

Extended Flow Testing of Horse Hill-1 Exploration Well

Horse Hill Developments Ltd (“HHDL”) will shortly carry out an extended flow test of the Horse Hill-1 exploration well at the existing well site off Horse Hill near Hookwood, north of Gatwick Airport. The well was originally drilled in late 2014 and lies within licence PEDL137, which was granted in 2004.

The extended flow test has full planning permission from Surrey County Council and other regulatory consents from the Oil and Gas Authority (“OGA”), Environment Agency and Health and Safety Executive.

Some key facts about the extended flow testing of Horse Hill-1:

- The extended flow test is planned to consist of three separate flow tests: in the lower and upper Kimmeridge Micrites (limestones) and in the Upper Portland sandstone, respectively at vertical depths of 900m, 840m and 615m below ground level
- **Please note that the three Horse Hill-1 flow tests, to a maximum depth of 900m, will be carried out using conventional methods. They do NOT require hydraulic fracturing. Legislation prohibits hydraulic fracturing above the current UK-wide ceiling of 1,000m below ground level**
- The extended flow testing site operations will last around a month from start to finish
- Most operations will take place during daytime; night operations will be limited and, in any case, will be low activity, low noise
- No flaring is planned during the flow test operations
- A small workover rig will be on site during the operations; it will be removed from the site as soon as operations have been completed
- Produced oil and water will be removed from the site during daytime hours by road tanker
- A number of other Heavy Goods Vehicles will visit the site, under the approved transportation plan, to bring in and remove equipment
- The results of the three separate flow tests, and their subsequent detailed analysis, will determine whether the Horse Hill-1 discovery is likely economic for further appraisal drilling and potential development
- If it is not economic, the site will be fully restored to its former use as soon as practicable following completion of the flow testing activities
- If it is economic, the company will return to the well site again at a later date, conditional of course on obtaining new planning permission and other required regulatory consents

Please note that an extended flow test is defined as follows:

“a flow test, as per the permission granted by the OGA, with an aggregate flow period duration over all zones of greater than 96 hours and up to 90 days maximum.”

Should you have any queries about the planned flow testing operations, you can contact HHDL via the email address info@ukogplc.com.