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BROOKSIDE ENERGY LIMITED

ASX: BRK

NEWS RELEASE 01 February 2022

# Rangers Well Completion Operations

## Top Tier Service Company Appointed

**Perth, Western Australia – 01 February 2022 – Brookside Energy Limited (ASX: BRK) (OTC Pink: RDFEF) (FSE: 8F3)** (**Brookside** or the **Company**) is pleased to provide shareholders and investors with an update on the completion of Brookside's second well in the SWISH Area of Interest (**AOI**) in the world-class Anadarko Basin, the high-impact Rangers 36-25 SXH 1 Well (**Rangers Well**) (Figure 2).

Brookside is pleased to announce that Black Mesa Energy, LLC (**Black Mesa**) has executed a Master Services Agreement with Texas-based Cudd Energy Services (**CES**), a leading North American oilfield services company. The contract is to supply and operate the equipment and personnel for the completion of the Rangers Well under the supervision of the Black Mesa team.

Completion equipment and personnel are expected to be mobilised to site in the first week of March to kick-off completion operations, with production and sales to follow soon after.

CES has recent experience conducting completion operations in the SWISH area for Citation Oil and Gas Corporation, one of the largest private oil and gas companies in the US and a 10.2% working interest (**WI**) holder in the Rangers DSU. Since its inception, CES has been active in the SCOOP and Merge areas of the Anadarko Basin, stimulating wells for some of the largest listed oil and gas companies in the US including Continental Resources Inc. (NYSE: CLR, market capitalisation of US$19bn), which holds a 5.3% WI in the Rangers DSU and EOG Resources Inc. (NYSE: EOG, market capitalisation of US$59bn).

CES, founded in 1977 in Oklahoma, is an integrated oil and gas field service company and leading provider of innovative technology in completion applications, and is one of several oilfield service companies owned by RPC Inc. (**RPC**) (NYSE: RES, market capitalisation of US$1.2bn). RPC provides a broad range of specialized oilfield services and equipment primarily to independent and major oil and gas companies engaged in the exploration, production and development of oil and gas properties throughout the US, including the southwest, mid-continent, Gulf of Mexico, Rocky Mountain and Appalachian regions, and in selected international markets.




Figure 1. A Cudd Energy Services completions spread (Image adapted from Cudd Energy Services)

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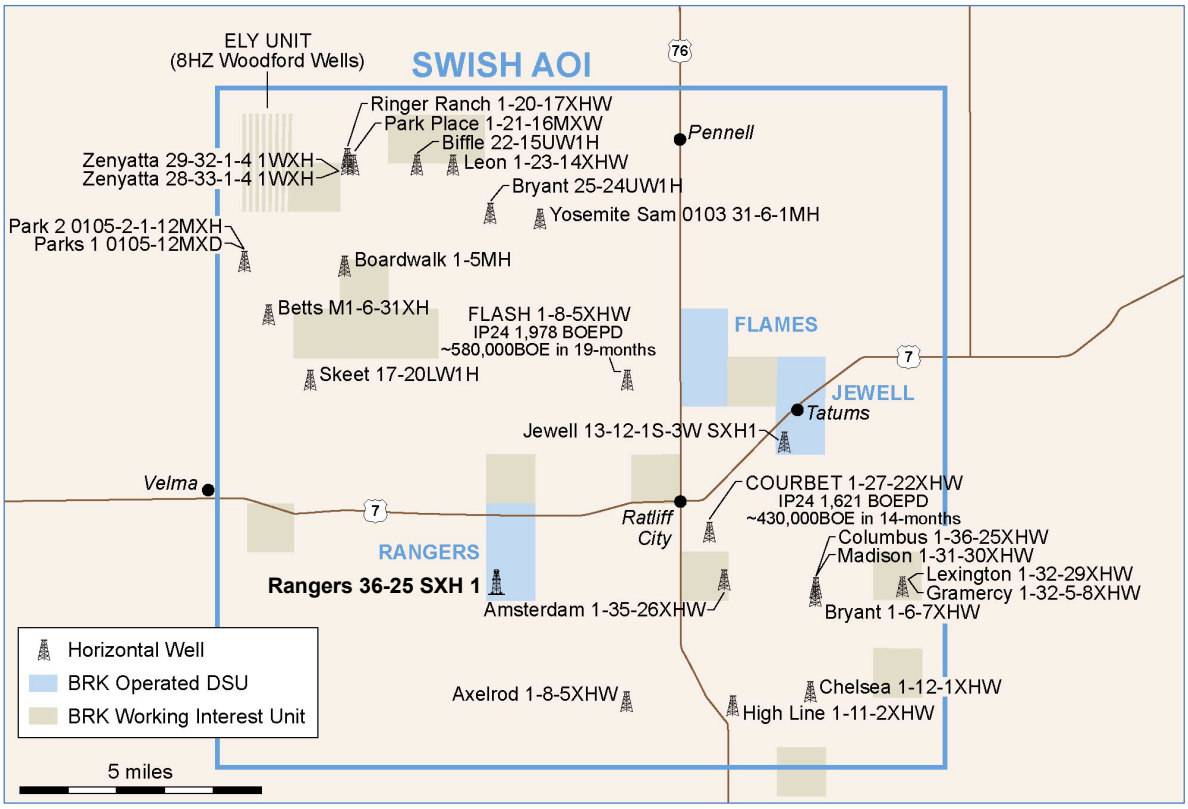



Figure 2. Location map showing the location of the Rangers Well and Brookside's three operated SWISH AOI DSU's

**– ENDS –**

**Authority:**

This announcement has been authorised for release by the Board of Directors of Brookside Energy Limited

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## ABOUT BROOKSIDE ENERGY LIMITED

**Brookside** is an Australian public company listed on the Australian (ASX: BRK), Frankfurt (8F3: FSE) and USA (OTC Pink: RDFEF) stock exchanges. The Company was founded in 2015, to focus on the mid-continent region of the US, where our deep and valued relationships enable us to work with local communities to ensure sustainable growth and value creation through the safe and efficient development of energy assets. Focused on exploitation not exploration, the Company generates shareholder value through a disciplined portfolio approach to the acquisition and development of oil and gas assets and the leasing and development of acreage opportunities. The Company's US subsidiary and manager of operations, Black Mesa, is an experienced mid-continent operator, which identifies opportunities and executes development for Brookside. Our business model effectively assigns risk and provides commercial incentives to maximize value for both parties.
Web http://brookside-energy.com.au

## ABOUT BLACK MESA ENERGY, LLC

**Black Mesa Energy**, a Brookside Energy controlled subsidiary, is a Tulsa-based oil & gas exploration and production company focused on profitable development of petroleum properties located in the Mid-Continent oil province of the United States. Our lean and highly specialized technical and operations team is committed to providing attractive returns for our investors and shareholders by generating and drilling high quality oil and gas prospects. The founders of Black Mesa have worked together for over 30 years at companies they previously founded, including Medallion Petroleum, InterCoast Energy and Brighton Energy. Over the course of their careers, the Black Mesa team has drilled hundreds of horizontal wells and thousands of vertical wells in numerous mid-continent oil and gas basins. In addition to the financial backing from the Black Mesa shareholders, Black Mesa partners with outside investors on larger-scale projects by offering non-operated direct working interest participation.
Web http://www.blkmesa.com

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**GLOSSARY**

| | |
|---|---|
| APO WI | After pay-out working interest |
| AFIT | After Federal Income Tax |
| AOI | Area of Interest |
| BBL | Barrel |
| BFIT | Before Federal Income Tax |
| BOE | Barrels of Oil Equivalent |
| BOEPD | Barrels of Oil Equivalent Per Day |
| BOPD | Barrels of Oil Per Day |
| BPD | Barrels Per Day |
| COPAS | Council of Petroleum Accountants Societies |
| Development Unit or DSU | Development Unit or drilling spacing unit is the geographical area in which an initial oil and/or gas well is drilled and produced from the geological formation listed in a spacing order. The spacing unit communitizes all interest owners for the purpose of sharing in production from oil and/or gas wells in the unit. A spacing order establishes the size of the unit; names the formations included in the unit; divides the ownership of the unit for the formations into the "royalty interest" and the "working interest;" Only one well can be drilled and completed in each common source of supply. Additional wells may be drilled in a Development Unit, but only after an Increased Density Order is issued by the Oklahoma Corporation Commission. |
| Force Pooled | The Oklahoma Corporation Commission is authorized to establish well spacing and drilling units covering any common source of supply of hydrocarbons, or any prospective common source of supply. Once the unit is established, the Commission can force pool the interests of all the owners who own interests in that unit and who have not voluntarily joined in the development of that unit. |
| MBOE | 1,000 barrels of oil equivalent |
| Mcf | 1,000 cubic feet |
| MMBOE | 1,000,000 barrels of oil equivalent |
| $NPV_{10}$ | The net present value of future net revenue before income taxes and using a discount rate of 10%. |
| NRI | Net Revenue Interest |
| PDP | Proved Developed Producing Reserves |
| Pooling Agreements | The pooling agreements facilitate the development of oil and gas wells and drilling units. These binding pooling agreements are between the Company and the operators |
| Prospective Resource | Prospective Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations. |
| PUD | Proved Undeveloped Reserves |
| Reserve Categories | These reserve categories are totalled up by the measures 1P, 2P, and 3P, which are inclusive of all reserve types:<br>• "1P reserves" = proven reserves (both proved developed reserves + proved undeveloped reserves).<br>• "2P reserves" = 1P (proven reserves) + probable reserves, hence "proved AND probable."<br>• "3P reserves" = the sum of 2P (proven reserves + probable reserves) + possible reserves, all 3Ps "proven AND probable AND possible. |
| STACK | Sooner Trend Anadarko Basin Canadian and Kingfisher Counties – oil and gas play in the Anadarko Basin Oklahoma |
| SCOOP | South Central Oklahoma Oil Province - oil and gas play in the Anadarko Basin Oklahoma |
| SWISH AOI | Description of Brookside's Area of Interest in the SCOOP Play |
| Working Interest | Percentage of ownership in a lease granting its owner the right to explore, drill and produce oil and gas from a tract of property. Working interest owners are obligated to pay a corresponding percentage of the cost of leasing, drilling, producing, and operating a well or unit |