# **ASX Announcement**



#### **OIL & GAS DIVISION**

**ASX Code: LNC** OTCQX Code: LNCGY

22 July 2013

## OIL PRODUCTION UPDATE - CEDAR POINT FIELD, SECOND NEW **WELL FLOWS AT 945 BOEPD**

- Second new oil well completed at Cedar Point Field Flows with initial production rate of 945 BOEPD
- Third well is underway with 10 further well locations identified

Linc Energy Ltd (ASX: LNC) (OTCQX: LNCGY) is pleased to announce the results of the second new well in its Cedar Point Field drilling program.

Linc Energy recently completed the second well at Cedar Point with an initial production rate of 945 barrels of oil equivalent per day (BOEPD) (436 barrels of oil per day and 3.1 million cubic feet of gas per day). The well was completed in the Frio trend, with additional pay logged in the shallower Miocene trend.

Linc Energy is currently drilling a third well at Cedar Point, targeting the Frio and deeper Vicksburg trend and will continue to focus its near term drilling activities in this field.

The success of this second well at Cedar Point has also allowed Linc Energy to verify its seismic data and modeling, which is very important for planning other successful locations on the Cedar Point field.

With the successful development of its numerous prospects in the Cedar Point Field, which exhibit more stable decline profiles than recently experienced with the Company's typical Barbers Hill oil wells, Linc Energy aims to achieve sustainable production increases which will build an even stronger production platform for oil and revenue growth going forward over the next 12 months.

Mr Peter Bond, Chief Executive Officer and Managing Director of Linc Energy, said "We are very pleased with the results of the second oil well in our Cedar Point drilling program, which not only created an additional 945 BOEPD, but also confirms our 3D seismic interpretation which gives us confidence to deploy the capital to fully develop this very profitable asset."

"The development of the Cedar Point field is in line with our original Gulf Coast plan to initially focus on oil production at the more studied Barbers Hill field with the aim of more than doubling oil production, which we achieved, then work our way to the next obvious field in our portfolio which is Cedar Point and significantly increase production in that field over the following months and then move to the next field and so on. The good news is Linc Energy has eight (8) oil fields that we can deploy this strategy upon in the Gulf Coast alone, with targets in the next two fields already identified and being studied."

"I'm confident that on the back of our current operations and strategy that Linc Energy's near term oil production targets will be met."

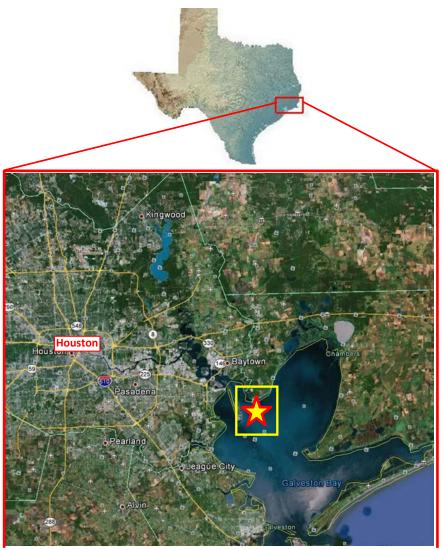


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### **Background**

Cedar Point Field is located in Galveston Bay which is about 28 miles southeast of Houston, Texas in water depths ranging 2-3 metres. The field has been in production for over 75 years. It is situated in the heart of three oil-producing trends: the Miocene, Frio, and Vicksburg. The field consists of a deep-seated salt dome underlying prolific oil and gas reservoirs. Cedar Point was discovered in 1938 by the Standard Oil Company of Texas. Over 20 million barrels of oil and 28 billion cubic feet of gas have been produced in the field to date.

The Frio Deep-Seated Salt Dome trend has the second highest ultimate oil production EUR of the 32 most prolific plays in Texas and Cedar Point lies in the middle of the trend.



**Cedar Pont Field, Chambers County, Texas** 

#### **ASX Announcement continued...**



#### **Company Profile**

Linc Energy is focused on both conventional and unconventional oil and gas production. The Company owns a diverse and world-class commodity portfolio that includes oil, gas, shale and coal.

Conventional oil and gas is focused onshore USA (Alaska, Texas, Louisiana and Wyoming) with current production expected to grow significantly from the Company's existing reserves.

Unconventional oil and gas is focused on our world-leading capability in Underground Coal Gasification (UCG), the process of converting coal into a valuable synthetic gas in situ. Linc Energy has constructed and commissioned the world's only UCG to Gas to Liquids (GTL) demonstration facility near Chinchilla, Australia. The Company also owns and operates the world's only commercial UCG operation in Uzbekistan, which supplies syngas to a nearby power station.

Linc Energy is listed on the ASX (Australia) and the OTCQX (USA).