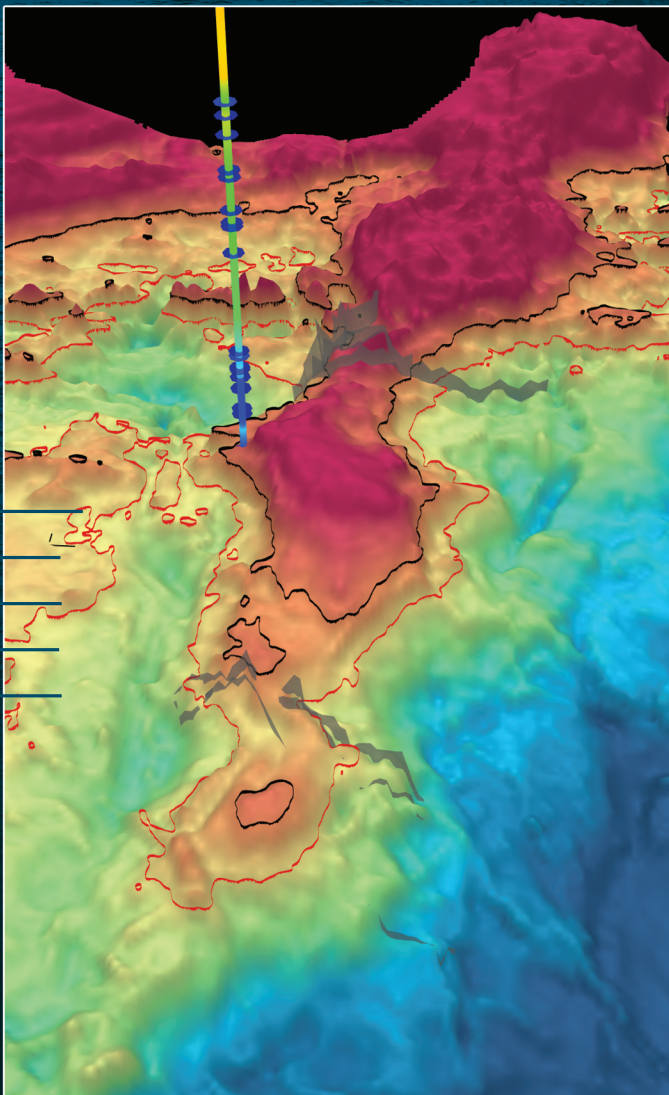


# Holt Energy Advisors HEA



## LICENCES P2252 & P2558, United Kingdom Southern North Sea, Pensacola Gas and Oil Discovery



### Opportunity Highlights

- Largest gas discovery in the SNS since 2011
- Located in shallow water of 70m and in tie-back proximity to the Breagh facilities (40km) and Teesside Gas Terminal (73km)
- Operated by Shell with expertise in Zechstein geology
- Commercial volumes of gas proven by the 41/05a-2 well
- Gross P50 HIIP of 342 mmboe
- Gross P50 Estimated Ultimate Recovery (EUR) of 99 mmboe of which around 70% is gas
- P90-P10 Range of Gross EUR 48 – 196 mmboe
- Appraisal well planned for Q4 2024 to scope development scenarios which assume export via a new offshore installation and pipeline to Teesside
- Initial focus of the near-term appraisal and development activity likely to be the discovered gas but highly material oil upside remains in the south of Pensacola

For further information contact Holt Energy Advisors

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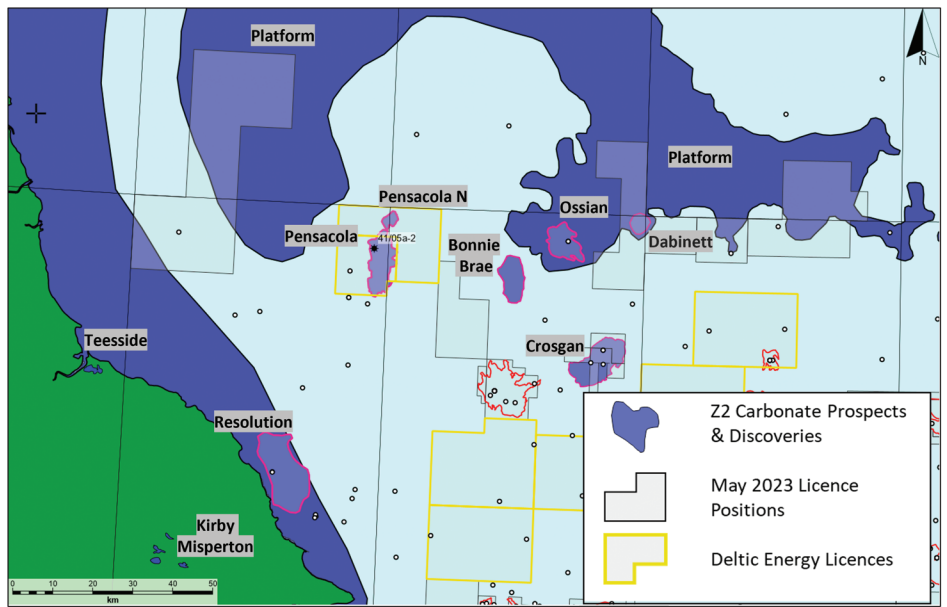
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## Licence Background

Licence P2252 (Blocks 41/5a, 41/10a and 42/1a) was awarded in the 28th UKCS Offshore Licensing Round and Licence P2558 (Blocks 41/5b and 42/1b) in the 32nd Round both to Deltic Energy ("Deltic") 100% who identified the Pensacola Reef Prospect.

In 2019, Shell UK Limited ("Shell") farmed in acquiring 70% in both licences and operatorship of P2252 ahead of shooting a new 3D seismic survey and drilling the Pensacola discovery well (41/05a-2) in 2022/3. ONE-DYAS UK Limited ("ONE-DYAS") acquired 5% in P2252 from Shell ahead of the 2022/3 exploration well. Deltic currently holds a 30% working interest in both licences.

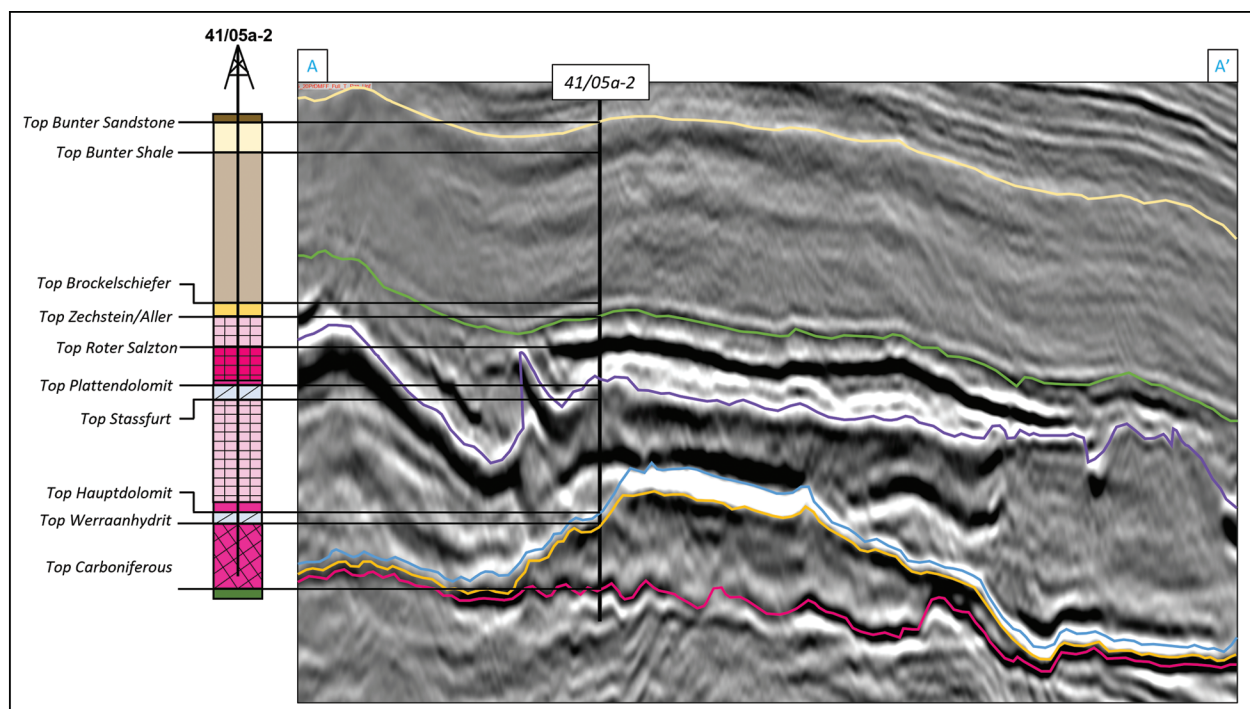


- Pensacola Location - UK Southern North Sea

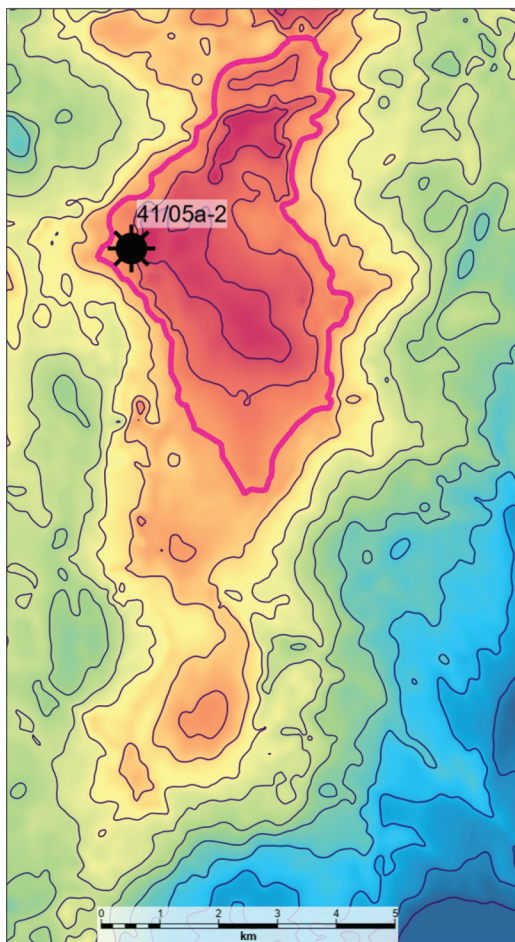
- The P2252 licence is situated approximately 40km north west of the Breagh gas field in the northern part of the Southern North Sea.
- The Pensacola discovery is reservoired in the Hauptdolomit unit of the Permian, Zechstein Group of evaporites and carbonates and fully mapped on 3D seismic.

## Exploration History

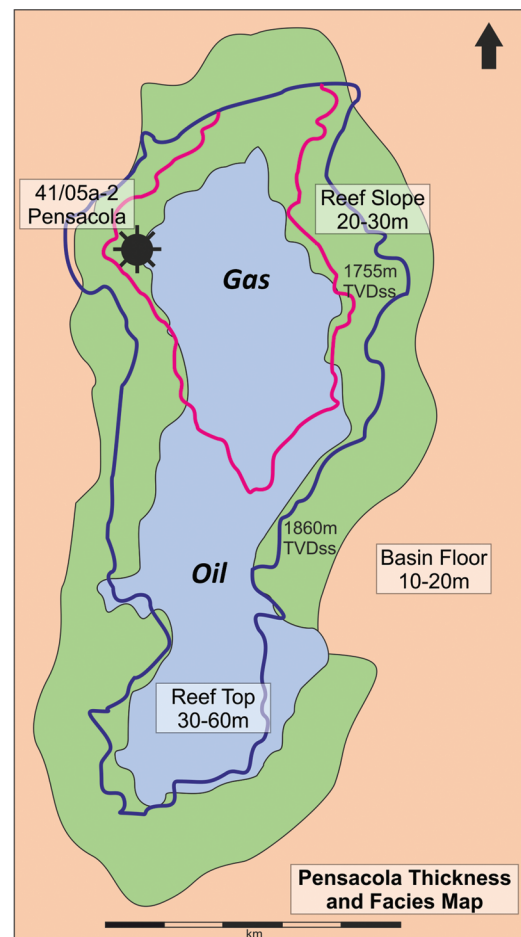
The Pensacola exploration well (41/05a-2) was spudded in November 2022 with the Maersk Resilient. The well was drilled on the western flank of the structure to differentiate geological models and encountered 18.8m of Hauptdolomit reservoir in a slope facies at 1,745m TVDss and demonstrated moveable hydrocarbons on well test with average porosity of 18.8% from the cores collected at the well, as well as permeability of 40mD (max) and 6mD (average). The well encountered the Hauptdolomit deeper and thinner to prognosis, disproving the progradational reef model but proving up the aggradational model which predicts better carbonate reservoir quality across the reef top.



- Pensacola Reef Mound - UK Southern Sea



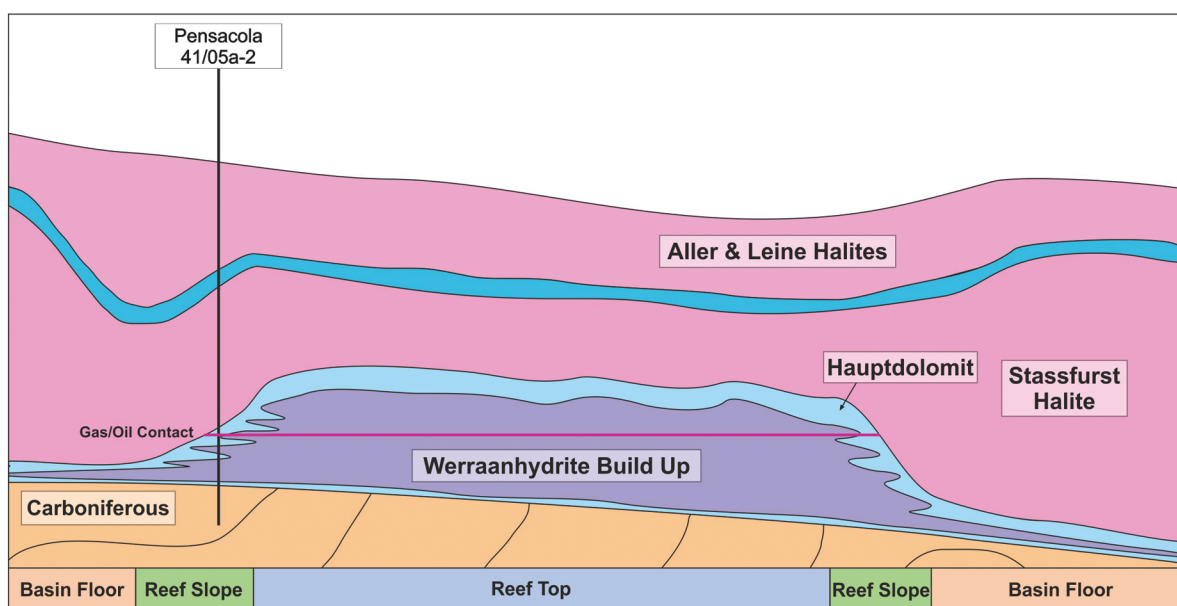
- Hauptdolomit Fm structure map showing GOC



- Pensacola Facies Map with GOC and max spill

## Well Results

The results proved a four-way dip closed structure with a 130m gas column and probable gas-oil contact observed at 1755m TVDss. DST results achieved 4.75 mmcf/d peak rate post acidization declining to 1.75 mmcf/d after 12 hours. These results are in-line with pre-drill estimations given the well was drilled down dip and there was also significant formation damage. The results are in line with the early rates reported on Breagh and Cygnus. An oil leg of 10m was proven but this could increase up to 105m as no oil-water contact was found. Black oil of 34-36° API was flowed to surface at rates of 18 bbls/d.



- Pensacola Reef Mound - UK Southern Sea



The 41/05a-2 well proved the presence of commercial volumes of gas. The partnership is anticipating to drill an appraisal well in Q4 2024 to prove the revised depositional model as well as commercial flow rates and scope the best development concept and requirements for pipeline export.



- Sidewall core example from Hauptdolomit Fm



- Pensacola oil samples

Pensacola is located within 40km of the Breagh facilities and 73km from Teesside where the Teesside Gas Processing Plant (TGPP) is located with natural gas redelivered from Breagh and the Central North Sea via the CATS pipeline. TGPP has dual processing trains up to 675 Mmscf/d as well as deep liquid extraction capability. Oil could be offshore loaded for local refining or exported to the nearby Teesside Oil terminal (Seal Sands) which is operated by ConocoPhillips where oil and NGLs from the Central North Sea are redelivered and processed before being tanker loaded. Teesside is set to become one of the UK's first major hydrogen transport hubs with multiple hydrogen facilities coming onstream from 2027.

	Hydrocarbons Initially In Place (HIIP)			Expected Ultimate Recoverable (EUR)		
	P90	P50	P10	P90	P50	P10
Gas (Bcf)	312	459	652	198	320	499
Oil (MMBO)	87	243	485	11	30	67
Associated Gas (Bcf)	40	136	340	24	95	272
<b>Combined Total (MMBOE)</b>	<b>148</b>	<b>342</b>	<b>650</b>	<b>48</b>	<b>99</b>	<b>196</b>

- Deltic calculated resource table

## Opportunity

Up to 20% equity is available in return for a commitment to fund Deltic's retained share through appraisal and into the development phase of the project as well as a contribution to back costs. Deltic is flexible with respect to the structure of any potential transaction.

## Transaction Process

On execution of a Non-Disclosure Agreement ('NDA') interested parties will be invited to attend a technical overview presentation by Deltic personnel, following which access to a dataroom will be made available. The dataroom will be available online, with access to the geological model in Deltic's London offices.

**For further information on the Pensacola Opportunity please contact:**

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