hrs (AEST) 3/08/2011 Depth: 1751m (TD) Operation: Well to be cased and suspended as a future Hutton Sandstone oil producer. Progress: 1751m	Birkhead Formation Westbourne Formation
<b>Zeus-2</b> PL 301 Oil appraisal C/E Basin, QLD	BPT 30.00% STO* 70.00%	Report Time: 0600 hrs (AEST) 3/08/2011 Depth: 1744m (TD) Operation: Well is cased and suspended as a future Hutton Sandstone oil producer. Progress: 1744m	Birkhead Formation Westbourne Formation
<b>Tindilpie 11</b> PPL140 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 3/08/2011 Depth: 3164m (TD) Operation: Preparing to run wireline logs. Progress: 3117m	Patchawarra Formation Tirrawarra Sandstone
<b>Nephrite South-8</b> PPL 140 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 3/08/2011 Depth: 3263m (TD) Operation: Well is cased and suspended as a future Patchawarra Formation gas producer. Progress: 3263m	Patchawarra Formation Tirrawarra Sandstone (s)
<b>Al Ahmadi 1</b> Abu Sennan Concession Oil Exploration Western Desert, Egypt	BPT 22.00% KEE* 50.00% DVPC 28.00%	Report Time: 0600 local 2/08/2011 Depth: 3142m Operation: Drilling ahead 8.5" hole Progress: 3142m	Kharita Formation Bahariya Formation
<b>ZZ-4</b> Abu Sennan Concession Oil Exploration Western Desert, Egypt	BPT 22.00% KEE* 50.00% DVPC 28.00%	Report Time: 0600 hrs (local) 2/08/2011 Depth: 4715m (TD) Operation: Well is being prepared for cased hole evaluation of oil shows. Progress: 0m	Khatatba Formation Bahariya Formation

(\*) Operator  
BPT Beach Energy Ltd  
ORG Origin Energy Resources

(s) Secondary Targets  
ADE Adelaide Energy  
STO Santos Limited

KEE Kuwait Energy  
DVPC Dover Petroleum

COE Cooper Energy  
DLS Drill Search Energy Limited

A handwritten signature in black ink, appearing to be "Neil Gibbins", with a long horizontal line extending to the right.

Neil Gibbins  
Chief Operating Officer

**For more information contact**

**Corporate**

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**Investor Relations**

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