

# ASX Release

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ASX Ltd/SGX Singapore Exchange Ltd Companies Announcement Office Electronic Lodgement System

Dear Sir,

#### MOONTA-1 VERTICAL WELL FLOWING BACK GAS AND STIMULATION FLUID

Beach advises that the Moonta-1 unconventional vertical well is flowing back gas, at a rising rate of 1.1 MMscfd, with stimulation fluid. Other activities within the Permian PEL 218 unconventional exploration program in the Nappamerri Trough include:

- Holdfast-2 drilling ahead at 1,526 metres
- Streaky-1 fracture stimulation completed
- Boston-1 reached total depth of 3,755 metres

Beach Energy Ltd (ASX: BPT, "Beach") advises the following in relation to its Cooper Basin Nappamerri Trough unconventional gas exploration program, targeting the Permian section of PEL 218 (Beach 100%).

#### Moonta-1 vertical well

Flow back of the Moonta-1 well has commenced, with the wellhead choked back during early flow back of stimulation fluid and gas, which is flowing at a rate of 1.1 MMscfd and rising. Approximately 10% of the fracture stimulation fluid has been recovered to date.

The well reached total depth at 3,810 metres after which a ten stage fracture stimulation program was completed, with nine stages in the deeper Patchawarra Formation and one in the shallower Murteree Shale. Flow testing is planned to continue for at least one month, after which the well will be shut-in to allow for the monitoring of pressure build up and stimulation of the shallower zones at a later date.

## Holdfast-2 horizontal well

The Ensign 965 rig was released from the Marble-1 vertical well on Monday, 3 December 2012, and spudded the Holdfast-2 horizontal well on Monday 10 December 2012. The well has completed setting surface casing and is now drilling ahead at 1,526 metres.

The Holdfast-2 well will be drilled horizontally through the Murteree Shale and is located approximately one kilometre north-east of Holdfast-1. The well is being drilled vertically for approximately three kilometres and, early in the new year, will commence drilling laterally for approximately 1.6 kilometres. It is anticipated that the well will take two and a half months to reach total depth, after which it will be



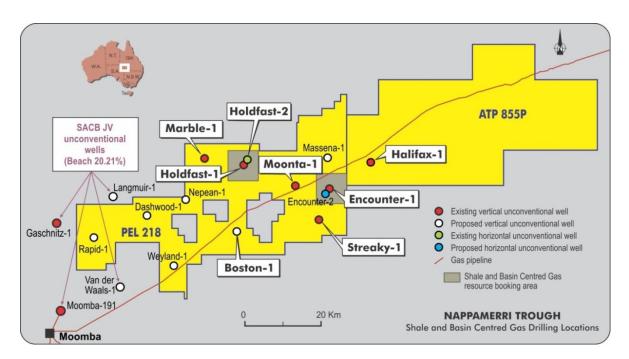
fracture stimulated around April 2013. The fracture stimulation of Holdfast-2 is planned to be 15 stages, with pumping rates of 80 barrels per minute targeted for each stage.

## Streaky-1 vertical well

A nine stage fracture stimulation program has been completed at Streaky-1, with eight stages in the deeper Patchawarra Formation and one stage in the shallower Murteree Shale. The workover rig will be deployed in the new year to install production tubing for the flow test.

#### **Boston-1 vertical well**

Total depth was reached in the Boston-1 well at 3,755 metres early this morning. mobilsation from Boston-1, the Ensign 916 rig will be relocated to the Nepean-1 vertical well location where it will drill the next unconventional exploration well in the program.



Yours sincerely,



Reg Nelson Managing Director, FAusIMM

## For more information contact

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