

23 September 2019

Completed Baxter flow test in Dorado-3 exceeds expectations

Santos today announced that the multi-rate flow testing of the Dorado field in the Bedout Basin, offshore Western Australia, has confirmed excellent productivity and fluid quality from the Baxter gas and condensate reservoir.

The now completed Baxter formation flow test was the first of two planned for the Dorado field, with testing of the primary Caley oil reservoir to be undertaken in coming weeks.

The initial clean-up test over the Baxter reservoir was conducted over a twelve-hour period and achieved a maximum rate of approximately 48 million standard cubic feet per day of gas and 4,500 barrels per day of associated condensate through a 60/64" choke. The well test was conducted over a 7.4 metre net interval between 4,136 and 4,156 metres Measured Depth and achieved with only 150 psi of drawdown.

Production was limited by surface equipment constraints indicating the reservoir has the capacity to flow at significantly higher rates. Completion of the multi-rate testing exceeded initial expectations and has provided further reservoir information consistent with other high rate North West Shelf gas wells.

Preliminary interpretation of the well test points to reservoir quality and condensate gas ratio better than initially expected, which will result in higher well deliverability when the field is developed.

A separate test will be undertaken over the Caley oil reservoir to provide key information on deliverability and fluid compositions.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said: "The flow rate in the Baxter confirms our interpretation of a high quality reservoir with excellent productivity and condensate-rich gas with low levels of impurities."

"This result further increases our confidence in our ability to commercialise the significant condensate resources in the Dorado field."

"We look forward to the results from the planned test of the Caley oil reservoir, which should close out the Dorado appraisal program and allow us to work towards a Final Investment Decision on the project, which is now one of the most exciting growth projects across the Santos portfolio."

Dorado-3 is located in petroleum permit WA-437-P, in which Santos is operator and has an 80% interest, with Carnarvon Petroleum Limited holding the balance. It is in Commonwealth waters approximately 160 kilometres north of Port Hedland and one kilometre north-west of the Dorado-1 discovery, made in July last year.

Dorado-3 was drilled using the jack-up mobile offshore drilling unit, Noble Tom Prosser, in a water depth of 95 metres and reached a total measured depth of 4,643 metres.

Media enquiries

Phoebe Nolan
+61 8 8116 7409 / +61 (0) 408 193 056
phoebe.nolan@santos.com

Investor enquiries

Andrew Nairn
+61 8 8116 5314 / +61 (0) 437 166 497
andrew.nairn@santos.com

Santos Limited

ABN 80 007 550 923
GPO Box 2455, Adelaide SA 5001
T +61 8 8116 5000 F +61 8 8116 5131
www.santos.com

Once operations are completed, the well will be plugged and abandoned as planned, thereby concluding Santos' 2019 offshore drilling program.

Ends.