



# Sacgasco Limited

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Announcement to ASX

10 November 2020

## Borba Drill Pad Completed

- All-weather drilling location and future production base completed
- Drilling planned to commence in 2020
- Significant interest from potential partners to participate and fund Borba drilling

Sacgasco Limited (ASX: SGC) ("Sacgasco" or "the Company") is pleased to announce that construction of the all-weather drilling-pad and future production-base has been completed. Highly experienced local contractor, NOR CAL Construction built the pad.

The pad measures approximately 300 feet by 175 feet and sits some 16 inches above cornfield level.



Borba 1-7 Well Pad and Production Platform

The Borba 1-7 well will be drilled to test multiple stacked 3D seismic anomalies in the interval from 3,200 feet (975 metres) to 9,500 feet (2,800 metres) depth and finish in Basement rocks. The prospective interval covers around 6,300 feet (1,920 metres).

The well will be drilled with a small directional component to optimise the intersection of the multiple seismic anomalies on 3D seismic. The well is expected to take some 25-35 days to drill and operations are still expected to commence this calendar year.

Sacgasco are planning to commence drilling the Borba 1-7 well as soon as final preparation for drilling are completed. The well is already permitted with the State and local authorities.

The well will be drilled with the largest capacity rig in the area and will require a 10,000 psi rated control stack on the 9 5/8" casing below 6,000 feet. The well will have 3 strings of protective pipe.

**Sacgasco's Managing Director Gary Jeffery commented:**

***"Sacgasco continues to progress drilling preparation for the exciting, proof-of -concept Borba well.***

***The Borba well is the logical next step in evaluating the world class potential of the older sediments in the Sacramento Basin. Investors and shareholders are reminded of the similarities between our Sacramento Basin opportunities and the recent success achieved in the older and much deeper sediments of the Perth Basin.***

***There is an unsatiated 7 Bcf/day gas market in California which imports over 90% of its natural gas from Canada and other US states. Natural Gas in California continues to realize premium prices. Prices are currently close to US\$4.00 per mcf.***

***We will keep shareholders informed of progress as well as other opportunistic initiatives we are progressing.***

The Working Interests in the Borba 1-7 well are currently:

Sacgasco Limited (Operator) (ASX: SGC)	76%
Xstate Resources Limited (ASX: XST)	24%

Farmout and funding discussions to reduce Sacgasco's Working Interest exposure are advanced to enable Sacgasco to implement its plans to drill the well this year.



Construction of Borba Well Pad and Production Platform

A Resource Report by an independent party is being finalised and will be released once final working interests are settled prior to commencement of drilling.

**For and on behalf of the Board of Sacgasco Limited.**

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**About Sacgasco Limited (ASX: SGC)**

***Sacgasco's strategy is to find, acquire and develop undervalued and under-developed opportunities connected to materially under supplied oil and gas markets across the world.***

*Sacgasco Limited (ASX: SGC) is an Australian-based energy company focused on conventional gas exploration and production in the Sacramento Basin, onshore California. Sacgasco has an extensive portfolio of natural gas producing wells and prospects at both exploration and appraisal stages, including multi-Tcf opportunities.*

*The Company is targeting gas supply to the local Californian gas market and burgeoning LNG market in North America. Sacgasco is of the view that the size of the prospects in California have the potential to supply both domestic Californian natural gas and export LNG markets, including those in Asia.*

**[www.sacgasco.com](http://www.sacgasco.com)**

**Twitter: @SacGasCo**

***This document contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they and or their timing may be affected by many variables which could cause actual results or trends to differ materially. The technical information provided has been reviewed by Mr Gary Jeffery, Managing Director of Sacgasco Limited. He is a qualified geophysicist with over 47 years technical, commercial and management experience in exploration for, appraisal and development, and transportation of oil and gas. Mr Jeffery is a member of the American Association of Petroleum Geologists. Mr Jeffery consents to the inclusion of the information in the form and context in which it appears.***