



## Update - Quinn Creek 141

Helios Energy Ltd (ASX Code: HE8 and HE8OA) (**Helios** or **Company**) has successfully completed a one stage vertical frac of the Austin Chalk age equivalent Ojinaga Formation in the Quinn Creek 141 well at a depth of between 4,744 and 4,880 feet in late June 2018. The frac successfully injected approximately 200,000 pounds of proppant and approximately 10,000 barrels of completion fluid. The well flowed 260 barrels of oil (API is 39 degrees) and 1,345 barrels of fluid in the past 7 days. Gas was producing at the rate of 456 mcf per day on a 34/64ths of one inch choke. As the well has cleaned up and the percentage of completion fluid recovery has risen, a steadily continuing oil cut has been observed. Total load recovery to date is approximately 35%.

Helios has decided to move up the hole to continue the well testing program and this will commence on Wednesday, July 18<sup>th</sup> 2018 (USA Texas time).

The next operation will test two intervals in the middle and upper Ojinaga Formation from between 4,240-4,310 feet and 3,400-3,600 feet respectively. The planned test intervals are both characterized by fractures with associated oil and gas shows and are materially similar to the intervals which have been successfully tested for oil and gas in the Quinn Creek 141 well.

### Presidio Oil Project – Quinn Creek 141

Quinn Creek 141 was spud by Helios as Operator on 23 April 2017 and was designed to be drilled to a total depth of 6,000 feet. The well was first drilled to 5,000 feet and encountered live oil and gas shows from 3,000 feet to 5,000 feet through a thickened Ojinaga Formation sequence of fractured shales and carbonates. Casing was then set to protect the oil and gas shows and the well was deepened to 6,000 feet and penetrated the upper Eagle Ford Shale as well as the Lower Eagle Ford Boquillas organic rich limestone before entering the Buda Carbonate.

ASX Code: HE8

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Helios must drill 3 wells to earn a 70% WI in the initial 6,400 acres (4,480 net acres) which comprise the Presidio Oil Project and a 70% WI in each of these 3 wells. Helios to date has drilled 2 of those 3 wells with those 2 wells being the Quinn Creek 141 vertical well and the Quinn Mesa 113 vertical well. Helios has been granted an extension until 30 September 2018 to drill the third well.

### **Leasing Programme**

The Company has been actively leasing in the Presidio Oil Project area. Excluding the initial 6,400 acres (4,480 net acres) of the Presidio Oil Project in which Helios will earn a 70% WI upon completing the drilling of 3 wells by 30 September 2018, the Company has been actively leasing additional acres in close proximity to these initial 6,400 acres and now has a 70% WI in a further 26,096 acres. In addition, Helios has a 70% WI in a further 34,280 acres which have been placed under call option to lease. In total therefore, Helios has under contract a 70% WI in a total of 66,776 acres (46,743 net acres).

For further information, please contact:

**Richard He**  
**Managing Director**

#### ***Competent Person's Statement***

*This information in this ASX announcement is based on information compiled or reviewed by Stephen Hermeston. Mr. Hermeston is a qualified petroleum geologist with over 35 years of experience in North America, South America, Africa, Middle East, Far East, Europe and other international areas involving technical, operational and executive aspects of petroleum exploration and production, in both onshore and offshore environments. He has extensive experience in petroleum exploration, appraisal and reserve and resource estimation and well as in identifying and evaluating new oil and gas ventures. Mr. Hermeston has a Bachelors degree in Geology and is a member of the American Association of Petroleum Geologists.*