



## **SAMSON OIL & GAS OPERATIONAL ADVISORY**

*Denver 1700 hours December 8th, 2011, Perth 0700 hours December 9th, 2011*

Samson Oil & Gas Limited (ASX: SSN; NYSE AMEX: SSN) advises on the following field operations:

### **ROOSEVELT PROJECT**

#### **Australia II 12KA 6, Roosevelt County, MT (SSN 100%, subject to a 33.34% back-in option)**

The vertical pilot hole has been drilled to a total depth of 9,738 feet in the Australia II 12 KA 6 well. 120 feet of core were successfully cut and recovered from the Bakken and Upper Three Forks Formations. Good hydrocarbon shows were recorded on the mud log when coring through the Middle Member of the Bakken Formation. Following coring operations, electric logs were run and showed very similar results when compared to productive Bakken offset wells in the vicinity.

Preliminary examination of the reservoir sequence in the core recovered within the Middle Bakken (the target zone in which the lateral is to be drilled) showed an instant streaming hydrocarbon cut evidencing oil saturation. Mud filtrate invasion observed on the exterior of the core is qualitative evidence that this sequence is permeable.

The Australia II well has now been plugged back and preparations are underway to kick-off the well bore to the 7 inch casing landing point, after which the 4,500 foot lateral will be drilled within the Middle Member of the Bakken Formation.

### **HAWK SPRINGS PROJECT**

#### **Defender US33 #2-29H, Goshen County, WY (SSN 37.5% carried working interest)**

The Defender US33 #2-29H well has been flowing without artificial lift since the fracture stimulation was concluded and modest amounts of oil are starting to flow into the tanks, however no rate has been established. The artificial lift system (production tubing, sucker rods, downhole pump and pump jack) have been installed and production will continue both naturally and with the artificial lift system as appropriate.

The well has been shut in during the intervening overnight periods and has thereafter exhibited a buildup of pressure, indicating that the well is beginning to see a pressure response from the formation.

Once the installation of the pump jack is complete, the pump jack will enable the removal of completion fluids from the wellbore to allow formation fluids to enter the well. The Defender US33 #2-29H is the first Niobrara appraisal well in Samson's Hawk Springs project and is being fully carried by Samson's farmin partner.



### **Spirit of America US34 #1-29, Goshen County, WY (SSN 100% working interest)**

Cased-hole logs were run on the Spirit of America US34 #1-29 well and the well perforated over the Cretaceous Muddy Formation (J-Sand). The well is now ready to be fracture stimulated. In light of the size of the frac job (only a single stage with approximately 200,000 lbs of proppant), the frac will not have a set date but is expected to be completed on an “opportunity basis” in the near future.

The re-drill of the Permian/Pennsylvanian prospect at this location remains a priority for Samson. It is currently expected that a revised engineering plan for the replacement well will be completed in late January so that the drilling of the well can be considered during the first quarter of 2012.

Given the difficulties encountered in the first attempt, a well construction plan that accounts for the Permian “mobile shale” and salt will be required. This is likely to include setting a casing string close to this level and increasing the mud weight significantly to counteract the “mobile shale” and salt.

### **NORTH STOCKYARD FIELD**

#### **Everett #1-15H, Williams County, ND (SSN 26% working interest)**

Fracture stimulation operations have commenced on the Everett #1-15H well, with Stage 1 already being pumped. The frac spread is new and has encountered some hydraulic problems with the main pump units, which required a two day shutdown of operations. Given that this is the spread’s first job, it is being conducted on a fixed price basis. The stimulation will be 20 stages and place 2.37 million pounds of proppant.

The Everett #1-15H well is Samson’s sixth Bakken well in the North Stockyard Field.

#### **Infill Well Hearing, Williams County, ND (Average SSN 37% working interest)**

Samson and its partners in the North Stockyard project area have submitted an application to the NDIC Oil and Gas Division to allow the drilling of four infill wells on the North Stockyard Field. This application is on the NDIC hearing docket and should be reviewed at its December 15th hearing.

The initial two wells are expected to have a working interest assigned to Samson of approximately 37%.



Samson's Ordinary Shares are traded on the Australian Securities Exchange under the symbol "SSN". Samson's American Depository Shares (ADSs) are traded on the New York Stock Exchange AMEX under the symbol "SSN". Each ADS represents 20 fully paid Ordinary Shares of Samson. Samson has a total of 1,996 million ordinary shares issued and outstanding (including 246 million options exercisable at AUD 1.5 cents), which would be the equivalent of 99.8 million ADSs. Accordingly, based on the NYSE AMEX closing price of US\$1.74 per ADS on December 8, 2011 the Company has a current market capitalization of approximately US\$167.61 million. Correspondingly, based on the ASX closing price of A\$0.085 on December 8, 2011, the Company has a current market capitalization of A\$163.68 million. The options have been valued at their closing price of A\$0.067 on December 8, 2011 and translated to US\$ at the current exchange of 1.0269 for purposes of inclusion in the US\$ market capitalization calculation.

For and on behalf of the board of  
**SAMSON OIL & GAS LIMITED**

A handwritten signature in black ink that reads "Terry Barr".

For further information please contact, Terry Barr, CEO on  
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**TERRY BARR**  
Managing Director

Statements made in this release that are not historical facts may be forward looking statements, including but not limited to statements using words like "may", "believe", "expect", "anticipate", "should" or "will."

Actual results may differ materially from those projected in any forward-looking statement. There are a number of important factors that could cause actual results to differ materially from those anticipated or estimated by any forward looking information, including uncertainties inherent in estimating the methods, timing and results of exploration activities.

A description of the risks and uncertainties that are generally attendant to Samson and its industry, as well as other factors that could affect Samson's financial results, are included in the Company's report to the U.S. Securities and Exchange Commission on Form 10-K, which is available at [www.sec.gov/edgar/searchedgar/webusers.htm](http://www.sec.gov/edgar/searchedgar/webusers.htm).