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## HIGHLIGHTS OF THE MONTH

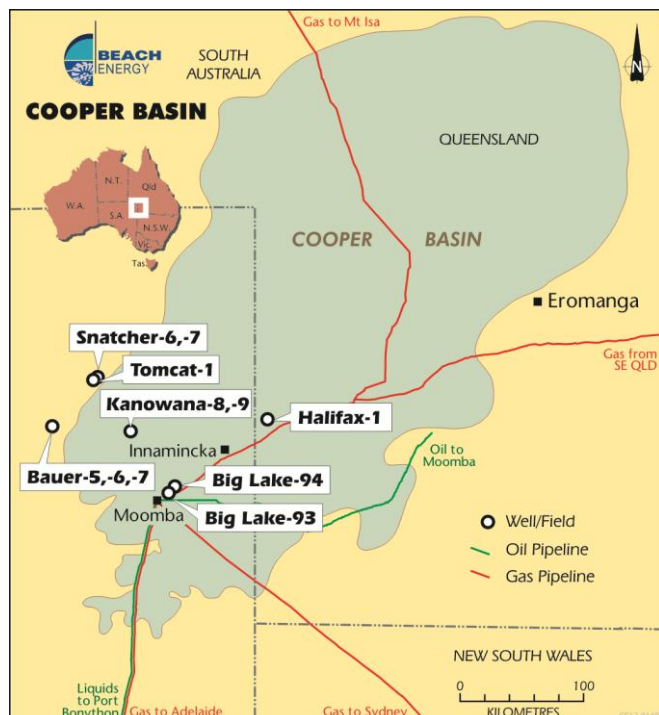
- Halifax drill stem test flows gas from Callamurra Formation
- Bauer-8 confirms material extension to Bauer Oil Field

## AUSTRALIA

### Operated Cooper Basin Unconventional Gas Program

A build up survey was conducted on Encounter-1 (PEL 218, Beach 100%) during August, following the extended production test of the Roseneath-Epsilon-Murteree (REM) in July. The pressure data will be analysed over the coming weeks.

Halifax-1, a vertical exploration well in ATP 855P (Beach 60%, Icon Energy 40%), was spudded on the 4<sup>th</sup> August on the Ensign 916 rig. Halifax-1 will evaluate the shale gas and basin-centred gas potential in the REM and Patchawarra Formation intervals within the Queensland portion of the Nappamerri Trough. The well is



located approximately 12 kilometres northeast of Encounter-1 and has a planned total depth of 4,130 metres. At the time of reporting a DST had been conducted over a sandstone in the Callamurra Member immediately above the Toolachee Formation which had strong gas shows on penetration. The test flowed gas to surface at rates in excess of 0.2 MMscf/d (unstimulated). The well will continue to be drilled through the primary REM and Patchawarra Formation targets during September.

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

The Ensign 930 rig continues an oil campaign in the Western Flank region. The rig followed up the highly successful Bauer-5 last month (PEL 91, Beach 40%) with equally successful Bauer-6 and -7 development wells (9 metres and 9.5 metres of oil pay, respectively). As an immediate follow-up to the Bauer-5 success the Joint Venture elected to drill a further step-out appraisal of the field by spudding Bauer-8 approximately 480 metres north of Bauer-5 and more than 1.2 kilometres north of the Bauer-1 discovery well. Bauer-8 has subsequently intersected the target Namur Sandstone reservoir higher than expected and was cased with 10 metres of high quality oil pay in the Namur within a 14 metre gross oil column. This outstanding result confirms a material extension of the Bauer oil field toward the north and yet further appraisal drilling is being considered in the near future to assess the northern extent of the field. Updated but preliminary reserve estimates suggest that the field has more than 10 million barrels of recoverable oil (more than 4 million barrels net to Beach).

In the meantime, the rig is moving into PEL-92 (Beach 75%) to drill two development wells on the Butlers Oilfield. The objective of these two wells is to further delineate the field and provide extra offtake points.

### **Senex Operated Cooper-Eromanga Oil – Western Flank**

The Ensign 948 rig drilled two wells in PEL-111 (Beach 40%) during the month. The first of these, Snatcher-6, was drilled as a deviated development well to intersect the Mid-Birkhead reservoir 250 metres south-east of Snatcher-2 in order to provide additional drainage of the reservoir. The well intersected a 10.5 metre oil column (5.2 metres of net oil pay) and has been cased and suspended for future production, and is expected to initially produce at about 450 barrels of oil per day (bopd gross).

The second well was Tomcat-1, an exploration well located about 1.5 kilometres west of the Snatcher Field. While the well intersected good-quality Mid-Birkhead reservoir, there were no oil shows and following evaluation the well was plugged and abandoned. The rig has subsequently moved back to the Snatcher Field to drill a series of three development and delineation wells that are expected to further add a total of 1150 bopd (gross) to production. The first of these wells, Snatcher-7, is a deviated development well located to drain oil between Snatcher-1 and Snatcher-6.

### Santos Operated Cooper Basin Oil and Gas Development

The Big Lake-93 gas development well (Beach 20.21%) was drilled, cased and suspended during the month. The rig has subsequently moved to and is drilling ahead in another gas development well, Big Lake-94.

Also in South Australia, and about 40 kilometres NW from Moomba, a second rig drilled Kanowana-8. The well was cased and suspended as a future liquids-rich gas production well. Kanowana-9 is currently drilling ahead. Beach’s equity is 20.21%.

### Carnarvon Basin Offshore Exploration

Hoss-1, an offshore oil exploration well, was drilled by the WA-208P joint venture (Beach 10%) using the Ensco-104 jack-up rig in 64 metres of water approximately 100 kilometres NNW of Dampier off the coast of Western Australia. Minor oil shows were observed within the Muderong Shale, but after evaluation indicated no commercial value, the well was plugged and abandoned and the rig released.

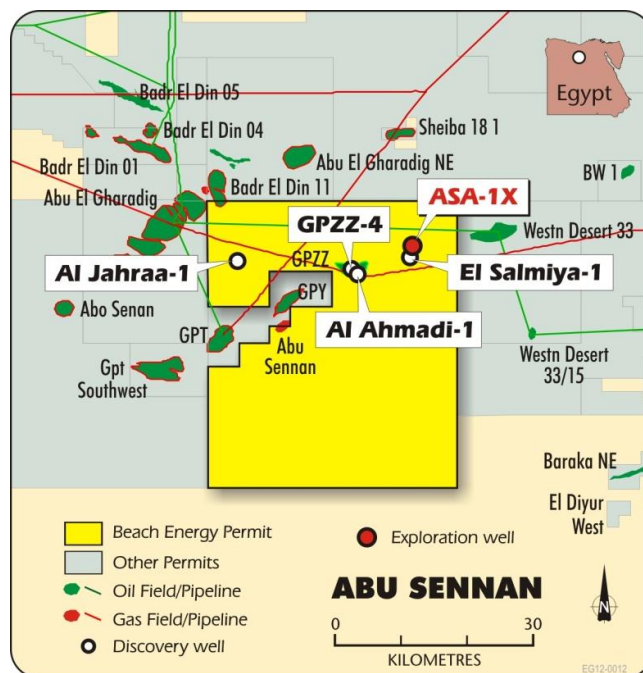
## INTERNATIONAL

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

The second round of exploration drilling in Abu Sennan commenced in early August with the spudding of the ASA-1X exploration well. ASA-1X is located 1.9 kilometres north of the El Salmiya-1 well which discovered oil and gas in several zones within the Abu Roash Formation in late 2011 / early 2012. The well is targeting hydrocarbons in the Abu Roash and other intervals, and is the first of a three well exploration drilling campaign in the Concession.

### BP/GUPCO Operated – North Shadwan Concession, Egypt

The NS385-1 well is expected to commence drilling in September 2012. This well is designed as a long-reach onshore-to-offshore well, aimed at developing oil within the NS385 oilfield.



## Drilling Report – Period ending 5 September 2012

Well	Participants	Progress & Summary	Primary Targets
<b>Butlers-5</b> PEL 92 Oil Development C/E Basin, SA	BPT* 25.00% COE 75.00%	Report Time: 0600 hrs (CDT) 05/09/2012 Depth: 110m Operation: Drilling surface hole. Progress: 110m	Namur Sandstone, Birkhead Formation
<b>Bauer-8</b> PEL 91 Oil Appraisal C/E Basin, SA	BPT* 40.00% DLS 60.00%	Report Time: 0600 hrs (CDT) 05/09/2012 Depth: 1940m (TD) Operation: Well is cased and suspended as a future Namur Sandstone oil producer. Progress: 1940m	Namur Sandstone, McKinlay Member, Birkhead Formation
<b>Bauer-6</b> PEL 91 Oil Development C/E Basin, SA	BPT* 40.00% DLS 60.00%	Report Time: 0600 hrs (CDT) 05/09/2012 Depth: 1726m (TD) Operation: Well is cased and suspended as a future McKinlay Member \ Namur Sandstone oil producer. Progress: 312m	Namur Sandstone, McKinlay Member, Birkhead Formation
<b>Bauer-7</b> PEL 91 Oil Development C/E Basin, SA	BPT* 40.00% DLS 60.00%	Report Time: 0600 hrs (CDT) 05/09/2012 Depth: 1726m Operation: Well is cased and suspended as a future McKinlay Member \ Namur Sandstone oil producer. Progress: 312m	Namur Sandstone, McKinlay Member, Birkhead Formation
<b>Halifax-1</b> ATP-855P Shale Gas Exploration Cooper, SA	BPT* 60.00% ICN 40.00%	Report Time: 0600hrs (CST) 05/09/2012 Depth: 2880m Operation: Drilling ahead. Progress: 2880m	Roseneath Shale, Epsilon Formation, Murteree Shale, Patchawarra Formation Toolachee Formation
<b>Snatcher-7</b> PEL 111 Oil Development C/E Basin, SA	BPT 40.00% SXY* 60.00%	Report Time: 0600 hrs (CDT) 05/09/2012 Depth: 1670m Operation: Drilling ahead. Progress: 1670m	Mid-Birkhead Formation.
<b>Tomcat-1</b> PEL 111 Oil Exploration C/E Basin, SA	BPT 40.00% SXY* 60.00%	Report Time: 0600 hrs (CST) 05/09/2012 Depth: 1912m (TD) Operation: Well is plugged and abandoned. Progress: 1912m	Mid-Birkhead Formation
<b>Snatcher-6</b> PEL 111 Oil Development C/E Basin, SA	BPT 40.00% SXY* 60.00%	Report Time: 0600 hrs (CDT) 05/09/2012 Depth: 1897m (TD) Operation: Well is cased and suspended as a future Mid-Birkhead oil producer. Progress: 1236m	Mid-Birkhead Formation.
<b>Hoss-1</b> WA-208P Oil Exploration Offshore Camarvon, WA	BPT 10.00% AEL 34.03% STO* 31.31% ENI 18.66%	Report Time: 0600hrs (WDT) 05/09/2012 Depth: 2122m (TD) Operation: Well is plugged and abandoned. Progress: 2122m	Lower Angel Sandstone
<b>Big Lake-94</b> PPL 11 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 05/09/2012 Depth: 3007m Operation: Running wireline logs. Progress: 3007m	Patchawarra Formation, Tirrawarra Formation, Toolachee Formation Daralingie Formation Epsilon Formation,
<b>Kanowana-9</b> PPL 28 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CDT) 05/09/2012 Depth: 3024m Operation: Drilling ahead. Progress: 3024m	Patchawarra Formation, Tirrawarra Sandstone.
<b>Kanowana-8</b> PPL 28 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CDT) 05/09/2012 Depth: 3137m (TD) Operation: Well is cased and suspended as a future Patchawarra Formation \ Tirrawarra Sandstone gas producer. Progress: 2306m	Patchawarra Formation, Tirrawarra Sandstone.
<b>Big Lake-93</b> PPL 11 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 05/09/2012 Depth: 2985m (TD) Operation: Well is cased and suspended as a future Patchawarra Formation \ Epsilon Formation gas producer. Progress: 2154m	Patchawarra Formation, Tirrawarra Formation, Toolachee Formation Daralingie Formation Epsilon Formation,
<b>ASA-1X</b> Abu Sennan Oil Exploration Egypt	BPT 22.00% KEC* 50.00% DOV 28.00%	Report Time: 0600 hrs (local) 04/09/2012 Depth: 2660m Operation: Drilling ahead. Progress: 2006m	Abu R'sh C, E, G Bahariya

(\*) Operator

BPT Beach Energy Ltd  
ORG Origin Energy Resources  
ENI Eni Australia  
KEE Kuwait Energy

SXY Senex Energy  
STO Santos Limited  
AEL Apache Energy

COE Cooper Energy  
DLS Drill Search  
DOV Dover Investments



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