



Sacgasco Limited

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Announcement to ASX

20 July 2017

Operations Update for 1+ Tcf Dempsey Natural Gas Well

- Surface conductor in place ready for the Dempsey 1-15 well
- Drilling rig mobilization underway

Sacramento Basin-focused natural gas developer and producer, Sacgasco Limited (ASX: SGC) (“Sacgasco” or “the Company”) is pleased to advise that installation of the surface conductor for the Dempsey Appraisal and Exploration Project is now complete.

Sacgasco’s Managing Director Gary Jeffery commented, “The drilling process has officially commenced with the cementing of the 20 inch diameter surface conductor. Rig mobilisation is underway with a number of parts already on site in the lead up to the spudding of the Dempsey 1-15 well, which is on track for late July.

Dempsey drilling is one of a number of parallel steps in the continued development of Sacgasco as a leading Sacramento Basin natural gas producer.”

Dempsey is a 1+ Tcf natural gas Appraisal and Exploration Project with over seven stacked conventional reservoir targets.

The following images show the drilling and cementing of the conductor pipe for the Dempsey 1-15 well:



Figure 1: Stages of Drilling and Cementing Surface Conductor



Figure 2: SGC Gas Meter and Surface Conductor Rig

Dempsey 1-15 Working Interests participants are:

Sacgasco Limited (ASX: SGC) -Operator	50%
Empyrean Energy plc (LON: EME)	30%
Xstate Resources Limited (ASX: XST)	10%
Pancontinental (ASX: PCL)	10%

For and on behalf of the Board of Sacgasco Limited.

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About Sacgasco Limited (ASX: SGC)

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 the domestic Californian gas market and export LNG markets.

www.sacgasco.com

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