

JEWELL WELL UPDATE

Commencement of site works

Perth, Western Australia –23rd March 2021 – Stonehorse Energy Limited (ASX: SHE) is pleased to provide an update on operations in preparation for the drilling of the high-impact Jewell 1-13-12 SXH well (**Jewell Well**) located in Carter county, Oklahoma USA.

Stonehorse is pleased to announce that construction of the all-weather multi-well pad and access road for the Jewell Well commenced on the 9 March 2021 with the mobilisation of bulldozers, scrapers, and excavators to site (see Figure 1).

Construction works are progressing well with the Black Mesa team on-site monitoring progress to ensure construction of the pad and access road is completed as planned.



Figure 1. Location preparation for the Jewell Well pad.

The completed pad will be covered in approximately 2,700 tonnes of crushed limestone to facilitate all-weather working conditions. The access road connecting the pad to Oklahoma State Highway 7 is also being constructed allowing access for personnel and equipment.



The Jewell Well pad has been designed as a multi-well pad to accommodate both drilling and the large assembly of completion and stimulation equipment that will be required post drilling (see Figure 2).



Figure 2. Example of a land based oil and gas drill pad and rig similar to that proposed for the Jewell well.

Future construction activities are planned to include a 1,280 metre steel gas pipeline connecting the tank battery to the local gas processing plant for gas sales.

On site storage will consist of multiple large volume oil storage tanks and temporary stimulation fluid storage tanks. Tanks and process vessels will be situated in a steel containment dike in accordance with environmental regulations.

About Stonehorse Energy

Stonehorse Energy Limited (ASX:SHE) is an Australian based E&P company with a focus on onshore oil and gas in North America. The overall objective of the Company is to implement its strategy of building a portfolio of high quality well bore assets with Working Interest (WI) percentages reflecting risk appetite and capital availability underpinned by the Step-in arrangement the Company has with Brookside Energy Limited (BRK).

This Step-in and the Orion JV arrangement it has with BRK continues to provide the Company with access to a pipeline of well bore opportunities in the Anadarko Basin, including the potential to participate in non-operated wells in the core of the STACK Play and higher-impact wells in the emerging and highly sought after Sycamore-Woodford trend in the SCOOP Play.

This announcement has been authorised by the Board.



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