ASX/Media Release



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First gas from Wortel

Santos today announced that gas production has commenced from the Wortel project in Indonesia.

Wortel was sanctioned in November 2010, and is located in the Sampang Production Sharing Contract (PSC), offshore East Java in Indonesia.

The Wortel development includes two gas wells, an unmanned wellhead platform and a 10-kilometre gas pipeline to the existing Santos-operated Oyong facilities. Gross gas production from the combined Oyong and Wortel fields is expected to be 90TJ/day. Gas will be exported via an existing pipeline to the Grati processing plant, where it is sold for domestic power generation.

Santos Chief Executive David Knox said Wortel was the fourth project in the base business to start production in the past eight months, driving production growth in 2012.

"The successful on-budget delivery of Wortel is another milestone in our focused growth strategy in Asia," Mr Knox said.

Santos Vice President Asia Pacific Martyn Eames said that completion of the Wortel development was a significant milestone, which would extend the economic life of the Oyong facilities, and continues Santos' strong track record of project delivery in Indonesia.

"Wortel adds a third producing asset to our growing Indonesian portfolio and demonstrates Santos' commitment to supply the growing demand for natural gas in East Java."

"We are also undertaking front-end engineering design on the Peluang asset which will tie-back to our existing Maleo platform," Mr Eames said.

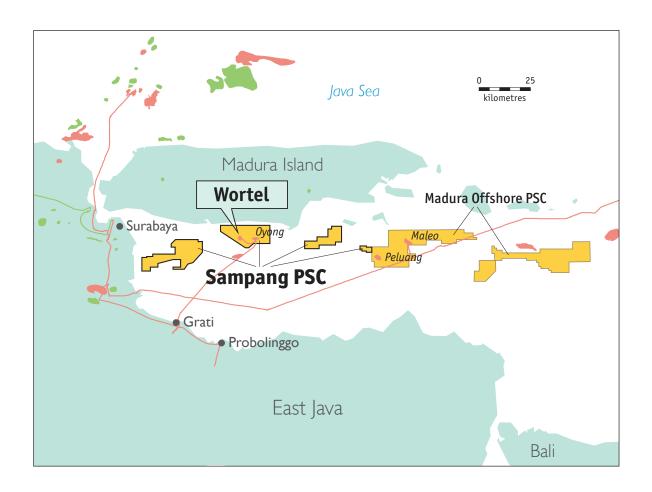
Santos has a 45% interest and is the operator of the Sampang PSC. Other partners are SPC (40%) and Cue Energy Resources (15%).

Map attached.

Ends.

Santos

Wortel, East Java Basin





- Santos acreage
- Oil field
- Gas field
- Oil pipeline
- Gas pipeline

