

Media Release

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Santos spuds first Beetaloo appraisal well

Santos today announced the spudding of its first appraisal well in the Beetaloo Basin, marking a major milestone towards unlocking a new source of long-term gas supply for Australian households, businesses and industry as well as supporting national and regional energy security.

The commencement of drilling follows approval of Santos' Environmental Management Plan (EMP) by the Northern Territory Minister for Lands, Planning and Environment in May 2026, authorising the appraisal drilling program.

Spudding the well is a critical first step in the drilling process with the drill bit breaking ground on Friday morning. Territory-based contractor Exact Contracting completed construction of the well pad, access tracks and key road intersection upgrades, paving the way for drilling operations to commence.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said spudding the first appraisal well was a significant achievement for Santos and the Northern Territory – and for Australia.

“The Beetaloo Basin is a phenomenal resource of national importance. Santos is excited to be investing in a Territory that understands what responsible gas development delivers – more jobs and local business opportunities, stronger communities and a resilient economy for Territorians,” Mr Gallagher said.

“The first appraisal well is a critical milestone as we work to prove the commerciality of this world class gas resource, with our acreage alone having the potential to supply up to 10 Mtpa¹ LNG and serve the northern and east coast domestic gas markets for 50 years or more.

“We have moved methodically and responsibly to secure regulatory approvals, engaged with the community including pastoralists and Traditional Owners, and established the infrastructure to drill safely and effectively.

“Santos is one of few companies with the capability to discover, develop, process, transport and market gas through a fully integrated supply chain, including the potential for decarbonisation through carbon capture and storage,” Mr Gallagher said.

¹ Santos Investor Briefing Day presentation, page 47

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The Beetaloo Sub-basin, part of the greater McArthur Basin, is estimated to contain more than 430 trillion cubic feet (tcf) of undiscovered gas-in-place on a basin-wide P50 basis, making it one of the most significant onshore gas opportunities in the world.

The resource, developed at scale, could be a game changer for the Northern Territory and Australia, creating more than 6,500 full-time jobs and delivering economic benefits of up to A\$2.8 billion for the Northern Territory and over A\$9 billion for Australia over 25 years.²

Northern Territory Chief Minister Lia Finocchiaro said the return of Santos to onshore activity in the NT was another strong signal of the continued confidence in the Beetaloo.

"The Beetaloo Basin is now delivering first gas to the Territory, and we are seeing the next wave of investment and development activity gathering momentum," the Chief Minister said.

"Santos is a global leader in gas development and it has already demonstrated the quality of the resource in EP161 through its previous drilling and flow testing program.

"Santos' return to drilling in the Beetaloo Basin is warmly welcomed and is an important next step in unlocking the basin."

Santos was originally an acronym for South Australia Northern Territory Oil Search.

"The 'NT' is more than just a part of SANTOS' name and its history – the NT is very much a big part of their future as well," the Chief Minister said.

Santos has a long history in the Top End with more than 40 years of active operations from Mereenie in the Amadeus Basin to Darwin LNG and the Barossa gas project.

The Beetaloo appraisal campaign follows Santos' success commissioning the Barossa gas project, which feeds the revitalised Darwin LNG plant and is now averaging one LNG cargo every 8 days to provide energy security for Australia's regional trading partners for decades to come.

The Barossa gas project has also secured approximately 300 permanent positions in the Northern Territory for the next 20 years, with an estimated A\$2.5 billion worth of wages and contracts expected to flow for Territorians over that time.

Darwin LNG provides a natural launch pad for the next phase of Northern Territory energy development, including carbon management, a potential pipeline connection to the Beetaloo and a second LNG train fed by Beetaloo gas.

Ends.

²ACIL Allen Consulting, [*The Economic Impacts of a Potential Shale Gas Development in the Northern Territory*](#), report prepared for the Scientific Inquiry into Hydraulic Fracturing in the Northern Territory, October 2017, p. iv