



Otis Energy Limited

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ASX Release

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Sombrero Well # 1 Completion Update

Otis Energy Limited (ASX: OTE) is pleased to provide the following update on progress at its Sombrero project (Otis Energy 5% WI, 3.75% NRI).

Otis Energy advises that it has been notified by the operator of its Sombrero Project that a completion rig will be on site at the WC 35 State # 1 well on or around May 1st to complete the well. The well will be perforated and flow tested in the San Andres formation at a depth of 4,520 feet (1,377 metres). The San Andres is an oil producing formation across the region.

About the Sombrero Project;

Sombrero is located in Lea County, New Mexico, a prolific oil and gas producing region along the northwest Shelf of the Delaware Basin. The project covers an area of 37.7 square miles (approximately 24,000 acres) offsetting multiple producing fields in a multi-pay environment. The project is covered by a 3D seismic survey and will primarily target the Wolfcamp/Cisco formations with additional potential from the Queen, Grayburg, Paddock, Atoka and Morrow formations.

The first well on the Sombrero Project will test the Wolfcamp/Cisco formations at a total depth of approximately 11,600 feet (3,540 metres).

Typical completed wells in the area range from 50,000 barrels (50 MBO) to over 1,000,000 barrels (1 MMBO) total recoverable barrels per well. Average gross reserves per well in the area are 337 MBO.

Production, from successful wells, is expected to be crude oil with associated high Btu gas from the Queen through the Cisco formation at depths from 3700' to 11,200'.

For more information contact;

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The information in this announcement has been reviewed by David Brewer (a Certified Petroleum Geologist with the AAPG) who has over 30 years' experience in petroleum geology, and geophysics, prospect generation and evaluations, and prospect and project level resource and risk estimations. Mr Brewer reviewed this announcement and consents to the inclusion of the geological and engineering descriptions and any estimated hydrocarbon resources in the form and context in which they appear. Any resource estimates contained in this report are in accordance with the standard definitions set out by the Society of Petroleum Engineers, further information on which is available at spe.org.