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Deshotels 13H No.1 Reaches Target Depth Completion Underway Turner Bayou Chalk Project

Pryme Energy Limited (Pryme) provides the following update on operations at its Turner Bayou project in Louisiana, USA.

The Turner Bayou project comprises approximately 80 square miles (50,000 acres) which have been imaged by a proprietary 3D seismic survey. Primary targets are the Austin Chalk formation at 15,300 feet and the Eagle Ford formation at 16,000 feet.

Deshotels 13H No.1 (40% Working Interest / 30% NRI)

Drilling of the Deshotels 13H No.1 well in the Turner Bayou Chalk project has been completed to a total measured depth of 19,029 feet (5,800 metres) including the horizontal leg which is approximately 4,000 feet (1,220 metres) long. The horizontal leg has been logged to identify the extent and location of fractures and enable accurate design of the Packers Plus production liner. Preparation of the well bore for installation of the production liner is underway.

Installation of the production liner should be completed this week. Following this the drill rig will be moved off site, the well will be connected to the Deshotels 20H No.1 production facility and flow testing will commence. It is expected that the flow test will be completed by the end of August.

Justin Pettett, Pryme's Managing Director, said "significant hydrocarbon bearing fracture zones were intersected in the horizontal leg and oil and gas were produced and flared during the drilling of the well. We are now working towards completing the Deshotels 13H No.1 as a producing well."

Shareholders will be kept informed as these activities progress.

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