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# Successful completion of well tests in Alaska

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**SYDNEY (ASX: OSH | ADR: OISHY | PNGX: OSH)**

Testing of the Nanushuk reservoirs encountered in the Mitquq 1 ST1 and the Stirrup 1 wells has been completed.

Both wells were drilled, logged, cored and flow tested. The flow tests included a clean-up, flow period and a pressure build-up prior to the final flow test to assess well deliverability.

Mitquq 1 ST1, a sidetrack from the Mitquq 1 oil discovery, located nine kilometres east of the proposed central processing facility of the Pikka Unit Development, encountered a net pay zone of 52.5 metres (172 feet) with a gas cap of 9 metres (29 feet). On test, the well flowed at a stabilised rate of 1,730 barrels of oil per day (bopd) from a single stimulated zone.

The Stirrup 1 exploration well, located approximately 12 kilometres west of the 2017 Horseshoe discovery well and 35 kilometres southwest of the proposed Pikka Unit development infrastructure, encountered an oil column with net pay of 23 metres (75 feet). On test, the well flowed at a stabilised rate of 3,520 bopd from a single stimulated zone.

The two Mitquq (Mitquq 1 and Mitquq 1 ST1) and Stirrup 1 oil discoveries, together with the Mitquq 1 ST1 and Stirrup well tests, have provided valuable information regarding the geology and well productivity of the Nanushuk play in the areas to the east and south west of the Pikka Unit. In addition, the discoveries support the potential for material resource growth in the Company's leases.

With testing complete at both well locations, the crews are demobilising and expected to be off-location by mid-April.

**Keiran Wulff, Oil Search's Managing Director, said:**

*"We are very encouraged by the success of our 2019/20 Alaskan exploration programme, with oil discovered in all three penetrations, at Mitquq 1, Mitquq 1 ST1 and Stirrup, and excellent flow rates achieved in the two well tests. We also discovered high quality oil in a deeper reservoir at Mitquq which was not tested. We now have a strong understanding of the geology and potential productivity of the prolific Nanushuk play that underlies our portfolio of leases on the North Slope, which could add substantial resource and value to the Pikka Unit Development.*

*As previously announced, given current market conditions, Oil Search has decided to delay the Final Investment Decision date for the Pikka Unit Development. The additional time will allow further value engineering and optimisation of the development to take place, with a focus on reducing the break-even of the project, and the integration of the results of the Mitquq and Stirrup wells. While further appraisal will be required, these new discoveries may represent low cost tie-back options to the proposed Pikka Unit Development and have the potential to create substantial long-term value for Oil Search shareholders, as well as having positive implications for the prospectivity of our acreage.*



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*This ASX announcement was authorised for release by Oil Search Managing Director, Keiran Wulff.*