

29<sup>th</sup> November 2018

## **Petsec Energy Provides Drilling Update on Main Pass Block 273 B-2 Appraisal/Development Well on the Hummer Gas/Oil Field Gulf of Mexico, USA**

*Petsec Energy Ltd (ASX: PSA / OTC ADR: PSJEY)*

Petsec Energy Ltd (the “Company”) is pleased to provide a drilling update on the Main Pass Block 273 B-2 appraisal/development well currently being drilled on the Hummer Gas/Oil Field Gulf of Mexico, USA.

Since the Company’s recent drilling update, the bypass operations on the B-2 well have been successfully completed and the wellbore has been drilled to its 11 7/8 inch casing point at 11,267 feet measured depth (MD)/11,110 true vertical depth (TVD). The casing has been run and cemented. As a result of the necessary bypass, the well has been officially renamed by the regulatory authorities as the Main Pass 273 #B-2 (ST00BP01).

The B-2 appraisal/development well is being drilled from the Main Pass Block 270 “B” Production Platform, to a bottom hole location approximately 6,000 feet to the East of the B-1 discovery well. This is the first of potentially 3 to 8 appraisal/development wells required to develop the field.



*Main Pass Block 270/273/274 Hummer Project: ENSCO 68 Jackup Drill Rig*

The well is designed to test, in a structurally advantageous position, six oil and gas reservoirs, these being the five oil and gas reservoirs that were intersected in the B-1 well and a deeper horizon not tested by the B-1 well.

Notwithstanding the bypass the primary objectives of the B-2 well remain the same as in the original well plan. These are two sand reservoirs with proven oil and gas reserves discovered in the B-1 well (Cawley, Gillespie & Associates, independent reserve engineers), one of which is categorised as Proved Developed Producing (PDP), the other Proved Undeveloped (PUD). In addition, secondary exploration/evaluation targets will also be tested. Similar reservoirs are productive in nearby fields at the Main Pass 280/283 Field Complex.

The B-2 well is planned to be drilled to a measured depth (MD) of 18,559 feet with a true vertical depth (TVD) of 16,624 feet. The well is being drilled utilising the Ensco 68 jack-up drilling rig and is expected to reach total depth in early January 2019. Contingent on the results of the well the production facilities will be expanded, and the well will be completed for production with production estimated to begin in late February 2018.

The estimated net cost to the Company to drill the well has been revised and is approximately US\$3.75 million, plus US\$1.2 million to US\$1.5 million for completion and additional production facilities.

**Participating working interests in the well are:**

Petsec Energy Inc.	12.5% (10.26354% Net Revenue Interest + 0.441% Overriding Royalty Interest)
Other Private Companies	87.5%

**Details of the well:**

Well Name:	Main Pass 273 #B-2 (ST00BP01)
Type of Well:	Appraisal/Development
Location of Well:	Offshore Louisiana, Federal Waters
Final TD:	18,559 feet MD/16,624 feet TVD (deviated hole)
Operator:	Castex Offshore, Inc.
Estimated net dry hole cost:	US\$3.75 million

**For further information, please contact:**

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*Petsec Energy Ltd is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. It has operations in the shallow waters of the Gulf of Mexico and state waters of the Louisiana Gulf Coast region of the USA. The Company also has operations onshore in the Republic of Yemen.*