



**SAMSON**  
OIL & GAS LIMITED

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

*Denver 1600 hours December 29th, 2011, Perth 0700 hours December 30th, 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 Australia II well has been successfully drilled to a total measured depth of 14,972 feet. The horizontal lateral remained “in zone” for the entire lateral length and returned excellent oil and gas shows. The rock samples were largely consistent, exhibiting a lithology associated with the vertical cored interval that was the porous and permeable middle Bakken zone.

The rate of penetration of the lateral was excellent and confirms that the lateral was maintained in the reservoir facies. Some operational interruptions, such as two failures of the MWD tools, were experienced; however, these types of failures are not unusual.

The 4 ½ liner equipped with 15 external casing packers was then run to total depth and set in the 7 inch casing shoe. A retrievable bridge plug is currently being set such that the well is made safe. It is expected that the drilling rig will be released to Samson’s Gretel II location in the next 48 hours.

Contract negotiations are being undertaken with a mainstream pressure pumping company such that this well would have a frac date of mid-February.

### **HAWK SPRINGS PROJECT**

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

The Defender US33 #2-29H well continues to be pumped but the pump rate suggests that the pump valves may have been damaged, so this pump will be replaced in the near future. Approximately 40% of the fracture stimulation fluid has been recovered to date and it remains too early to establish an oil production rate.

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)**

The Spirit of America well has been fracture stimulated with 92,000 pounds of proppant in the Cretaceous Muddy Formation (J-Sand). The flow back to date has resulted in only trace amounts of gas being produced (no oil or formation fluids) due to the permeability of the reservoir being too tight. We will continue to flow the well over the next few weeks to fully recover the frack fluid and further evaluate the reservoir.

[www.samsonoilandgas.com.au](http://www.samsonoilandgas.com.au)

#### **Samson Oil & Gas USA**

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#### **Samson Oil & Gas Limited**

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ABN 25 009 069 005 ASX Code SSN



## **NORTH STOCKYARD FIELD**

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

Fracture stimulation operations have been completed to Stage 11 of 20 planned stages. However, Stage 11 was "screened out" and the sand in the well bore was not able to be flowed back. A coiled tubing unit is required to remove the sand in order to permit the remaining stages to be completed. Because of the holiday period, a coiled tubing unit was not immediately available but one will be mobilized early in 2012 to complete the stimulation of this well.

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

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\$2.18 per ADS on December 29, 2011 the Company has a current market capitalization of approximately US\$212.6 million. Correspondingly, based on the ASX closing price of A\$0.105 on December 29, 2011, the Company has a current market capitalization of A\$205.4 million. The options have been valued at their closing price of A\$0.088 on December 29, 2011 and translated to US\$ at the current exchange of 1.01 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  
303 296 3994 (US office) or 970 389 5047 (US cell)

**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).

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