

8 October 2019

Strong Caley oil flow advances Dorado

Santos today announced that the initial flow test of the Caley reservoir from the Dorado-3 appraisal well has confirmed the main oil pool in the field is capable of producing flow rates at the higher end of pre-drill expectations.

The initial clean-up flow test of the Caley reservoir, in the Dorado field located in the Bedout Basin, offshore Western Australia, was conducted over a 12-hour period and achieved a maximum measured rate of approximately 11,100 barrels of oil per day and 21 million standard cubic feet of associated gas per day through a 68/64" choke. The oil rate is one of the highest ever from a North West Shelf appraisal well test.

The test was conducted over an 11 metre net interval between 3,999 and 4,015 metres Measured Depth and achieved with only 220 psi of drawdown. As with the recent Baxter test, the Caley production was constrained by surface equipment, indicating the reservoir has the capacity to flow at significantly higher rates.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said the test result was extremely positive.

"The test was conducted over only an 11 metre net section of the Caley from a total net reservoir interval of 53 metres, which demonstrates the high quality of the Caley reservoir.

"The results are very encouraging for development of the shallow-water Dorado field, with the test indicating very high potential flow rates of around 30,000 barrels per day from each single production well in the Caley reservoir. This positive result represents a significant step in progressing Dorado as one of Santos' most exciting new development projects."

The Caley flow test was the second of two for the Dorado field, following the Baxter test late last month which confirmed excellent productivity and fluid quality. Together, these results indicate potential for field production flow rates at the higher end of expectations and strongly support progress towards FEED entry in early 2020.

Dorado-3 is located in petroleum permit WA-437-P, in which Santos is operator and has an 80% interest, with Carnarvon Petroleum Limited holding the balance. It is in Commonwealth waters approximately 160 kilometres north of Port Hedland and one kilometre north-west of the Dorado-1 discovery, made in July last year.

Dorado-3 was drilled using the jack-up mobile offshore drilling unit, Noble Tom Prosser, in a water depth of 95 metres and reached a total measured depth of 4,643 metres.

Once operations are completed, the well will be plugged and abandoned as planned, thereby concluding Santos' 2019 offshore drilling program.

Ends.

Media enquiries

Daniela Ritorto
+61 8 8116 5167 / +61 (0) 455 319 770
daniela.ritorto@santos.com

Investor enquiries

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

Santos Limited

 ABN 80 007 550 923

GPO Box 2455, Adelaide SA 5001
T +61 8 8116 5000 F +61 8 8116 5131
www.santos.com