

Media enquiries

Tom Baddeley
+61 8 9333 9616 / +61 (0) 419 834 321
tom.baddeley@santos.com

Investor enquiries

Andrew Nairn
+61 8 8116 5314 / +61 (0) 437 166 497
andrew.nairn@santos.com

6 December 2011

First gas from Reindeer/Devil Creek

Santos today announced that natural gas from the offshore Reindeer field in the Carnarvon Basin was delivered to the Dampier to Bunbury Natural Gas Pipeline (DBNGP) for the first time.

The delivery of the gas, processed at the new onshore Devil Creek plant near Karratha, marks a major milestone in the Reindeer/Devil Creek development project.

Devil Creek is Western Australia's third domestic gas processing plant, and represents a material addition to the state's domestic gas supply.

A joint venture between Santos and Apache Energy, the Reindeer/Devil Creek development project includes the installation of an offshore unmanned minimum facility wellhead platform in the Reindeer field, a 105-kilometre pipeline to shore and the development of the gas plant. The Devil Creek gas plant has a gross production capacity of 215 TJ/day and is initially planned to ramp up to sales of 120 TJ/day.

Santos Chief Executive David Knox said Reindeer/Devil Creek was one of four projects within the company's base business previously flagged to commence production before the end of the year.

"Production began at the Halyard well in the Carnarvon Basin in June, we announced first oil from Chim Sáo in Vietnam in October, and now Reindeer – the third of those four projects – is online."

"This is another example of a project being delivered on schedule and on budget, and we would like to acknowledge the commitment of Apache, the operator, in getting us there," Mr Knox said.

Santos Vice President WA & NT John Anderson said first gas into the DBNGP from Reindeer/Devil Creek signified the completion of a major project, not only for Santos but for the state.

"For many years, WA has been reliant almost entirely on the North West Shelf and Varanus Island for its domestic gas. With Devil Creek, the state now has greater energy security with a third gas processing plant."

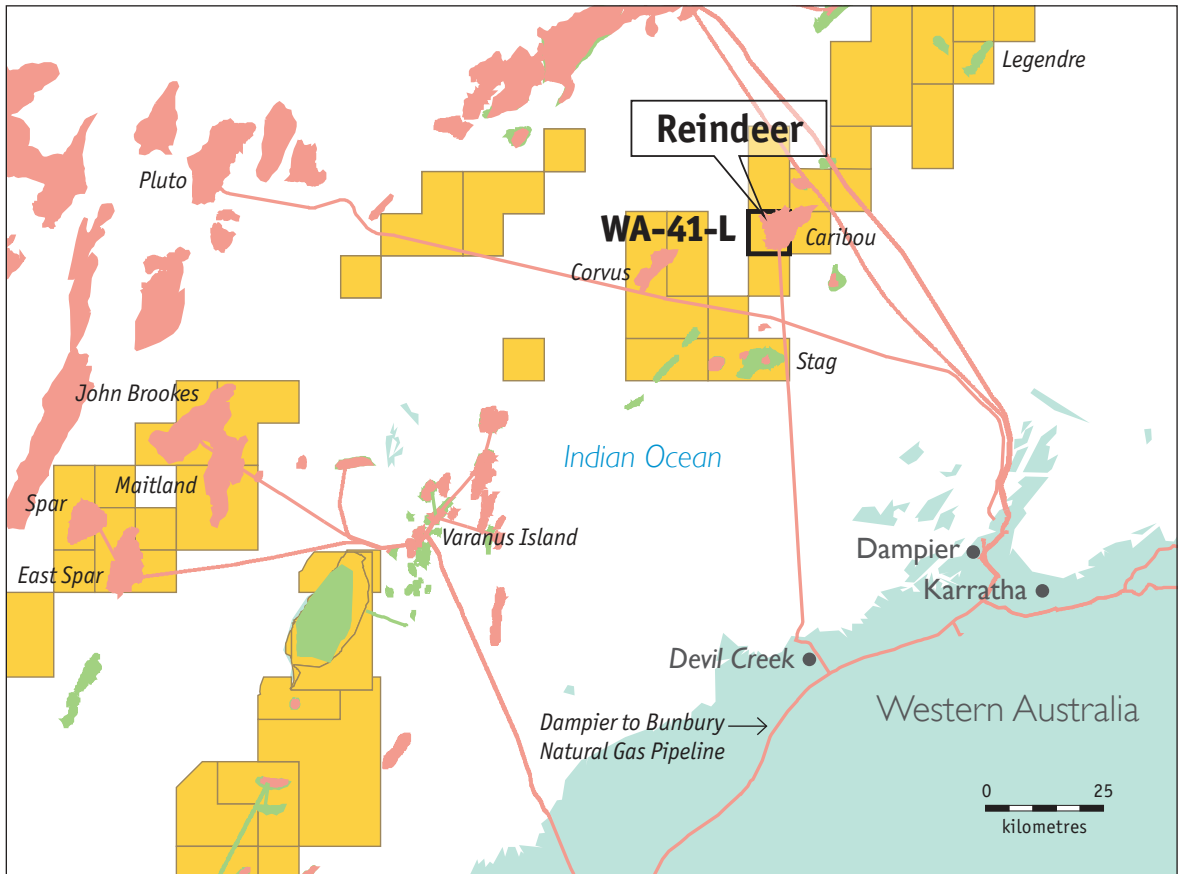
Santos has already entered a number of contracts for the supply of gas from Reindeer/Devil Creek to major local companies in the mining industry.

Santos has a 45% interest in the Reindeer field and Devil Creek. The remaining interest is held by Apache (operator).

Map attached.

Ends.

Reindeer Gas Field



LEGEND

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

