

Monthly drilling report – August 2014

Release Date: 3 September 2014

Senex Energy Limited (Senex, ASX: SXY) is currently progressing its FY15 oil exploration drilling program in the South Australian Cooper-Eromanga Basin.

Squire-1 exploration well (*PRL 59¹: Senex 100%*)

Squire-1 is the first prospect to be drilled in the Company's northern permits in the South Australian Cooper-Eromanga Basin, following interpretation of the Cordillo 3D seismic data. EDA Rig 4 began drilling the well on 15 August 2014.

Squire-1 will evaluate the oil potential of the Tinchoo Formation, with secondary targets in the Birkhead Formation and Wimma Sandstone. Senex reached total depth of 2,500 metres on 27 August and is currently performing a drill stem test.

Martlet-1 exploration well (*PEL 104: Senex 60% and operator*)

The Martlet-1 exploration well is evaluating the oil potential of the Namur sandstone within an interpreted four-way dip-closed structure approximately 1.8 kilometres south east of the Warhawk-1 exploration well. The well has a secondary target in the Birkhead Formation. The well spudded on 24 August and was at a depth of 1,154 metres on 1 September.

Warthog-1 exploration well (*PEL 111: Senex 60% and operator*)

The Warthog-1 exploration well was drilled to test the oil potential of the mid-Birkhead Sandstone approximately 2 kilometres northwest of the Mustang-1 oil discovery. The well encountered good sands but had no oil or gas shows and was subsequently plugged and abandoned.

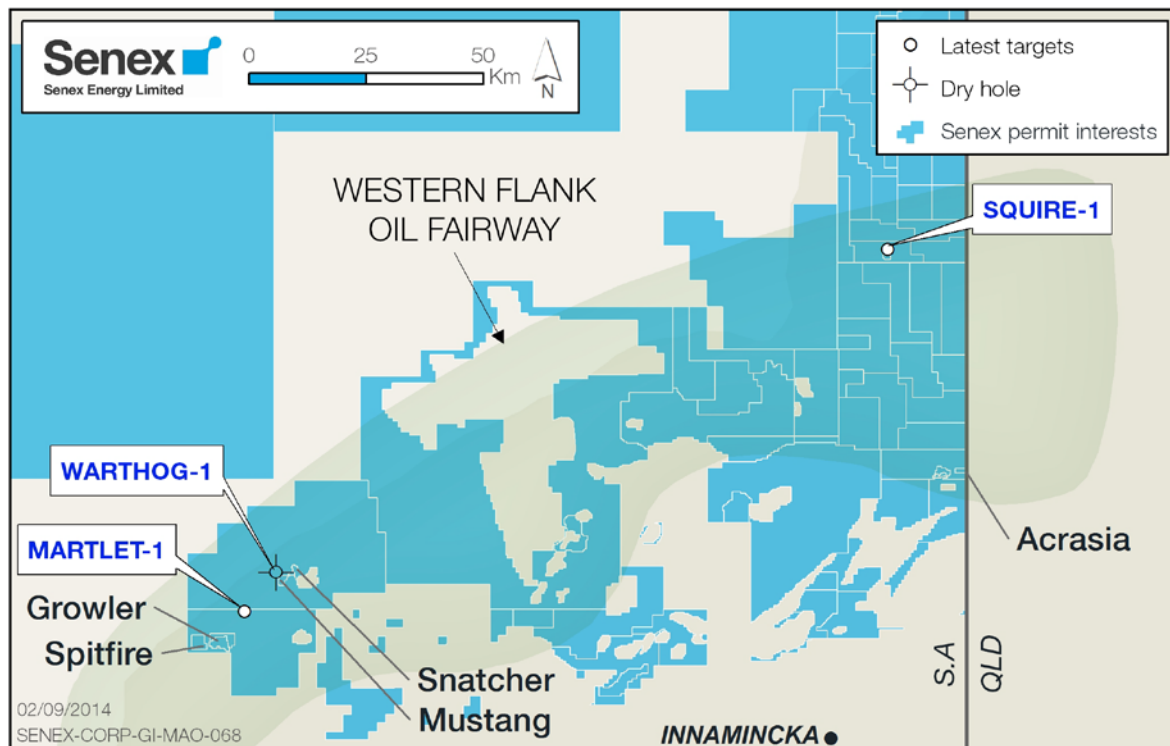
¹ PRL 59 refers to a retention lease from PEL 88

DRILLING FOR THE MONTH ENDING 31 AUGUST 2014

Well	Participation	Status of operations	Targets
Warthog-1 PEL 111 Oil exploration SA Cooper Basin	SXY* 60% BPT 40%	Report time: 0600 (CST) 01/09/14 Total depth: 1,887 m Operation: Plugged and abandoned Progress: 1,887 m	Birkhead Formation
Squire-1 PRL 59 Oil exploration SA Cooper Basin	SXY* 100%	Report time: 0600 (CST) 01/09/14 Total depth: 2,500 m Operation: Performing DST runs Progress: 2,500 m	Tinchoo Formation, Birkhead Formation, Wimma Sandstone
Martlet-1 PEL 104 Oil exploration SA Cooper Basin	SXY* 60% BPT 40%	Report time: 0600 (CST) 01/09/14 Total depth: 2,048 m (target) Operation: Drilling ahead Progress: 1,154 m	Namur Sandstone

* Denotes operatorship
SXY Senex Energy Limited
BPT Beach Energy Limited

Figure 1: Location of exploration wells drilled in August



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