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ASX RELEASE

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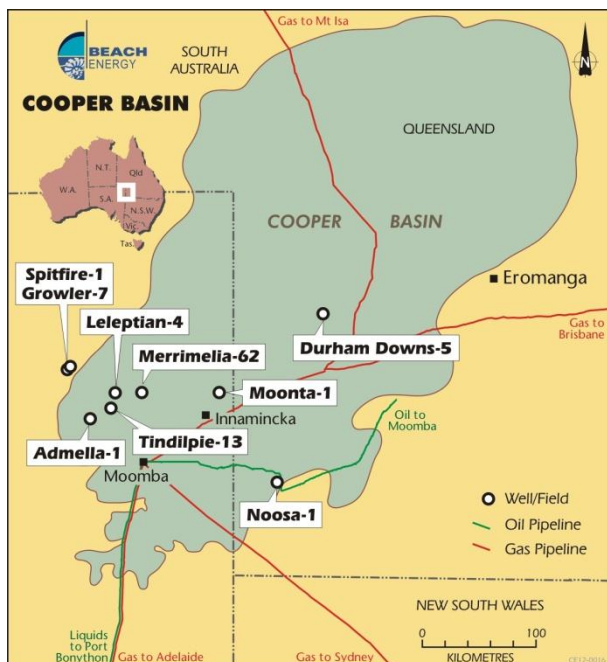
AUSTRALIA

Beach Operated Cooper-Eromanga Oil and Gas

An eleven well completion program is underway to bring the successful wells from the 2011 drilling campaign into production. Six PEL 92 wells (Beach 75%) are expected to be progressively brought online during February and the new Bauer facility and wells (PEL 91) online in April. Notable flow results to date include Parsons-4 (PEL 92, Beach 75%), which tested at 7600 barrels of oil per day (bopd) and is now online, and PEL 91 wells (Beach 40%) Bauer-1 at 6000 bopd, Bauer-3 at 760 bopd and Hanson-1 at 1150 bopd, which are awaiting facility construction works.

Two exploration wells were drilled in the Cooper-Eromanga Basin during the report period.

The Admella-1 exploration well (PEL 106B, Beach 50%) was the second of five planned exploration wells designed to address the distribution of stratigraphically trapped gas on the Patchawarra Trough margin, and to gather additional data on the Patchawarra Formation deep coal gas play. The well recovered 5.5 metres of Patchawarra coal core that will be evaluated as part of Beach's unconventional gas strategy. A sand with gas shows was tested, flowing at a maximum rate of 5.5 million cubic feet per day. The flow declined during the duration of the test which also produced formation water. As a result the well was subsequently assessed to be sub-economic and is currently being plugged and abandoned. A further three wells are planned in this campaign.



The Noosa-1 exploration well (ATP 633P, Beach 50%) was drilled to test the oil potential of a prospect along the southern margin of the Cooper-Eromanga. Three drill stem tests were conducted to test oil shows in the McKinlay and Murta Formations. All three recovered formation water with traces of oil. Noosa-1 was consequently plugged and abandoned with a further three wells planned along this southern margin.

Senex Operated Cooper-Eromanga Oil –Western Flank (Beach 40%)

Two wells were drilled within the PEL 104/PRL 15 permits (Beach 40%) during the month. The first, Growler-7, successfully intersected the mid-Birkhead reservoir and extended the field approximately 600 metres to the west of Growler-3. Growler-7 has been cased and will be duly completed as a Birkhead oil producer. The second well is an exploration well, Spitfire-1, that has intersected strong oil shows within the target mid-Birkhead interval. A drill stem test is currently being conducted to test fluid content and deliverability.

Beach Operated Cooper Basin Unconventional Gas Program

A workover rig is milling out a packer within the Encounter-1 wellbore in PEL 218 (Beach 100%) to enable the commencement of fracture stimulation activities now expected to occur in mid February.

The Ensign 916 drilling rig spudded Moonta-1 (PEL 218, Beach 100%) on 23 January. This well will be the first in a campaign of at least five wells designed to delineate the resource potential of the shale and basin centred gas volumes within the Nappamerri Trough.

Santos Operated Cooper Basin Oil and Gas Development

Four gas development wells were drilled during the month; Merrimelia-62, Leleptian-4 and Tindilpie-13 in South Australia (Beach 20.21%) and Durham Downs-5 in Queensland (Beach 23.20%). Three of the wells have been cased and suspended as future gas producers, while the fourth well has reached total depth and is conducting logging operations.

INTERNATIONAL

Kuwait Energy Operated – Abu Sennan Concession, Egypt

El Salmiya-1 (Beach 22%), located approximately 10 kilometres east of the Al Ahmadi-1 and ZZ-4 discoveries, is currently running a testing program over the shallower zones which had strong hydrocarbon shows, before considering options for testing the deeper intervals.

Al Jahraa-1, located about 20 kilometres west of the Al Ahmadi-1 and ZZ-4 wells, reached total depth in the Kharita Formation at 3700 metres. A program of flow testing is underway to evaluate strong hydrocarbon shows at several horizons in the well. Al Jahraa-1 is the fourth of the six-well program within the Abu Sennan Concession.

Salwa-1, located approximately 15 kilometres southwest of the Al Ahmadi-1 and ZZ-4 discoveries, is currently at 2315 metres, having just finished a casing run and about to drill out the casing shoe.

Drilling Report – Period ending 1 February 2012

Well	Participants	Progress & Summary	Primary Targets
Admella-1 PEL 106 Gas Exploration C/E Basin, SA	BPT* 50.00% DLS 50.00%	Report Time: 0600 (CDT) 01/02/2012 Depth: 2954m (TD) Operation: Well is being plugged and abandoned. Progress: 0m	Patchawarra Formation, Toolachee Formation
Noosa-1 ATP-633P Oil Exploration C/E Basin, QLD	BPT* 50.00% STO 50.00%	Report Time: 0600 (EST) 01/02/2012 Depth: 1369m (TD) Operation: Well is plugged and abandoned. Progress: 203m	Murta Formation, McKinlay Member
Moonta-1 PEL 218 Shale Gas Exploration Cooper, SA	BPT* 100.00%	Report Time: 0600hrs (CDT) 01/02/2012 Depth: 1979m Summary: Drill ahead in the Wallumbilla Formation. Progress: 1979m	Roseneath Shale, Epsilon Formation, Murteree Shale, Patchawarra Formation, Toolachee Formation
Spitfire-1 PEL 104 Oil Exploration C/E Basin, SA	BPT 40.00% SXY* 60.00%	Report Time: 0600 hrs (CDT) 01/02/2012 Depth: 1840m Operation: Rigging down drill stem test tools. Progress: 1840m	Mid-Birkhead Formation, Hutton Sandstone
Growler 7 PRL 15 Oil Exploration C/E Basin, SA	BPT 40.00% SXY* 60.00%	Report Time: 0600 hrs (CDT) 01/02/2012 Depth: 1850m (TD) Operation: Well is cased and suspended as a future Mid-Birkhead Formation oil producer. Progress: 1850m (TD)	Mid-Birkhead Formation, Hutton Sandstone
Merrimelia 62 PPL7 (Moomba Block) Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CDT) 01/02/2012 Depth: 2293m (TD) Operation: Well is cased and suspended as a future Paning Formation oil producer and gas from the Callamurra and Toolachee Formations. Progress: 522m	Toolachee Formation, Callamurra Member
Leleptian 4 PPL 238 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 01/02/2012 Depth: 3148m (TD) Operation: Well is cased and suspended as a future Toolachee Formation and Patchawarra Formation gas producer. Progress: 726m	Patchawarra Formation
Tindilpie 13 PPL 95 (Pad drill) Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CDT) 01/02/2012 Depth: 3217m (TD) Operation: Preparing to run wireline logs. Progress: 3217m	Patchawarra Formation, Tirrawarra Sandstone
Durham Downs-5 PL80 Gas Development C/E Basin, QLD	BPT 23.20% STO* 60.06% ORG 16.74%	Report Time: 0600 hrs (AEDT) 01/02/2012 Depth: 2744m (TD) Operation: Well is cased and suspended as a future Toolachee Formation and Patchawarra Formation gas producer. Progress: 401m	Toolachee Formation
Salwa 1X Abu Sennan Concession Oil Exploration Western Desert, Egypt	BPT 22.00% KEE* 50.00% DOV 28.00%	Report Time: 0600 hrs (local) 01/02/2012 Depth: 2442m Operation: Drill ahead in Abu Roash "B" Formation Progress: 2442m	Abu Roash "G", Bahariya Formation
Ei Salmiya-1 ST-1 Abu Sennan Concession Oil Exploration Western Desert, Egypt	BPT 22.00% KEE* 50.00% DOV 28.00%	Report Time: 0600 hrs (local) 01/02/2012 Depth: 3799m (TD) Operation: Drill stem testing to evaluate hydrocarbon shows. Progress: 0m (Side track one kick off point 3584m)	Abu Roash "G", Bahariya Formation
Al Jahraa 1X Abu Sennan Concession Oil Exploration Western Desert, Egypt	BPT 22.00% KEE* 50.00% DOV 28.00%	Report Time: 0600 hrs (local) 01/02/2012 Depth: 3700m (TD) Operation: Well is completed as a future oil producer. Rig released to Hawalli-1. Progress: 101m	Abu Roash "G", Bahariya Formation

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

(s) Secondary Targets
DLS Drillsearch Energy
STO Santos Limited

SYX Senex Energy
KEE Kuwait Energy
DOV Dover Investments Ltd

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

Neil Gibbins
Chief Operating Officer

For more information contact

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