



# Sacgasco Limited

ABN 83 114 061 433

Unit 14, 210 Bagot Road, Subiaco, WA, 6008.

T +61 8 9388 2654 E info@sacgasco.com

Announcement to ASX

17 March 2021

## Borba 1-7 Gas Shows in Guinda Formation

- **Dramatic Drilling Break with gas shows at Top Guinda Formation**
- **~ 125 feet high to Hunt Borba 1 gas pay**
- **Gas show of 6 times background with 12.1 Pound per gallon Mud weight**
- **Drilling ahead in Guinda Formation**

Sacgasco Limited (ASX:SGC (“Sacgasco” or “the Company”)) is pleased to announce that it has intersected a gas peak in the Guinda Formation at the Borba 1-7 well at a measured depth of 5,662 feet.

The gas peak of 12 U over a background of 2U (6 x increase) was in a zone of increased sand content which exhibited a dramatic Drilling Break, i.e. it drilled significantly faster than the overlying shales. It should be noted that the mud weight in Borba 1-7 well 8 ½” hole of 12.1 ppg is significantly higher than in the offset Hunt Borba 1 well (10.7ppg) at the same depth.

The mud weight has been raised to protect the well from potential overpressure zones below. The higher mud weight also has the effect of suppressing the gas shows in the mud.

The drilling depth when corrected for deviation and is approximately 125 feet high to the downdip Hunt Borba 1 well which is drilled in the same structural closure.

The mud logs show around 25 feet of sandy formation drilled to date.

Drilling will continue to the next objective with the next suite of logs to be run at the TD of the well.

The Working Interests (“WI”) in the Borba 1-7 well and Borba AMI are:

	<b>Drilling Costs</b>	<b>After Drilling WI</b>
<b>Sacgasco Limited (Operator) (ASX: SGC)</b>	62.5%	66.67%
<b>Xstate Resources Limited (ASX: XST)</b>	37.5%	33.33%

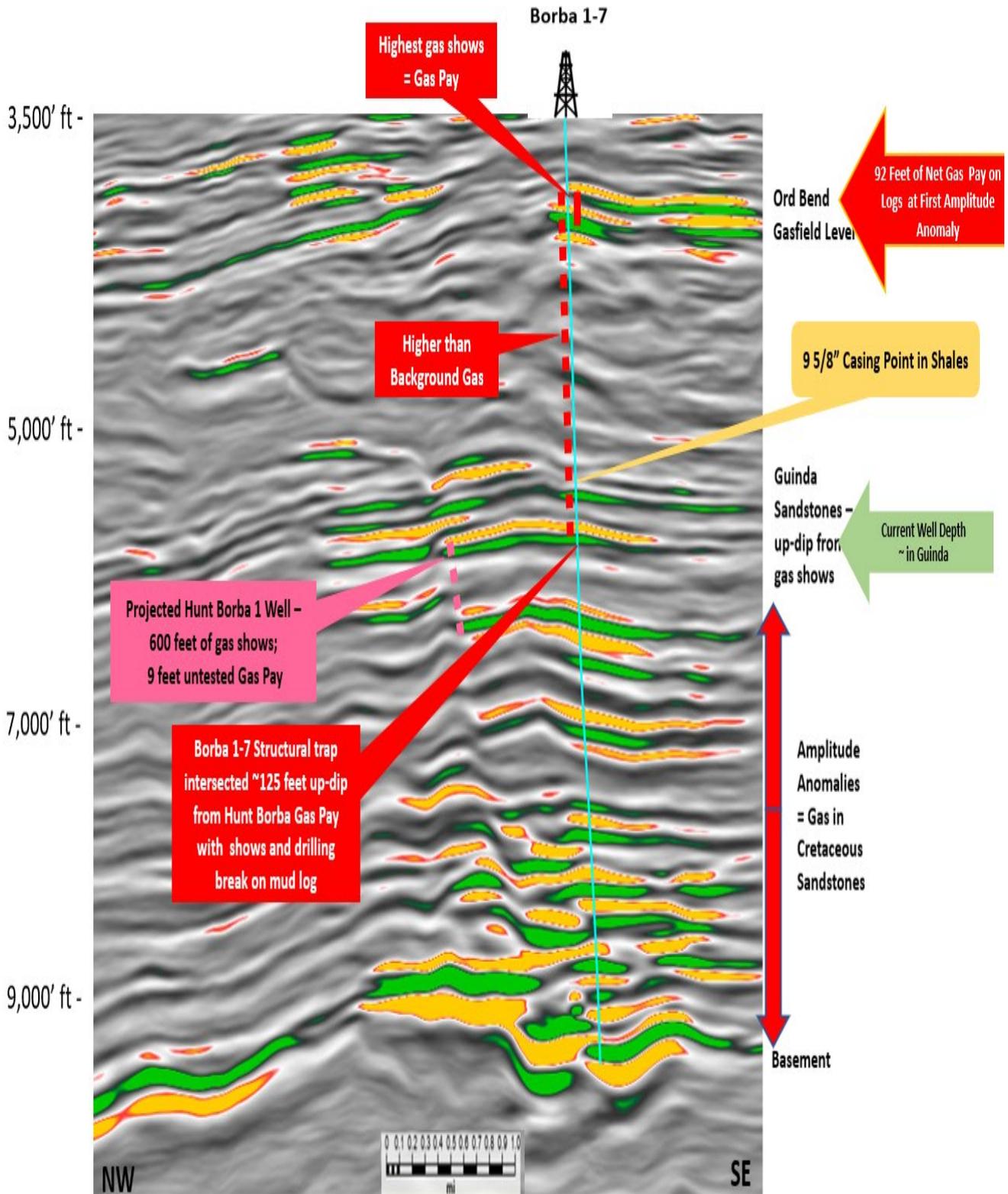


Fig. 1: Schematic based on 3D Seismic along the Borba 1-7 well path

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

**Gary Jeffery**  
**Managing Director**  
**+61 8 9388 2654**

**Ben Jarvis**  
**Six Degrees Investor Relations**  
**+61 (0) 413 150 448**

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

***Sacgasco Limited (ASX: SGC) is an Australian-based energy company focused on under-explored, recently overlooked, world class oil and gas opportunities near under-supplied markets.***

*The current prime focus is 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 domestic Californian natural gas and export LNG markets.*

*Sacgasco is in the process of acquiring undervalued oil producing assets in Alberta, Canada to complement its current natural gas assets.*

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

**Twitter: @SacGasCo**

***The technical information provided has been supervised and reviewed by Mr Gary Jeffery, Managing Director of Sacgasco Limited. He is a qualified geophysicist with over 48 years technical, commercial and management experience in exploration for, appraisal and development, and transportation of oil and gas and mineral resources . Mr Jeffery is a member of the American Association of Petroleum Geologists with over 48 years of oil and gas Industry experience. He is a Competent Person under the relevant ASX Listing Rules and has supervised the interpretation reported on in this release, and consents to the inclusion of the information in the form and context in which it appears.***

***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.***