

## ASX Announcement

9 September 2024

### Mobilisation of Ensign Rig #965 to Canyon Gas Field

#### Highlights

- Mobilisation of Ensign rig #965 to Omega's Canyon-1H Project has commenced.
- The Canyon-1H well is expected to spud on approximately 20<sup>th</sup> September 2024.
- The Canyon-1H well consists of re-entry into the existing, vertical Canyon-1 well, then drilling a horizontal well section up to 1,100m long into the Canyon Sandstone.
- A multistage hydraulic fracture stimulation, flowback and production test is planned following integration of well results into the final completion design.



- *Image 1-Ensign #965*

**Omega's CEO and Managing Director, Trevor Brown, said:**

*"Omega is pleased to announce that mobilisation of the Ensign rig #965 to Omega's location commenced on Friday 6<sup>th</sup> of September. After successfully rigging up, it is anticipated the spud of the Canyon-1H well will occur around the 20<sup>th</sup> of September 2024.*

*Ensign rig #965 is the right rig for Omega's important, first test of the flow capacity of the deep, tight gas sands in the Taroom Trough. It is one of the largest land rigs in Australia and well-suited to undertaking the deep, horizontal Canyon-1H well program. Omega has been patient and purposeful in deliberately contracting the most appropriate rig and drilling service providers for our job, knowing that the rig, the rig crew and associated drilling service providers are coming to us "warm" following the completion of a program of three similar horizontal wells for Shell QGC nearby in the Taroom Trough. This is a significant risk mitigation for the Canyon Gas Project.*

*The Taroom Trough is known to contain vast volumes of gas trapped within relatively deep, low-permeability reservoirs and is the focus of a lot of industry activity with programs currently being conducted by Omega and neighbouring Operators to test some of its exciting potential. Development of these badly needed gas volumes will almost certainly be achieved dominantly by the application of modern, horizontal drilling and fracture stimulation technologies. By applying these methods early in our appraisal campaign, Omega will maximise the chance of obtaining potentially commercial flow rates and gain valuable appraisal data that will put us on the fastest possible path toward field development.*

*Our dedicated and skilled team of professionals are very well-prepared for the program and are pleased to commence this important operational phase of the Canyon Gas Project".*

Omega Oil and Gas (ASX: OMA, Omega), the 100% holder of Potential Commercial Area (PCA) 342 and PCA 343 (Omega's Canyon Gas Field project), is pleased to announce that on 6th September 2024, mobilisation of the Ensign Rig #965 to the Canyon-1H project commenced following release from the Shell QGC Tight Gas Sands (TGS) project. Following successful rig mobilisation and acceptance (approximately 14 days), the Canyon-1H well is anticipated to spud on approximately 20th September 2024.

Ensign #965 rig is an ADR-1500 model rig with a hook load of 750,000 lbs. This model rig has a proven track record of drilling wells of similar depths throughout Australia. Rig #965 has the capacity to drill beyond the planned total depth of Canyon-1H with spare operational capability should it be required.

Ensign Rig #965's equipment, crew, and integrated drilling services from Halliburton will arrive "warm" after completing three similar horizontal wells nearby for Shell. This is an important and deliberate risk mitigation strategy for the Canyon-1H Project.

It is planned to drill a 600 to 1,100 metre horizontal section (depending on hole conditions). After analysing and integrating the results of the well and finalising the completion design, Omega plans to complete a multi-stage hydraulic fracture stimulation, flowback and production test. The Canyon-1H horizontal well aims to test whether a potential economic flow rate can be achieved from the highly prospective Canyon Sandstone at the base of the Permian Kianga Formation.

The thick, attractive Permian sequence that extends across the entire area of Omega's Canyon gas field project comprises the Canyon Sandstone, together with other sandstones identified by Omega (informally named the Tasmania and Cabawin Sandstones of the upper Kianga Formation).

A horizontal well provides a vastly greater reservoir surface area for testing than a vertical well, thus giving the selected reservoir interval the best chance to flow at a potentially commercial rate. This approach also allows Omega to obtain valuable, early appraisal data enabling rapid progress toward the further appraisal and development of the field.

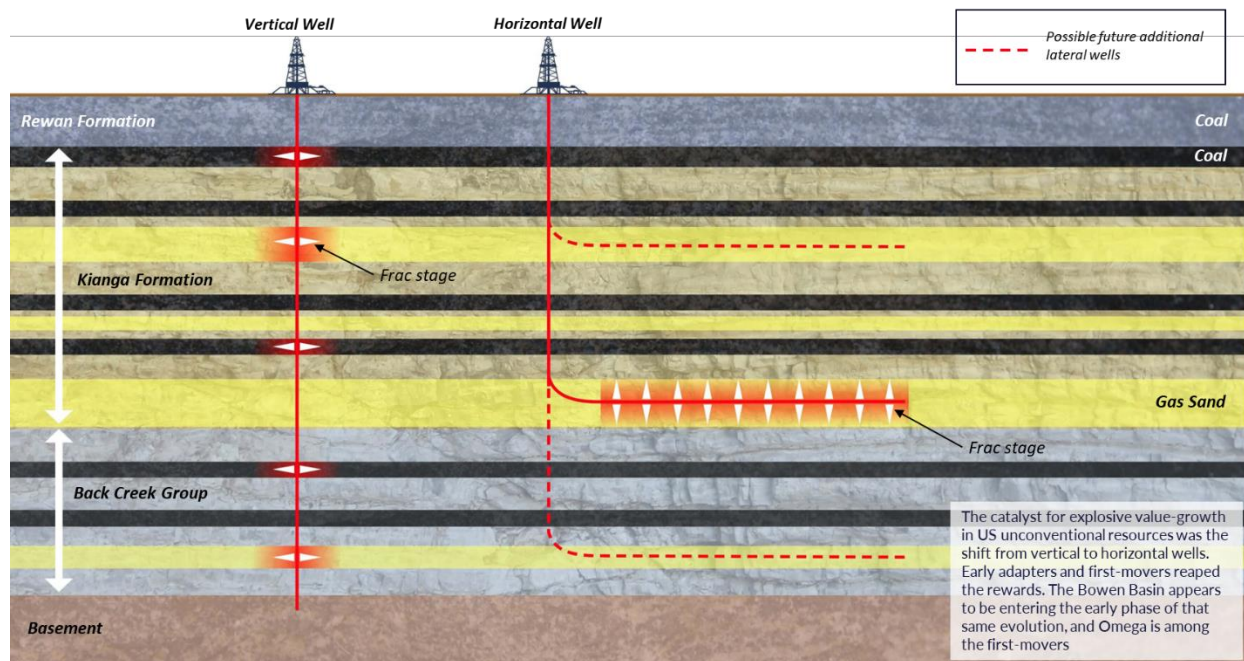


Figure 1 - Horizontal wells provide greater surface area for increased flow rates

The appraisal objectives of the Canyon-1H well are:

- Prove that a horizontal well can be drilled into the target reservoir.
- Obtain drilling data required to finalise and optimise the completion design.
- Test fracture treatment parameters during a multi-stage fracture stimulation campaign.
- Obtain flow rates and production test results to inform further appraisal and pre-development activities.
- Provide reservoir performance data to enable conversion of at least part of Omega's substantial Contingent Resource base to Reserves.

This release has been authorised on behalf of the Omega Board.

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