

KAHLUA AREA ACTIVITIES

Kahlua 4 and monitoring well surrounded by winter crop cereal wheat.

Santos has been supplying natural gas to NSW customers since 1976 and undertaking exploration and appraisal activity in the Gunnedah area since 2007.

In 2022, the NSW Government renewed a limited number of Petroleum Exploration Licences (PELs) in the Gunnedah Basin as areas that will be available for gas exploration and potential future production.

As the operator of petroleum exploration licence (PEL) 1 in this area, we have obligations to carry out certain works to better understand NSW's gas resource potential, with a view to ensuring long-term energy security and affordability for NSW households, businesses and industries.

Santos will soon be conducting activities in the Kahlua area within PEL 1, approximately 20km west of Gunnedah. The activities have been approved by the NSW Resources Regulator and include restarting the four existing pilot wells we have in the area.

The site contains existing coal seam gas exploration infrastructure including four exploration wells, access tracks, water storage and gas flaring infrastructure.

The purpose of the activity is to continue exploration and appraisal activities using the existing coal seam gas exploration infrastructure. Minor civil and construction work to maintain the well pads, access tracks and gathering lines will be carried out. A workover rig will also be brought in to conduct maintenance work on the wells before they are restarted.

The activity is classified as an assessable prospecting operation and therefore requires an activity approval under the *Petroleum (Onshore) Act 1991* (NSW).

Santos will notify neighbouring landholders before the activity commences.

PROJECT ACTIVITIES

The activity at the site would involve the following:



Minor civil and construction works



Workovers of four existing gas exploration wells (K2, K3, K4 and K5)



Appraisal activities



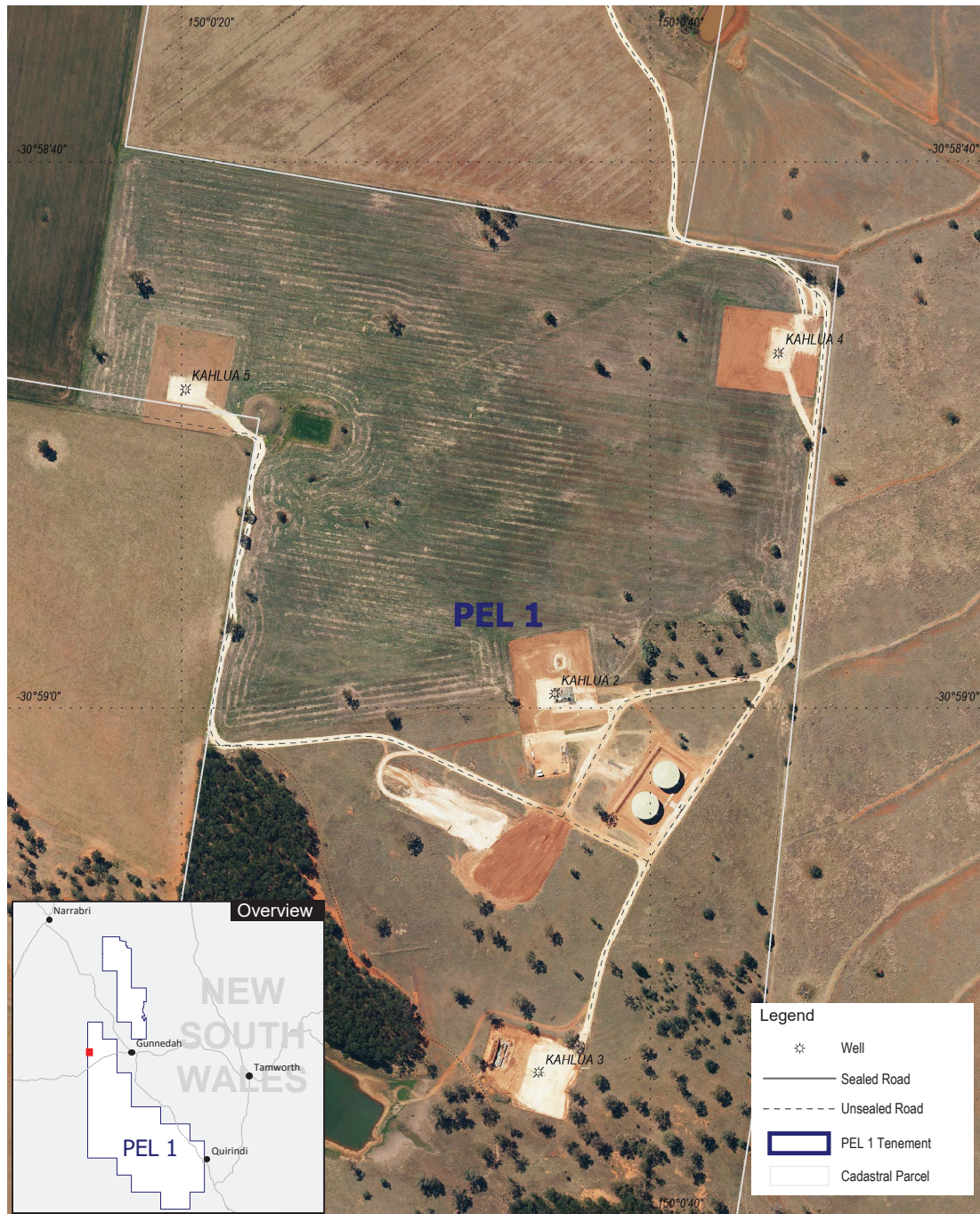
Decommissioning and rehabilitation activities

Timing and duration

The activity is planned to commence mid 2023. The maintenance work will occur over a three-month period. During this time and in-line with our approvals, these works may require 24 hour operations for a very short period.

The pilot wells will then operate for approximately two years through to the end of 2025, while we assess the resource potential. It is intended that the two year appraisal period will be continuous, however maintenance or downtime may occur that could result in a lengthier overall program.

Figure 1. proposed activity



CONTACT DETAILS

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Santos provides reliable, affordable energy for progress and seeks to provide lower carbon energy over time. Santos is a global energy company with operations across Australia, Papua New Guinea, Timor-Leste and the United States. For 70 years, Santos has been working in partnership with local communities, providing jobs and business opportunities, safely developing natural gas resources and from there powering industries and households.

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