



Monthly Drilling Report

August 2017

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HIGHLIGHTS

- **First three wells of FY18 Cooper Basin JV oil campaign successfully cased and suspended**
- **100% success rate across all Cooper Basin JV appraisal and development drilling**

DEVELOPMENT – COOPER AND EROMANGA BASINS

Queensland Oil – Cooper Basin JV

(Total 66 JV: Beach 30%, Santos 70% and operator)

A three-well oil development and appraisal campaign was successfully completed in the Zeus-Minos-Tennaperra Complex, located approximately 60 kilometres southwest of the Jackson oil facility. The campaign included one development well, Zeus-12, which aimed to accelerate production and enhance recoveries from the Birkhead Formation. The well intersected 4.5 metres of net oil pay within the primary target and was cased and suspended as a future producer.

South Australian Gas – Cooper Basin JV

(Fixed Factor Area JV: Beach 20.21%, Santos 66.6% and operator, Origin 13.19%)

A two-well pad development campaign was successfully completed in the Jack Lake Field, located approximately 40 kilometres northwest of the Moomba processing facility. Jack Lake-6 and Jack Lake-7 targeted stacked sand intervals within the Patchawarra Formation, with the aim to access remaining gas in place at field boundaries. The wells intersected net gas pay of approximately 40 metres and 54 metres, respectively, and were cased and suspended as future producers.

Queensland Gas – Cooper Basin JV

(Southwest Queensland JV: Beach 23.2%, Santos 60.06% and operator, Origin 16.74%)

Roti-5 is the first of two gas development wells in the Roti Field, located approximately 35 kilometres east of the Ballera processing facility. The wells follow successful drilling in the Roti South and Windigo fields in 2016 and subsequent update of depth conversion mapping. Roti-5 is located in the central section of the field. The well is targeting gas reserves in the Epsilon and Patchawarra formations which have not been accessed by the Roti-1 well. At month-end, Roti-5 was drilling ahead at 515 metres.

EXPLORATION AND APPRAISAL – COOPER AND EROMANGA BASINS

Western Flank Oil – ex PEL 91

(Beach 100%)

Beach commenced its FY18 operated Birkhead oil exploration and appraisal campaign. The Birkhead Formation is a proven oil reservoir in Western Flank fields, however has not been subjected to play-wide, focused exploration and appraisal. The FY18 program aims to establish commerciality and size of existing discoveries, appraise field extensions, discover new accumulations and design cost effective development programs.

The first of up to three vertical exploration wells, Donington-1, was drilled to appraise a potential southern extension of the Kangaroo-1 discovery. The well intersected oil shows in the Birkhead Formation, however reservoir quality was insufficient for commerciality. The well was subsequently side-tracked to target seismic attributes further north. Similar reservoir quality was encountered and the well was plugged and abandoned. Results will be integrated with existing well control and production data to determine locations for up to three geo-steered horizontal appraisal wells in H2 FY18.

The second vertical well of the campaign, Goldsmith-1, is being drilled to test a potential northern extension of the Kangaroo-1 discovery. At month-end, Goldsmith-1 was drilling ahead at 1,435 metres.

Western Flank Oil – ex PEL 104 / 111

(Beach 40%, Senex 60% and operator)

Martlet North-2 was drilled as a deviated oil appraisal well targeting a Namur Sandstone accumulation approximately 250 metres northeast of the producing Martlet North-1 well. The well was drilled from the Martlet North-1 pad and aimed to improve overall field recovery. Martlet North-2 reached total depth subsequent to month-end, with the decision made to plug and abandon due to lack of commercial pay.

South Australian Oil – Cooper Basin JV

(Fixed Factor Area JV: Beach 20.21%, Santos 66.6% and operator, Origin 13.19%)

A four-well oil appraisal and development campaign commenced in the Merrimelia Field, located approximately 35 kilometres north of the Moomba processing facility. The campaign includes one appraisal well, Merrimelia-63, which aims to test reservoir limits of the Birkhead Formation along the northeast flank of the field. The well will also test as secondary objectives the Murta Formation to assess potential for future horizontal development wells, and the Mackunda Formation. At month-end, Merrimelia-63 was drilling ahead at 1,280 metres.

Queensland Oil – Cooper Basin JV

(Total 66 JV: Beach 30%, Santos 70% and operator)

The three-well oil development and appraisal campaign in the Zeus-Minos-Tennaperra Complex included two appraisal wells, Zeus-11 and Tennaperra-5. Zeus-11 targeted the Birkhead Formation and was drilled to appraise the northwest flank of the Zeus structure. The well intersected 4.4 metres of net oil pay and was cased and suspended as a future producer. Tennaperra-5 also targeted the Birkhead Formation and was drilled to appraise the southern flank of the Tennaperra structure. The well intersected 4.7 metres of net oil pay and was cased and suspended as a future producer.

Monthly Drilling Report – Period ended 06:00, 1 September 2017

Well	Participants	Progress and Summary	Primary Targets
Cooper Basin Operated			
Donington-1 PRL 171 Oil exploration C/E Basin, SA	BPT* 100.00%	Drilling this month: 1,937 metres Current depth: 1,937 metres (total depth) Status: Plugged and abandoned	Birkhead Formation
Goldsmith-1 PRL 156 Oil exploration C/E Basin, SA	BPT* 100.00%	Drilling this month: 1,435 metres Current depth: 1,435 metres Status: Drilling ahead	Birkhead Formation
Cooper Basin Non-operated			
Zeus-12 PL 301 Oil development C/E Basin, QLD	BPT 30.00% STO* 70.00%	Drilling this month: 395 metres Current depth: 1,874 metres (total depth) Status: Cased and suspended as a future Birkhead Formation oil producer	Birkhead Formation
Jack Lake-6 PPL 66 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 3,412 metres Current depth: 3,412 metres (total depth) Status: Cased and suspended as a future Permian gas producer	Patchawarra Formation
Jack Lake-7 PPL 66 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 3,063 metres Current depth: 3,063 metres (total depth) Status: Cased and suspended as a future Permian gas producer	Patchawarra Formation
Roti-5 PL 287 Gas development C/E Basin, QLD	BPT 23.20% STO* 60.06% ORG 16.74%	Drilling this month: 515 metres Current depth: 515 metres Status: Drilling ahead	Epsilon Formation Patchawarra Formation
Martlet North-2 PRL 148 Oil appraisal C/E Basin, SA	BPT 40.00% SXY* 60.00%	Drilling this month: 1,485 metres Current depth: 1,485 metres Status: Drilling ahead	Namur Sandstone
Merrimelia-63 PPL 17 Oil appraisal C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 1,280 metres Current depth: 1,280 metres Status: Drilling ahead	Birkhead Formation
Zeus-11 PL 301 Oil appraisal C/E Basin, QLD	BPT 30.00% STO* 70.00%	Drilling this month: 1,775 metres Current depth: 1,775 metres (total depth) Status: Cased and suspended as a future Birkhead Formation oil producer	Birkhead Formation
Tennaperra-5 PL 301 Oil appraisal C/E Basin, QLD	BPT 30.00% STO* 70.00%	Drilling this month: 1,740 metres Current depth: 1,740 metres (total depth) Status: Cased and suspended as a future Birkhead Formation oil producer	Birkhead Formation

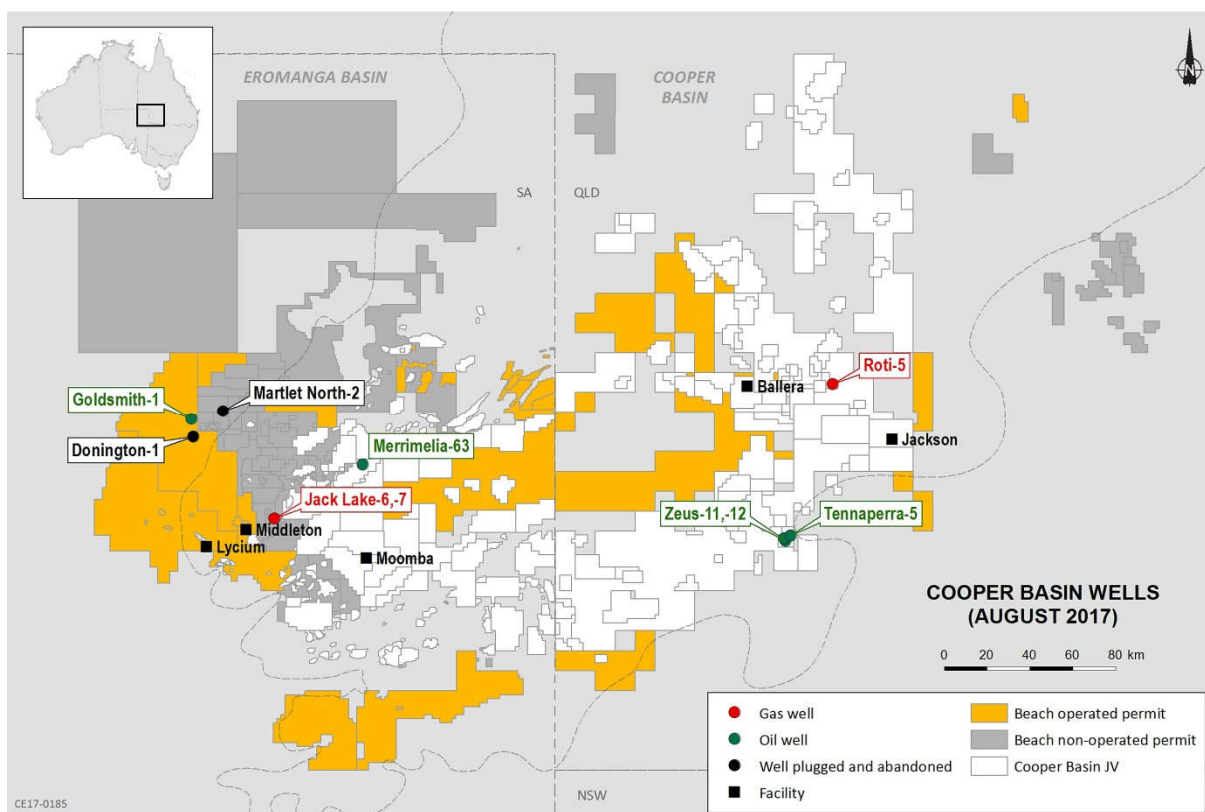
(*) Operator

BPT Beach Energy Ltd

ORG Origin Energy Ltd

STO Santos Ltd

SXY Senex Energy Ltd




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