

Beach Energy Ltd
 ABN: 20 007 617 969
 ASX Code: BPT

25 Conyngham Street
 GLENSIDE SA 5065

GPO Box 175
 ADELAIDE SA 5001

Tel: +61 8 8338 2833
 Fax: +61 8 8338 2336

Web:
www.beachenergy.com.au
 Email:
info@beachenergy.com.au

ASX RELEASE

For Immediate Release – 3 November 2010
 Ref. #107/10

AUSTRALIA

Beach Operated Cooper-Eromanga Basin Gas – PEL 106FI Block

Testing operations at Canunda-1 are expected to recommence next week following fishing operations to remove wireline and pressure gauges from the hole. The evaluation is intended to define size and production characteristics of this high liquids gas field (Beach 50%).

Cooper Basin Gas Development – Santos Operated

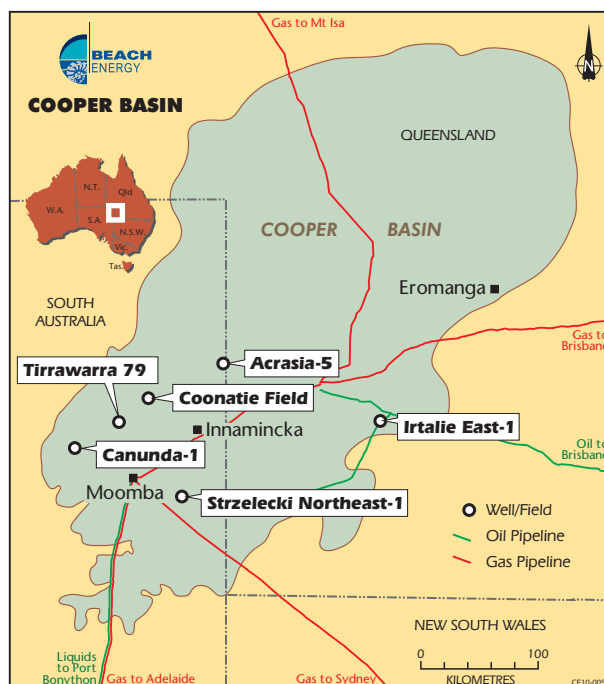
Operations in the Coonatie Gas Field will continue with Coonatie-14 (Beach 17.14%) which is currently waiting on weather to spud. Coonatie-18 was cased and suspended as a future gas producer during the reporting period. The Strzelecki Northeast-1 (Beach 20.2%) gas development well reached total depth on October 19 and has been cased and suspended as a future gas producer after encountering gas sands in the target Toolachee formation as well as a Patchawarra sand.

Cooper Basin Oil Exploration – Santos Operated

The Irtalie East-1 Jurassic oil exploration well (Beach 38.5%) encountered 6 metres of net oil pay in the Hutton sandstone and has been cased and suspended as a future oil producer.

Cooper Basin Oil Development – Stuart Operated

Acrasia-5 (Beach 25%) will be cased and suspended as a future oil producer. The well encountered oil pay in all primary and secondary targets at Birkhead, Hutton, Poolowanna and Tinchoo levels. The



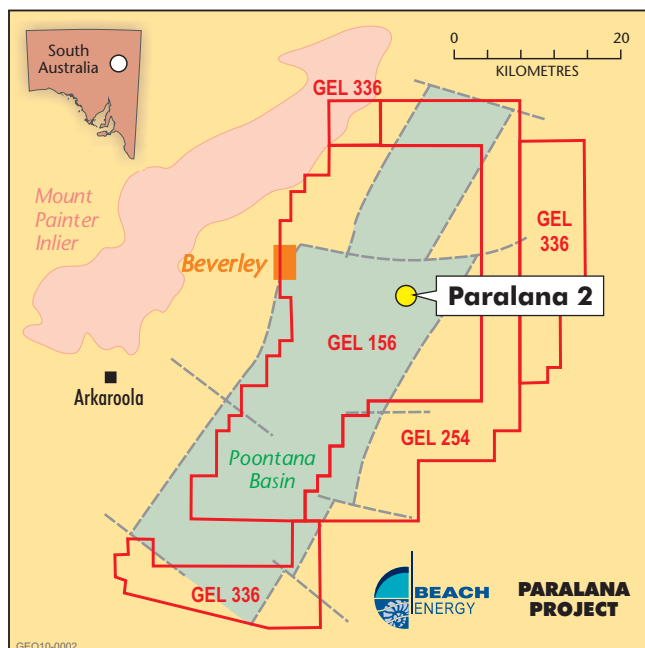
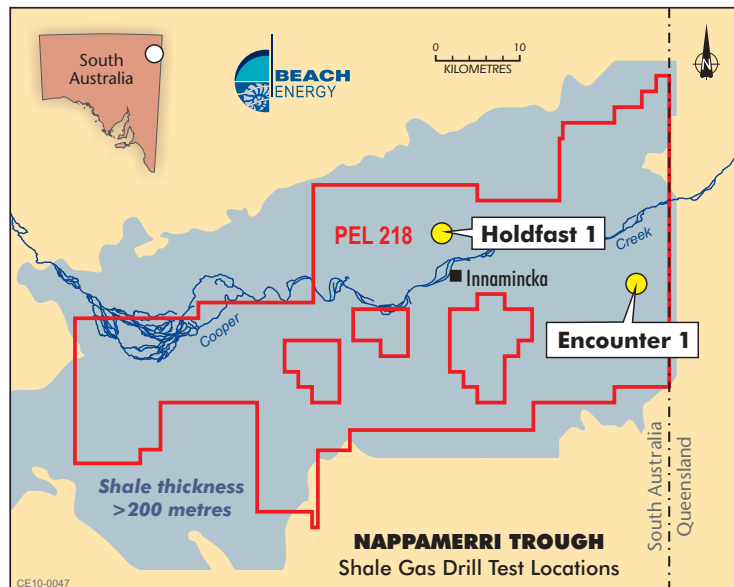
Birkhead interval recovered 74 barrels of oil with no formation water on drillstem test. The Hutton was not drillstem tested but the Poolowanna flowed oil to surface at over 900 barrels per day with no formation water.

Beach Operated Cooper Basin Shale Gas Exploration – PEL 218

Drilling operations for Encounter-1 (Beach 90%), the first of a two well, back-to-back exploration program targeting shale gas potential in the South Australian portion of the Nappamerri Trough,

has continued through the reporting period. The well is currently at the intermediate casing point at a depth of 2569 metres. It is expected that the well will reach the first coring point in mid-November.

Encounter-1 will be immediately followed by Holdfast-1. Extensive coring and logging programs are planned with the aim of better defining volumes of gas in place and assessing the physical and mechanical properties of the rock to plan for stimulation in early 2011. Fracture stimulation is one of the keys to unlocking gas from shales. The outcome of these wells will aid the future planning of a pilot production well expected to be drilled in 2011, followed by a pilot production project commencing in 2013.



Across the Nappamerri Trough the objective Roseneath, Epsilon and Murteree formations have the potential to contain gas in place in excess of 200 TCF. The shales of the Nappamerri Trough are considered to share many of the attributes of the prolific shale gas producing provinces of the USA.

Beach Operated Geothermal – Paralana Project, Arrowie Basin

A wireline crew was mobilised to Paralana-2 (Beach 21%) to investigate the blockage that prevented perforation of the target interval in late August. The work found no obstruction and the injectivity test will be re-attempted in mid-November after a coiled tubing unit is used to circulate to hole to clean brine.



INTERNATIONAL

Non-operated Shale Oil Appraisal, South Antelope Prospect, Williston Basin – North Dakota, USA

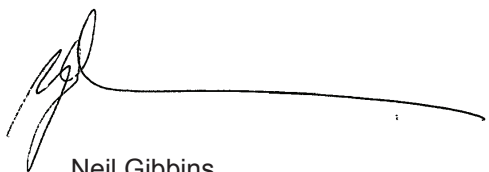
The Henderson 4-26/35H shale oil appraisal well (Beach 14.7% net revenue interest) spudded on 3 September and reached total depth in mid October. Completion operations are underway. Fracture stimulation of the lateral should occur prior to year end.



Drilling Report – Period ending 3 November 2010

Well	Participants	Weekly Progress & Summary	Primary Targets
Encounter-1 PEL218 Gas Exploration C/E Basin, SA	BPT* 90.00% ADE 10.00%	Report Time: 0600 (CST) 03/11/2010 Depth: 2596m Operation: Setting intermediate casing. Progress: 1644m	Patchawarra Fm
Acrasia-5 PPL 203 Oil Development C/E Basin, SA	BPT 25.00% STU* 75.00%	Report Time: 0600 hrs (CST) 03/11/2010 Depth: 2300m (TD) Operation: Well is cased and suspended as a future oil producer. Progress: 2300m	Hutton Sst Tinchoo Fm
Hndrsn. 4-26/35H Sect. 25&36 McKenzie County, Nth Dakota Oil Appraisal Williston Basin	BPT SEA Helis* 7 others	Report Time: 0600 hrs (local) 03/11/2010 Depth: 5824m (TD) Operation: Casing run to 3034m. Fracture liner run and preparing to fracture stimulate. Progress: 846m	Three Forks Fm
Irtalie East-1 PL 36 Oil NFE C/E Basin, QLD	BPT 38.50% STO* 55.50% Other 6.00%	Report Time: 0600 hrs (AEST) 03/11/2010 Depth: 1879m (TD) Operation: Well is cased and suspended as a future Hutton Fm oil producer. Progress: 1879m	Birkhead Fm / Hutton Sst Westbourne Fm, Basal Jurassic Fm
Coonatie-18 PPL131 Gas Development C/E Basin, SA	BPT 17.14% STO* 72.32% ORG 10.54%	Report Time: 0600 hrs (CST) 03/11/2010 Depth: 3230m TD Operation: Well is cased and suspended as a future Permian gas producer. Progress: 2437m	multi Permian targets
Strzelecki Ntheast-1 PPL22 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 03/11/2010 Depth: 2061m(TD) Operation: Well is cased and suspended as a future Toolachee and Patchawarra formations gas producer. Progress: 2061m	Toolachee Fm Patchawarra Fm
Coonatie-14 PPL131 Gas Development C/E Basin, SA	BPT 17.14% STO* 72.32% ORG 10.54%	Report Time: 0600 hrs (CST) 03/11/2010 Depth: 168m Operation: Drilling ahead. Progress: 168m	multi Permian targets
Tirrawarra-79 PPL20 Gas Development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Report Time: 0600 hrs (CST) 03/11/2010 Depth: 764m Operation: Running surface casing. Progress: 221m	Patchawarra Fm

(*) Operator (s) Secondary Targets
 BPT Beach Energy Ltd STO Santos Limited STU Stuart Petroleum
 ORG Origin Helis Helis Oil & Gas Company L.L.C
 SEA Sundance ADE Adelaide Energy

A handwritten signature in black ink, appearing to read "Neil Gibbins", with a long horizontal line extending to the right.

Neil Gibbins
Chief Operating Officer

For more information contact

Investor Relations

Steve Masters / Nicola Frazer

Beach Energy Limited

08 8338 2833