

Dorado-2 drilling update

29 May 2019



Carnarvon Petroleum Limited ("Carnarvon") (ASX:CVN) is pleased to provide the following update on the drilling of the Dorado-2 well.

Progress

Since the last report, 233 metres of whole well bore core has been extracted from the well across the Caley and Baxter reservoirs. Logging While Drilling ("LWD") tools have logged across the cored section and to the well's current depth.

Results from the LWD tools indicate that similar reservoirs have been encountered to those in the Dorado-1 discovery. Increased resistivity observed from LWD tools indicate porous and permeable zones with indications of hydrocarbons as anticipated in the Caley, Baxter and Milne Members. Wireline logging is required to obtain definitive results and this will commence once the well has drilled to the total depth of approximately 4,548 metres Measured Depth ("MD").

Current Operations

As at 6:00am this morning the well was drilling ahead in 8-1/2" hole size at a depth of approximately 4,500 metres MD.

Forward Plan

Drill to approximately 4,548 metres Measured Depth ("MD") and then obtain wireline logging information over the complete section of open hole encompassing the Caley, Baxter, Crespín and Milne members. The wireline logging process includes fluid sampling and pressure testing, in order to obtain information regarding the quality of the reservoir sections and the nature of the hydrocarbon fluids encountered, including estimates of oil-water contacts.

Comments

The primary objective for extracting the core is to assist with development planning and as such the core has been preserved and sent to laboratories in as original condition as possible. Work will not commence on the core until after the analysis from the wireline has been completed hence the core is not able to be used to determine reservoir quality or hydrocarbon contacts at this time.

Well Objective

Dorado-2 is the first appraisal well of the Dorado oil and gas field which was discovered in the latter half of last year (see ASX announcements released 18 July, 24 July, 8 August and 20 August 2018). For detailed well objectives refer to ASX announcement released on 3 May 2019.

Dorado-1 discovered hydrocarbon bearing reservoirs in the Caley, Baxter, Crespín and Milne Members of the Lower Keraudren Formation.

The Dorado-2 well is located approximately 160km north-northeast of Port Hedland in the Bedout Sub-basin. Drilling is in approximately 95 metres water depth (see Figure 1) with the Dorado-2 location being around 2.2km away from the Dorado-1 discovery location.

Dorado resides in WA-437-P in which Carnarvon holds a 20% interest.

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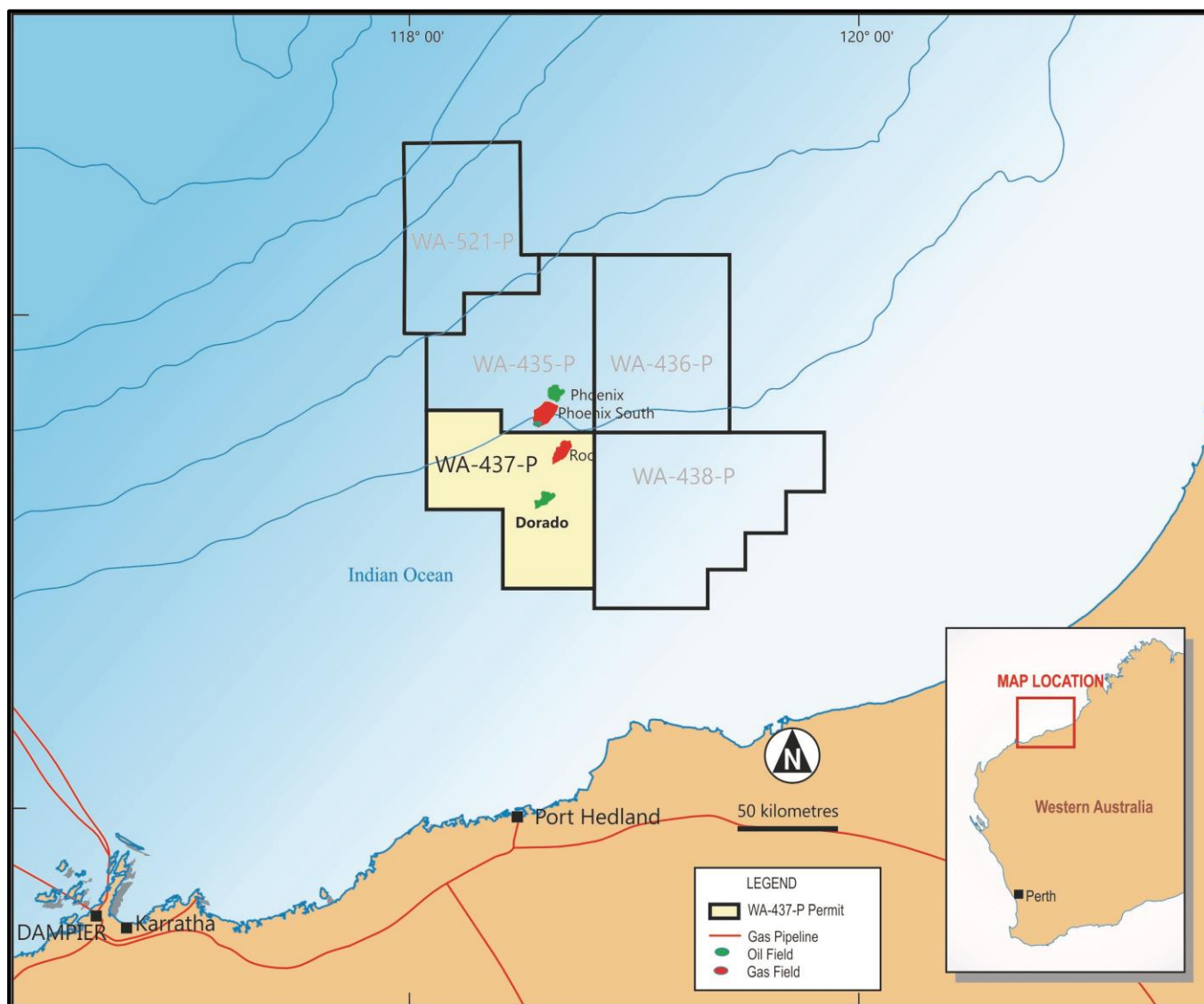


Figure 1 – Map of WA-437-P showing the Dorado field