

Tuesday 23 September 2014

Drilling Operations Continuing At Jack Howe #1H Lower Woodbine Lateral

- Sun Resources NL is drilling ahead in the lateral section of the Jack Howe #1H well in the Normangee Oil Project, after changing the drill bit and bottom hole assembly.
- The well bore is being drilled horizontally at a measured depth of 12,950 feet with continued strong hydrocarbon indications in the Lower Woodbine target formation.
- Approximately 4,500 feet of lateral section has been drilled to date.
- Sun expects the drilling and casing of the Jack Howe #1H lateral section to take approximately one week to complete.
- Sun anticipates drilling approximately 6,100 feet of horizontal section to be cased with 5.5 inch casing, ahead of a multi-stage fracing programme.

Sun Resources NL (“Sun” or “Company”) (ASX: SUR) is pleased to announce that drilling operations are continuing at the Jack Howe #1H well location within Sun’s Normangee Oil Project. Sun (50%WI and Operator) is currently drilling ahead in the horizontal section of the well bore. Sun expects to complete the drilling program and casing of the well, using the Nabors Drilling USA LP Rig #53, over the next 4-7 days.

Since the last report, the lateral section of the well was drilled to a depth of 12,400 feet when a decision was made to ‘trip out of the hole’ to change out the drill bit and its bottom hole assembly (“BHA”). The new BHA has been run back into the hole and drilling is continuing, with the latest recorded depth reached being 12,950 feet. To date, approximately 4,500 feet of lateral section has been drilled with strong oil and gas shows continuing.

The target formation is the Lower Woodbine which has been intersected at a target depth below 8,100 feet measured vertical depth (2,470 meters) with approximately 6,100 feet of horizontal section expected to be drilled. Further updates will be provided as operations progress.

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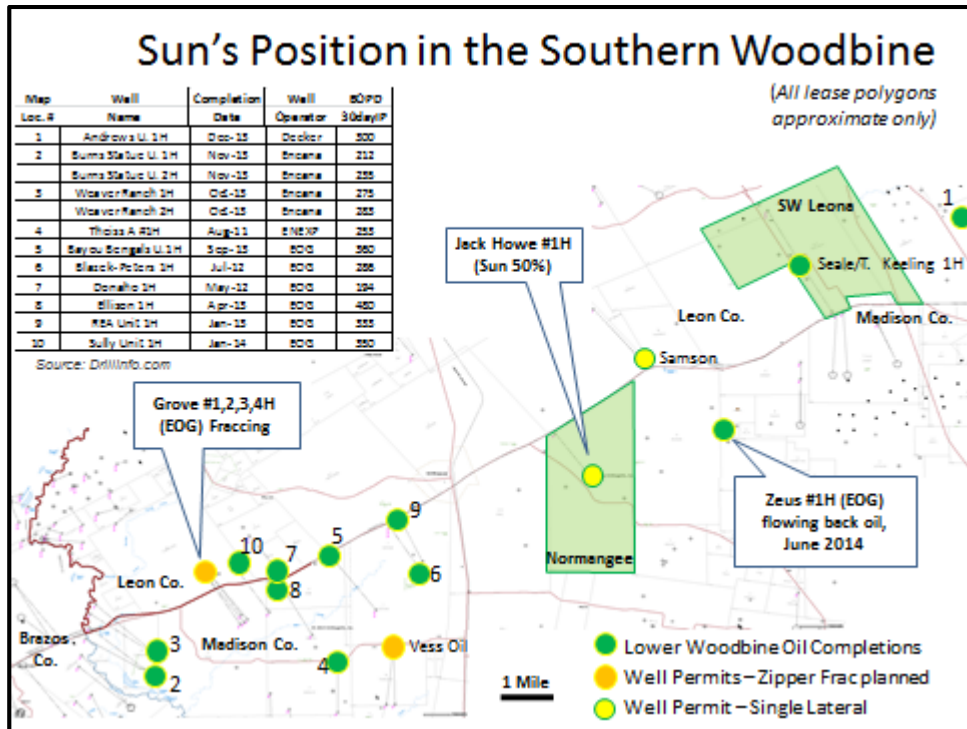


Figure 1: Location of EOG's Lower Woodbine Oil-producing lateral wells and relative position of Sun's Normangee and SW Leona Oil Project areas.

Sun notes EOG Resources Inc. ("EOG") (one of the biggest and most successful independent oil companies in the USA with a market capitalization over US\$ 50 billion (NYSE: EOG)) has entered the Southern Woodbine area where Sun already has an established land position and has been actively leasing additional acreage recently. EOG has successfully drilled and completed 7 'laterals' in the Lower Woodbine target, to the east and west of Sun's Normangee Oil Project, in the same Lower Woodbine target identified in Sun's Jack Howe vertical pilot well. To date, EOG's Lower Woodbine laterals have delivered a range of 30-day initial production rates of between 200-600 barrels oil per day. The most recent EOG lateral completion, Zeus #1H was drilled and successfully completed only 6 km east of Sun's Jack Howe #1H vertical pilot well. Zeus #1H is currently on flow-back and its results will be reported as soon as they become public records. Furthermore Sun understands EOG is now fraccing 4 wells in the Grove area, west of Normangee.