

# Xstate Resources Ltd

12:30 07 Dec 2016

## Xstate Resources eyes productivity gains at Los Angeles Basin oil fields

The company is currently carrying out due diligence on the Sansinena oil field located near the City of La Habra and the East LA oil field located in Los Angeles.

Xstate's initial review of production operations in the Sansinena field indicates that significant productivity gains are available through:

- flaring of excess gas
- gas plant debottlenecking; and
- the ongoing return to production of shut in wells.

These gains are expected within months of closing the acquisition in February 2017.

Xstate anticipates more substantial production increases by mid-2017 following the commencement of drilling of proven undeveloped reserves in close proximity to existing producing wells.

From the due diligence work to date, Xstate continues to gain confidence in the underlying quality of the assets.

The company is aiming to complete the due diligence by December 16, 2016.

Under the terms of the acquisition Xstate has agreed to pay US\$13 million for a 24.5% gross working interest for both the Sansinena and the East LA oil fields.

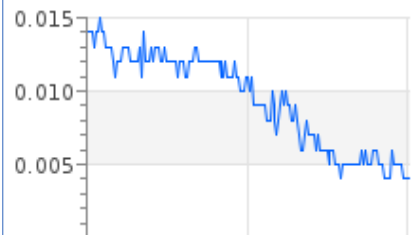
The estimated lease operating expense of less than US\$15 barrel places Xstate in an ideal position to take advantage of any increases in oil price, further field productivity gains and reserves growth.

The company's share price has more than tripled since the start of 2016, last trading \$0.016.

**Price:** A\$0.004

**Market Cap:** A\$3.13M

### 1 Year Share Price Graph



October 2017 March 2018 October 2018

### Share Information

**Code:** XST

**Listing:** ASX

**52 week High Low**  
A\$0.02 A\$0.00

**Sector:** General Mining - Uranium & Lithium

**Website:** www.xstate.com.au

### Company Synopsis:

Xstate Resources (ASX:XST) is listed on the Australian Securities Exchange.

### Author:

**Proactive Investors Australia**

**+61 (0)2 9280 0700**

**action@proactiveinvestors.com.au**

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

### No investment advice

The information on this Site is of a general nature only. It does not take your specific needs or circumstances into consideration, so you should look at your own financial position, objectives and requirements and seek financial advice before making any financial decisions. You acknowledge and understand that neither the Company, its related bodies corporate, the information providers or their affiliates will advise you personally about the nature, potential value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter. You should read our FSG and any other relevant disclosure documents and if necessary seek persona advice prior to making any investment decision.

You understand and agree that no Content (as defined below) published on the Site constitutes a recommendation that any particular security, portfolio of

securities, transaction, or investment strategy is suitable or advisable for any specific person.

You understand that in certain circumstances the Company, its related bodies corporate, the information providers or their affiliates may have received, or be entitled to receive, financial or other consideration in connection with promoting, and providing information about, certain entities on the Site and in communications otherwise provided to you.

You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate. From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

Before you act on any general advice we provide, please consider whether it is appropriate for your personal circumstances.