



Monthly Drilling Report

March 2012

ASX RELEASE

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AUSTRALIA

Operated Cooper Basin Unconventional Gas Program

In PEL 218 (Beach 100%), workover operations at Encounter-1 have been completed. A diagnostic fracture injection test of the Patchawarra Formation was successfully conducted on 3 April which indicated fracture initiation pressures consistent with the Holdfast-1 well. The main fracture stimulation program will commence in the second half of April, once the fracture stimulation equipment is released from the Moomba-191 well (SACB JV, Beach 20.21%).

The stimulation and evaluation program for Encounter-1 will commence with the treatment of the Patchawarra interval followed by a flow test for a period of up to 30 days. Further details relating to the stimulation of the remaining intervals will be provided at a later date. The information gathered from this program will assist in the design of the horizontal program.

The Moonta-1ST1 well (PEL 218) is currently drilling ahead in the Patchawarra Formation (currently at around 3,500 metres) after delays due to weather and technical issues, which lead to the successful completion of a side track. It is expected that Moonta-1ST1 will take approximately two weeks to reach its planned total depth at the base of the Patchawarra Formation. This well is the first in a campaign of at least five wells designed to delineate the resource potential of the shale and basin centred gas play within the Nappamerri Trough.

The Marsden-1 exploration well (PEL 95, Beach 50%) is being drilled to test the unconventional gas potential of the Permian interval within the Battunga Trough region, approximately 55 kilometres southeast of Moomba. The well is being drilled in the deepest part of the trough and outside of structural closure.

Operated Cooper-Eromanga Oil and Gas

The Haslam-1 exploration well (PEL 106B, Beach 50%) is the fourth planned exploration well in this permit designed to test for stratigraphically trapped gas on the Patchawarra Trough margin, and to gather additional data on the Patchawarra Formation deep coal gas play. The well cored a 28 metre interval of the Patchawarra Formation, recovering approximately 10 metres of Patchawarra coal, which will be evaluated as part of the Joint Venture's unconventional gas strategy in this area. The well has reached a total depth of 2913 metres RT and is currently being evaluated. Southend-1 in PEL 107 (Beach 40%) is the fifth well planned in the current gas exploration campaign.



Senex Operated Cooper-Eromanga Oil – Western Flank

The Thunderchief-1 exploration well was drilled within PEL 104 (Beach 40%) and was plugged and abandoned, with the well intersecting minor oil shows, but failing to intersect reservoir sandstone within the target interval.

The rig has subsequently moved back to PRL 15 to drill an oil development well, Growler-10, approximately 600 metres to the west-southwest of Growler-1. As of this morning it was drilling ahead at a depth of 1729 metres.

Santos Operated Cooper Basin Oil and Gas Development

The Tindilpie-15 gas development well (Beach 20.21%) was drilled, cased and suspended as a future gas producer.

An oil exploration well, Bullamakanka-1, was drilled in ATP 259P (Innamincka Block, Beach 30%). Evaluation of the well indicated no commercial hydrocarbons, resulting in the well being plugged and abandoned.

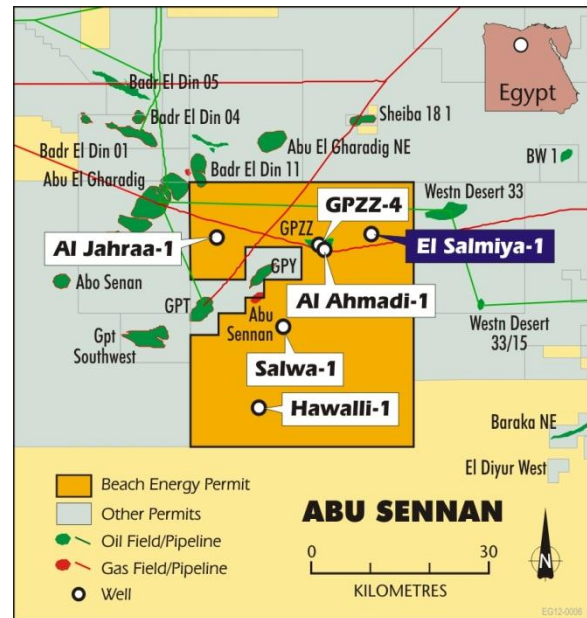
The Charo-9 oil development well (PPL 177, Beach 20.21%) was successfully cased once access resumed earlier this month. The rig subsequently drilled, cased and suspended Charo-10, in which the target mid-Birkhead reservoir was again successfully intersected. The rig is currently drilling Charo-11.

INTERNATIONAL

Kuwait Energy Operated – Abu Sennan Concession, Egypt

El Salmiya-1 (Beach 22%) has been completed ready for production to an early production facility once the development lease is approved by EGPC. El Salmiya-1 is located approximately 10 kilometres east of the Al Ahmadi-1 and ZZ-4 discoveries and flowed oil, condensate and gas at a combined rate of 5,600 barrels of oil equivalent per day during a test program.

The final two wells in the six well drilling campaign, Salwa-1 and Hawalli-1, have been plugged and abandoned after failing to encounter any significant indications of hydrocarbons. Planning is currently underway for a second round of drilling in Abu Sennan which is expected to commence in the next few weeks.



Strata-X Operated Colorado Unconventional Oil

The Colorado unconventional oil program was acquired through the successful on-market takeover of Adelaide Energy Limited earlier in the year. Slanovich 32-23P (Adelaide Energy 58.3%) is located in Fremont County, Colorado. This well is a follow up to Slanovich 32-23, drilled in 2007, which produced oil from the Cretaceous Niobrara Formation. Slanovich 32-23P is targeting oil in an extensively fractured zone in the shallower Pierre Shale. The well is to be plugged and abandoned after encountering hole stability problems. The joint venture will review the issues before deciding on a forward plan.



Drilling Report - Period ending Wednesday 4th April 2012

Well	Participants	Progress & Summary	Primary Targets
Marsden-1 PEL 95 Coal Gas Exploration C/E Basin, SA	BPT* 50.00% STX 50.00%	Report Time: 0600 hrs (EST) 04/04/2012 Depth: 2167m Operation: Preparing to core in Murteree Formation. Progress: 259m	Patchawarra Formation, Toolachee Formation
Moonta-1 ST-1 PEL 218 Shale Gas Exploration Cooper, SA	BPT* 100.00%	Report Time: 0600 hrs (CDT) 04/04/2012 Depth: 3456m Summary: Drilling ahead in Patchawarra Formation. Progress: 3456m	Roseneath Shale, Epsilon Formation, Murteree Shale, Patchawarra Formation, Toolachee Formation
Haslam-1 PEL 106 Gas Exploration C/E Basin, SA	BPT* 50.00% DLS 50.00%	Report Time: 0600 hrs (CDT) 04/04/2012 Depth: 2913m (TD) Operation: Preparing to run wireline logs. Progress: 2913m	Patchawarra Formation, Toolachee Formation
Growler-10 PRL 15 Oil Development C/E Basin, SA	BPT 40.00% SXY* 60.00%	Report Time: 0600 hrs (CST) 04/04/2012 Depth: 1729m Operation: Preparing to core in Birkhead Formation. Progress: 1729m	Mid-Birkhead Formation, Hutton Sandstone
Thunderchief-1 PEL 104 Oil Exploration C/E Basin, SA	BPT 40.00% SXY* 60.00%	Report Time: 0600 hrs (CDT) 04/04/2012 Depth: 1876m (TD) Operation: Well is plugged and abandoned. Progress: 1223m	Mid-Birkhead Formation, Hutton Sandstone
Charo-10 PPL 177 Oil Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 04/04/2012 Depth: 1913m (TD) Operation: Well is cased and suspended as a future Birkhead Formation oil producer. Progress: 1913m	Mid Birkhead Formation, Namur Sandstone
Tindilpie 15 PPL 95 (Pad drill) Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CDT) 04/04/2012 Depth: 3221m (TD) Operation: Well is cased and suspended as a future Patchawarra Formation gas producer. Progress: 3221m	Patchawarra Formation Tirrawarra Sandstone
Bullamakanka 1 ATP 259P Oil NFE C/E Basin, QLD	BPT 30.00% STO* 70.00%	Report Time: 0600 hrs (AEDT) 04/04/2012 Depth: 2054m (TD) Operation: Well is plugged and abandoned. Progress: 118m	Birkhead Formation, Hutton Sandstone, Tinchoo Formation
Hawalli 1X Abu Sennan Concession Oil Exploration Western Desert, Egypt	BPT 22.00% KEE* 50.00% DOV 28.00%	Report Time: 0600 local 04/04/2012 Depth: 2113m (TD) Operation: Well is plugged and abandoned. Progress: 0m	Abu Roash "G", Bahariya 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) 04/04/2012 Depth: 3155m (TD) Operation: Well is plugged and abandoned. Progress: 713m	Abu Roash "G", Bahariya Formation
Slanovich-32-23P West Florence Project Shale Oil Exploration Colorado, USA	BPT 58.33% SXE* 41.67%	Report Time: 0500 hrs (local) 03/04/2012 Depth: 1206m (TD) Operation: Well is being plugged and abandoned. Progress: 1206m	Pierre Fm

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

(s) Secondary Targets
DLS Drillsearch Energy
STO Santos Limited

SYX Senex Energy
KEE Kuw ait Energy
DOV Dover Investments Ltd

SXE Strata-X Ltd

Drilling Report – Period ending 4 April 2012

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

Corporate

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Investor Relations

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