

## Hammamet West-3 Production Test Update 2

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22 August 2013

- **Production testing to resume in approximately 8 days**

Cooper Energy Limited (“Cooper Energy: ASX:COE”) as Operator and 30% joint venture interest-holder of the Bargou Permit offshore Tunisia provides the following update on the production testing of Hammamet West-3 previously reported to the ASX in announcements on 7 and 12 August 2013.

As advised in these updates, production testing of the well commenced on 6 August but was subsequently suspended to allow retrieval of coiled tubing stuck inside the production tubing due to an accumulation of lost circulation material produced from Abiod Formation fractures.

Operations to free the obstruction were unsuccessful and on 19 August the coiled tubing was cut at 2,200mMDRT<sup>1</sup> leaving approximately 500 metres of coiled tubing in the bottom of the test string. The coiled tubing above 2,200 mMDRT has been subsequently removed from the hole and the current activity is removing the test string from the hole.

It is expected that testing of the 432 metre horizontal open section will recommence in approximately 8 days from today and that the test period may occupy 5 days. The aim of completing the test program is to secure a clean hydrocarbon flow from the reservoir section. Prior to the suspension of testing on 12 August, 111 barrels of fluid (formation oil, base oil<sup>2</sup> and drilling brine) were produced to surface tanks along with formation gas during the clean-up flow period. Flow rates, measured by 15-minute tank dips, averaged 413 barrels of fluid/day with surges up to a maximum of 1,700 barrels of fluid/day. Gas flared at surface contained 3% CO<sub>2</sub> and no H<sub>2</sub>S.

As of 20 August, the well has taken 139 days since spudding and is estimated to have cost approximately US\$60 million. It is estimated that completion of the test program and abandonment will result in a total well cost of approximately US\$70 million and total duration of 169 days since spudding.

Cooper Energy’s participation in the well is being carried to a total of US\$9.4 million by Dragon Oil (paying 75% of US\$26.6 million to earn 55%) and Jacka Resources (paying 30% of US\$27.2 million to earn 15%). The revised well program is expected to entail a total cost to Cooper Energy of approximately US\$12 million.

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<sup>1</sup> mMDRT – measured depth in metres below the rotary table or drilling floor

<sup>2</sup> Base oil: refined oil introduced into the wellbore to produce a pressure difference between the formation and the wellbore to assist the initial well flow during testing

## **Well background**

Hammamet West-3 is located 15 km offshore and 1.6 km east of Hammamet West-2 in 54 metres water depth (see map following). The nearest producing field is Maamoura, 12 km SW.

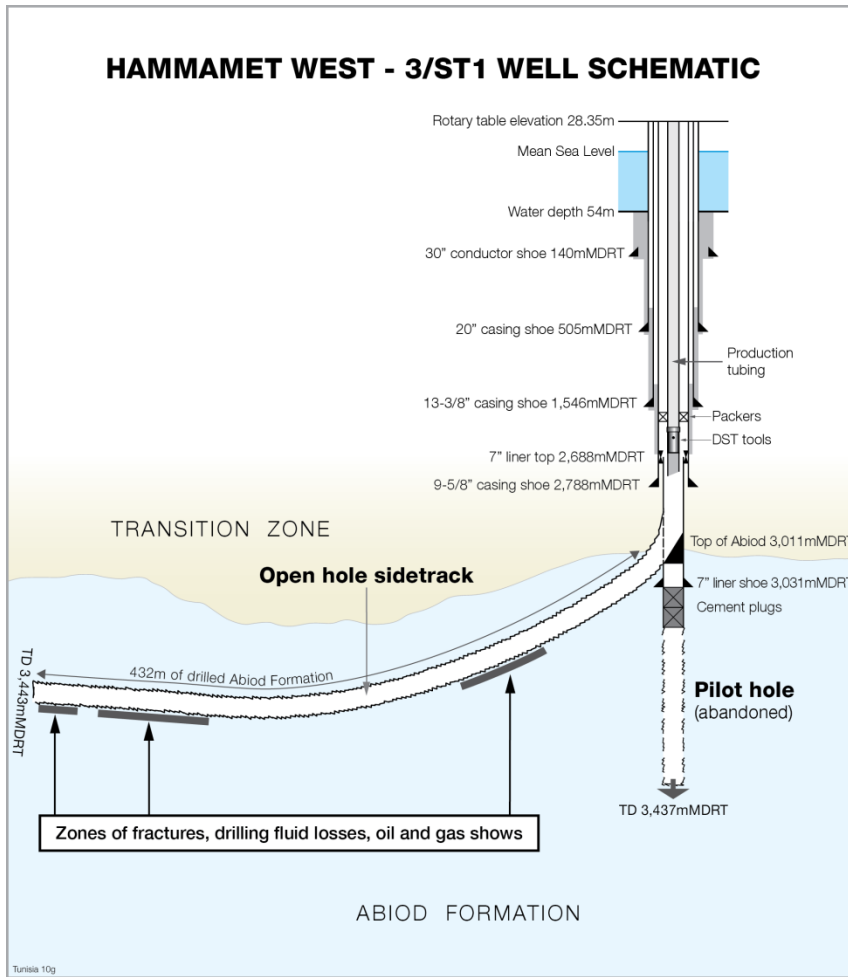
The well objective is to drill and test a highly deviated wellbore through the naturally fractured Abiod Formation reservoir to confirm oil productivity. This is illustrated in the schematic diagram following.

The production test is being conducted over the entire 432 metre of Abiod Formation that has been accessed by a near horizontal wellbore. As illustrated in the schematic diagram following, this section is believed to contain a number of porous open fractures. While drilling the wellbore, numerous oil and gas shows and significant drilling mud losses were recorded, which is often an indicator of flow potential in this type of fractured reservoir.

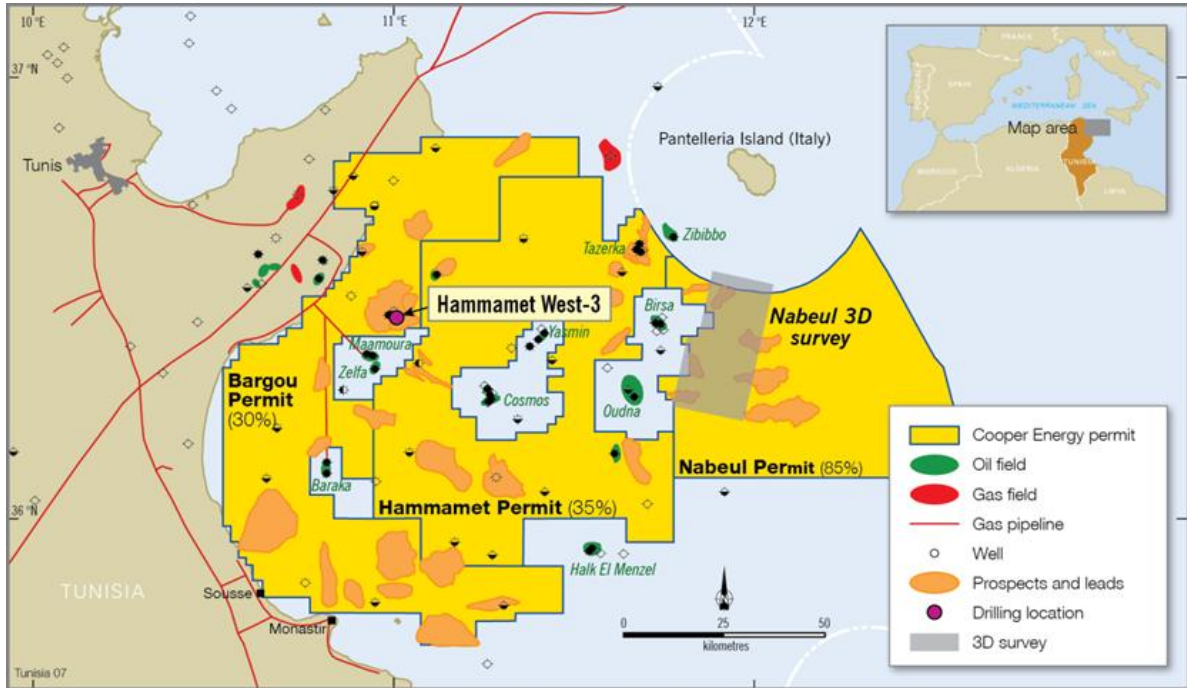
### **Participating interests:**

Cooper Energy Limited (Operator)	30%
Dragon Oil Ltd	55%
Jacka Resources Limited	15%

# Schematic of Hammamet West-3 Deviated Wellbore



## Location of Hammamet West-3



### Further comment and information

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### About Cooper Energy Limited (“Cooper”)

Since listing on the ASX in 2002, Cooper has built a portfolio of near term low risk development and appraisal projects as well as high impact exploration prospects. Cooper currently benefits from approximately 500,000 barrels of oil production per year from the Cooper Basin, South Australia, with approximately 150 barrels of oil per day gross production from its Sukananti KSO in Indonesia. Cooper also has prospective exploration licenses in Australia (Cooper, Otway and Gippsland Basins), Tunisia and Indonesia. Cooper enjoys a solid balance sheet, good production earnings, and has a clear strategy to enhance shareholder return. [www.cooperenergy.com.au](http://www.cooperenergy.com.au)