

19 June 2015

**Petsec Energy sets production casing on Williams #2 Alternate Well at Mystic Bayou Field – Onshore Louisiana, USA***Petsec Energy Ltd (ASX: PSA / OTC ADR: PSJEY)*

Petsec Energy (the “Company”) is pleased to advise that production casing has been run on the 16,700’ RA SUA; Williams #2 alternate well. The well was drilled on the Mystic Bayou exploitation prospect located in St. Martin Parish, Louisiana approximately 40 miles southeast of the city of Lafayette, Louisiana USA. Conventional logs were not run in the well due to lost circulation problems. Production logs will be run after setting production casing and prior to completion of the well.

The well was directionally drilled utilising a barge drilling rig to a true vertical depth (TVD) of 16,873 feet (17,266 feet MD) to test the oil and gas potential of the Lower Miocene Planulina sands in a fault closure up-dip from production in Mystic Bayou Field. The well was drilled as an alternate unit well structurally up-dip in the same unit as the Williams #1 well (cumulative production: 17.8 BCFG, 1.5 MMBO, and 7.5 MMBW).

Petsec has a 25% non-operating working interest (18.75% net revenue interest) in the well. The Company’s share of drilling costs is estimated to be US\$1,600,000. Completion and hook-up of the well is estimated to cost an additional US\$850,000 net to Petsec. Petsec will reimburse White Oak for its proportionate share (US\$500,000 net) of existing facilities costs upon a successful completion.

The Williams #2 Alternate is part of a multi-well exploration program which marks the Company’s return to conventional exploration focusing in the onshore Gulf Coast of Texas and Louisiana.

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

Petsec Exploration and Production L.L.C.	25%
White Oak Operating Co. L.L.C. (Operator)	75%

**Details of the well:**

Well name:	16,700’ RA SUA, Williams #2 Alternate
Type of well:	Exploitation
Location of well:	St. Martin Parish, Louisiana
Final TD:	16,873 feet TVD (17,226 feet MD)
Operator:	White Oak Operating Co. L.L.C.
Petsec working interest:	25%
Petsec net revenue interest:	18.75%
Estimated net risk cost	US\$1,600,000
Estimated net completion cost	US\$850,000

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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, and exploration activities in the Gulf Coast onshore and bay areas of Texas and Louisiana, USA and Yemen.*