

3 December 2018

Bayu Undan infill program completed under budget and ahead of schedule

Santos today announced first gas from the third and final well of the Bayu Undan infill well program, and delivery of the whole project under budget and ahead of schedule.

A final investment decision was made in January last year as part of the long-term development plan for the Bayu Undan gas/condensate project, located in the Timor Sea. The drilling program consisted of two platform wells and one subsea well connecting into existing offshore infrastructure.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said: "This drilling campaign has been very successful, providing strong subsurface results, with the whole project having been executed approximately 40% below budget and the final well brought on-line over three months ahead of schedule."

"The program's success means that we have delivered higher liquids production and increased offshore well capacity. Operator ConocoPhillips has done an excellent job in executing such an efficient drilling program," Mr Gallagher said.

The wells were drilled with the Noble Tom Prosser rig, which has now been contracted by Santos to undertake a 2019 drilling program, including appraisal of the recent Dorado oil discovery offshore Western Australia.

Santos holds an 11.5% interest in the Bayu Undan joint venture and the Darwin LNG plant, both operated by ConocoPhillips.

Santos also has a 25% interest in the Barossa joint venture. The Barossa gas field is currently in front end engineering and design and is the leading candidate to backfill Darwin LNG when Bayu Undan production ceases. Barossa would more than double Santos' production in Northern Australia with a final investment decision targeted for late 2019.

Ends.

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