

ASX Announcement

17 November 2015

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India Workover Update

- Cambay-20 workover successfully completed and workover rig demobilised
- Cambay-19z associated gas at surface, used to power the Hydraulic Lift Pump (HLP)
- Workover on Cambay-77H commenced using electric wireline unit

Oilex Ltd is pleased to provide the following Workover update:

Cambay-20

The Cambay-20 workover commenced on 5 November and was completed on 16 November, on schedule and under budget, including partial replacement of the production tubing. Installation of the HLP unit and downhole pump has commenced to optimise production from the well. Cambay-20, an intermittent oil and gas producer, is located approximately 200 metres from Cambay-77H and connected to Cambay-73 gas production facilities via a temporary flowline to recover gas for sale during intermittent oil production.

Cambay-19z

The pumping rate for the removal of workover brine was reduced from the anticipated 40bbbls per day as a result of mechanical downtime required to adjust the HLP automatic controls and replace a hydraulic seal. Although Cambay-19z is an oil producer from the Eocene (EP IV) formation, associated gas has arrived at surface with sufficient pressure and volume to power the HLP. During the HLP downtime, Cambay-19z has exhibited self-flow bypassing the downhole pump again confirming good potential deliverability. Cambay-19z is located approximately 1.4 km to the west of Cambay-77H.

Cambay-77H

Cambay 77-H workover has commenced with the placement of a downhole production packer using an electric wireline unit. This packer isolates the frac'd reservoir section of the well such that the frac tree can be replaced with a production tree and production tubing can be installed. A workover rig is expected to be operational on site around 25 November. As previously announced, Cambay-77H will be connected to the Cambay-73 facilities via the temporary flowline with gas sold into the low-pressure market in the immediate vicinity of the field.

The Cambay-60 workover will commence after completion of Cambay-77H. Cambay-60 tested gas and condensate from the OSII formation but was never put into production. Some surface equipment requires replacement to ensure that the well is in optimal condition and its deliverability confirmed.

Other potential workover candidates

The candidates for possible workover are as previously stated. Subject to ongoing discussions with GSPC regarding cashcall payments, a decision related to further workovers after Cambay-60 will be made.

- Cambay-70 – located adjacent to Cambay-77H pad, a gas and oil producer from the Eocene/MBS formation
- Cambay-15 – a former gas producer from the OSII formation that may still be capable of servicing the low-pressure market.

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Managing Director of Oilex, Ron Miller, said;

“The Cambay workover campaign continues with the successful completion of activities at Cambay-20 on schedule and under budget. Gas at surface, sufficient to run the HLP unit, is a positive sign and a significant cost reduction compared to purchasing LPG. These workovers deliver low cost increases to our gas sales and cash flow and the performance of the Operations team to deliver them on schedule and under budget is very pleasing.”

For and on behalf of Oilex Ltd



Ron Miller
Managing Director

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