

13 August 2018

Santos accelerates Cooper Basin natural gas development with fourth rig

Santos is pleased to announce a fourth rig, the Ensign 965, has started operations in the Cooper Basin, as the company continues its drive to produce more Australian natural gas to supply the east coast domestic market.

The rig will drill eight wells by the end of this year, starting in the Big Lake field with four deviated wells from a multi-well pad.

It will then move to Moomba South, drilling four appraisal wells there, sustaining Cooper Basin jobs.

The fourth rig means Santos will now be able to drill almost 90 wells in the Cooper Basin this year – more wells drilled in a single year since 2014.

This is on top of the record 300 wells we are drilling in Queensland this year with our GLNG joint venture partners.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said: “As Santos has become Australia’s lowest cost onshore natural gas developer, reducing development well costs by more than 40 per cent in the Cooper since 2015, we now have the right cost base to invest in making the most of the vast discovered resource base of Cooper Basin natural gas.”

“Santos is breathing new life into the Cooper Basin which has been producing for more than 50 years and could still have its best years in front of it as we learn more about new geological plays and as drilling and production technology advances,” Mr Gallagher said.

“Drilling more wells and lowering production costs – extracting more gas for less money – is the best way to keep downward pressure on gas prices.”

“As we announced in July in our Second Quarter report, Cooper Basin gas production is up eight per cent compared to the previous quarter due to strong performance from recently connected wells.”

“And we had the fastest ever gas well drilled in the Cooper, with the Marabooka-18 development well taking only 3.1 days from spud to rig release, a fantastic performance by our Cooper Basin team.”

Santos is on track to supply about 70 PJ of gas into the east coast domestic market in 2018, which is almost 13 per cent of expected demand.

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