



Monthly Drilling Report

February 2015

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Highlights:

- Liquids-rich gas discovery at Ralignal-1 in PRL 130 (formerly PEL 106)
- Namur oil discovery at Martlet North-1 in PRL 148 (formerly PEL 104 / 111)
- 12 wells drilled with a success rate of 100%

DEVELOPMENT

Australia – Cooper and Eromanga Basins

Operated

PRLs 151 to 172 (formerly PEL 91)

(Beach 40%, Drillsearch 60%)

A new four-well pad drilling campaign commenced in the north of the Bauer Field, targeting the highly productive Namur Sandstone reservoir and overlying McKinlay Member. Bauer-20 to -23 will be drilled from a single pad and located approximately 10 metres apart at surface, with directional drilling to commence from depths of approximately 700 metres to reach target zones. Top hole batch drilling at Bauer-20, -21 and -22 was undertaken in February. Bauer-23 will spud imminently and be drilled to total depth, with production hole drilling at Bauer-20, -21 and -22 to follow.

Non-operated

South Australian Gas

(Beach 20.21%, Santos 66.6% and operator, Origin 13.19%)

Nephrite South-13 is the final well of a four-well pad program targeting the Patchawarra Formation in the Nephrite South Field, which is located approximately 45 kilometres to the north-west of Moomba. The well was cased and suspended as a future gas producer after intersecting 71 metres of net gas pay in the Patchawarra Formation and 4.5 metres of net gas pay in the Tirrawarra Sandstone.

Mudera-19, -21 and -22 are the fourth, fifth and sixth wells, respectively, of a nine-well development program targeting the Coorikiana Sandstone in the Mudera, Marabooka and Strzelecki fields, and located approximately 35 kilometres south-east of Moomba. The wells have been cased and suspended as future gas producers following intersection in each well of approximately 10 metres of net gas pay in the Coorikiana Sandstone.

Narie-5 is the first well of a two-well pad program targeting the Patchawarra Formation and Tirrawarra Sandstone in the Narie Field, which is located approximately 40 kilometres north of Moomba. The well is currently drilling ahead.

Coonatie-21 (Beach 17.14%, Santos 72.32% and operator, Origin 10.54%) is the first well of a three-well pad campaign in the Coonatie Field, located 80 kilometres north-east of Moomba. The well is targeting the Patchwarra Formation and Tirrawarra Sandstone and is currently drilling ahead.

Queensland Gas

(Beach 23.2%, Santos 60.06% and operator, Origin 16.74%)

Barrolka-14 is the first well of a four-well program on the Barrolka Field, located approximately 55 kilometres north of the Ballera plant. The well is being cased and suspended as a future gas producer after intersecting 20 metres of net gas pay in the Toolachee Formation.

EXPLORATION and APPRAISAL

Australia – Cooper and Eromanga Basins

Operated

PRLs 151 to 172 (formerly PEL 91)

(Beach 40%, Drillsearch 60%)

The Stanleys-1 exploration well is located approximately 3.9 kilometres north-east of the Balgowan-1 oil discovery and 3.5 kilometres south-west of the Spitfire and Growler fields. As with recent discoveries in the area, the well is targeting the Namur Sandstone, with the McKinlay Member, mid-Namur Sandstone and Birkhead Formation as secondary targets. Stanleys-1 spudded on 25 February 2015 and is currently drilling ahead.

PRLs 129 to 130 (formerly PEL 106)

(Beach 50%, Drillsearch 50%)

Ralignal-1, the final well in a five-well exploration and appraisal campaign targeting gas and gas liquids in the Patchawarra Formation, was cased and suspended as a future gas and gas liquids producer after intersecting 5.7 metres of net pay in the Patchawarra Formation.

Non-operated

PRLs 136 to 150 (formerly PEL 104 / 111)

(Beach 40%, Senex 60%)

The Martlet North-1 exploration well, located approximately 1.1 kilometres north-west of the currently producing Martlet-1 well, intersected net oil pay of 3.2 metres in the target Namur Sandstone and encountered oil shows in the Birkhead Formation. The well was subsequently cased and suspended as a future oil producer. Timing of tie-in to Martlet-1 infrastructure is to be determined and will take into consideration broader field development plans.

Growler-14, a standalone appraisal well, was drilled to test the extent of the Birkhead Formation reservoir in the southern area of the Growler Field. The well is located approximately 800 metres south-east of the currently producing Growler-8 well. The well encountered productive reservoir above the field oil-water contact and was cased and suspended as a future oil producer, with cased hole testing to be undertaken at a later date.

South Australian Gas

Correa-2 (Beach 20.21%, Santos 66.6% and operator, Origin 13.19%), a standalone appraisal well in the Correa Field, was cased and suspended as a future gas producer after intersecting net gas pay of approximately eight metres, 25 metres, 32.5 metres and 11 metres in the Toolachee Formation, Patchawarra Formation, Tirrawarra Sandstone and Merrimelia Formation, respectively.

Coonatie-24 (Beach 17.14%, Santos 72.32% and operator, Origin 10.54%), a standalone appraisal well in the Coonatie Field, was cased and suspended as a future gas producer after intersecting net gas pay of approximately 5.5 metres, 3.4 metres, 16 metres and 30 metres in the Callamurra Member, Toolachee Formation, Epsilon Formation and Patchawarra Formation, respectively.

SACB JV Deep Natural Gas

(Beach 20.21%, Santos 66.6% and operator, Origin 13.19%)

Gaschnitz-2 was cased and suspended as a future Permian gas producer after intersecting 113 metres of gas saturated low permeability sandstones. Fracture stimulation of this well has been deferred until the joint venture agrees on timing and forward plans.

Egypt

Abu Sennan Concession

(Beach 22%, Kuwait Energy 50% and operator, Dover 28%)

The ASH-1X ST1 exploration well reached the Khatatba Formation primary target. The well is currently drilling ahead at a depth of approximately 4,045 metres and will be evaluated once total depth is reached. As previously reported, intermediate logging indicated a 10 metre hydrocarbon intersection over a 12 metre interval in the Alam El Buieb Formation.

The Sino Tharwa ST-11 rig was released from drilling at the Al Jahraa-4 location and will move to ASA-03, while the EDC-53 rig will be released after drilling ASH-1X ST1. As previously reported, the Al Jahraa-4 oil appraisal well flowed from the Abu Roash "C" on production test at a maximum rate of 1,561 bopd over a 5.5 hour period, through a 64/64" choke. The Abu Roash "D" was also flow tested, with a maximum rate of 938 bopd through a 64/64" choke achieved over a six hour period.

Monthly Drilling Report – Period ending 06:00, 1 March 2015

Well	Participants	Progress and summary	Primary targets
Cooper Basin operated			
Bauer-20 PPL 253 (ex PEL 91) Oil development (Pad) C/E Basin, SA	BPT* 40.00% DLS 60.00%	Drilling this month: 692 metres Current Depth: 692 metres Status: Well suspended after batch drilling top hole	McKinlay Member Namur Sandstone
Bauer-21 PPL 253 (ex PEL 91) Oil development (Pad) C/E Basin, SA	BPT* 40.00% DLS 60.00%	Drilling this month: 692 metres Current Depth: 692 metres Status: Well suspended after batch drilling top hole	McKinlay Member Namur Sandstone
Bauer-22 PPL 253 (ex PEL 91) Oil development (Pad) C/E Basin, SA	BPT* 40.00% DLS 60.00%	Drilling this month: 563 metres Current Depth: 563 metres Status: Drilling ahead	McKinlay Member Namur Sandstone
Stanleys-1 PRL 171 (ex PEL 91) Oil exploration C/E Basin, SA	BPT* 40.00% DLS 60.00%	Drilling this month: 653 metres Current Depth: 653 metres Status: Drilling ahead	Namur Sandstone
Ragnal-1 PRL 130 (ex PEL 106) Gas exploration C/E Basin, SA	BPT* 50.00% DLS 50.00%	Drilling this month: 60 metres Current Depth: 2,891 metres (total depth) Status: Cased and suspended as a future Permian gas producer	Patchawarra Formation
Cooper Basin non-operated			
Growler-14 PPL 242 (ex PEL104 / 111) Oil appraisal C/E Basin, SA	BPT 40.00% SXY* 60.00%	Drilling this month: 1,890 metres Current Depth: 1,890 metres (total depth) Status: Cased and suspended for further evaluation of Birkhead reservoir	Mid Birkhead Formation
Martlet North -1 PRL 148 (ex PEL 104 / 111) Oil exploration C/E Basin, SA	BPT 40.00% SXY* 60.00%	Drilling this month: 896 metres Current Depth: 2,023 metres (total depth) Status: Cased and suspended as a future Namur Sandstone oil producer	Namur Sandstone
Coonatie-21 PPL 131 Gas development C/E Basin, SA	BPT 17.14% STO* 72.32% ORG 10.54%	Drilling this month: 2,740 metres Current Depth: 2,740 metres Status: Drilling ahead	Patchawarra Formation Tirrawarra Sandstone
Coonatie-24 PPL 131 Gas appraisal C/E Basin, SA	BPT 17.14% STO* 72.32% ORG 10.54%	Drilling this month: 1,093 metres Current Depth: 3,344 metres (total depth) Status: Cased and suspended as a future Permian gas producer	Callamurra Member
Correa-2 PPL 80 Gas appraisal C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 981 metres Current Depth: 3,137 metres (total depth) Status: Cased and suspended as a future Permian gas producer	Tirrawarra Sandstone
Mudera-19 PPL 22 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 1,128 metres Current Depth: 1,128 metres (total depth) Status: Cased and suspended as a future Early Cretaceous gas producer	Coorikiana Sandstone
Mudera-21 PPL 22 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 1,125 metres Current Depth: 1,125 metres (total depth) Status: Cased and suspended as a future Early Cretaceous gas producer	Coorikiana Sandstone
Mudera-22 PPL 22 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 1,123 metres Current Depth: 1,123 metres (total depth) Status: Running production casing	Coorikiana Sandstone

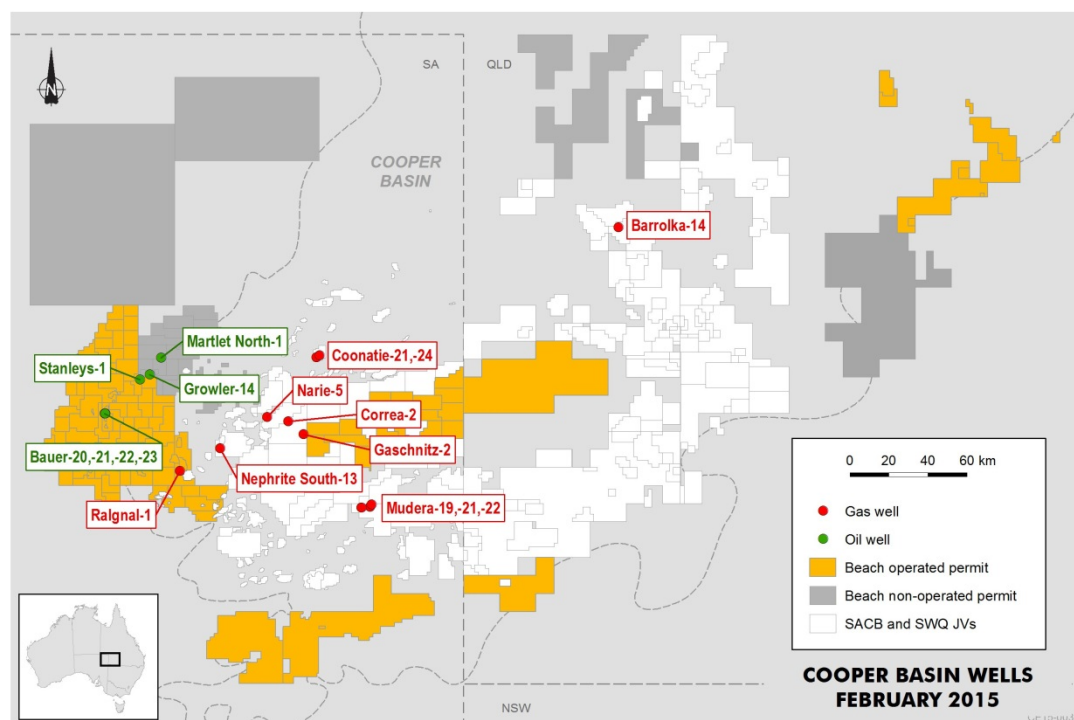
Well	Participants	Progress and summary	Primary targets
Cooper Basin non-operated			
Narie-5 PPL 17 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 619 metres Current Depth: 619 metres Status: Drilling ahead	Patchawarra Formation Tirrawarra Sandstone
Nephrite South-13 PPL 140 Gas development C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 2,409 metres Current Depth: 3,300 metres (total depth) Status: Cased and suspended as a future Permian gas producer	Patchawarra Formation
Gaschnitz-2 PPL 101 Gas exploration C/E Basin, SA	BPT 20.21% STO* 66.60% ORG 13.19%	Drilling this month: 0 metres Current Depth: 3,969 metres (total depth) Status: Cased and suspended as a future Permian gas producer	Toolachee Formation Epsilon Formation Patchawarra Formation Tirrawarra Formation
Barrolka-14 PL 112 Gas development C/E Basin, QLD	BPT 23.20% STO* 60.06% ORG 16.74%	Drilling this month: 2,715 metres Current Depth: 2,715 metres (total depth) Status: Running production casing	Toolachee Formation
International			
ASH-1X ST1 Abu Sennan Oil exploration Egypt, Western Desert	BPT 22.00% KEE* 50.00% DOV 28.00%	Drilling this month: 656 metres Current Depth: 4,045 metres Status: Drilling ahead	Alam El Bueib / Khatatba, Abu Roash C, E
Al Jahraa-4 Abu Sennan Oil appraisal Egypt, Western Desert	BPT 22.00% KEE* 50.00% DOV 28.00%	Drilling this month: 0 metres Current Depth: 3,417 metres (total depth) Status: Cased and suspended as a future Abu Roash oil producer	Abu Roash C, D, E

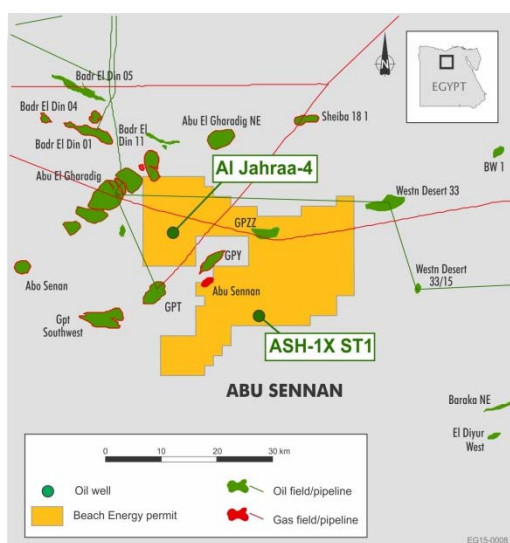
(*) Operator
BPT Beach Energy Ltd

DOV Dover Investments Ltd
DLS Drillsearch Energy Ltd

KEE Kuwait Energy Egypt Ltd
ORG Origin Energy Ltd

STO Santos Ltd
SXY Senex Ltd





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