

### ASX Announcement/Media Release

23 December 2016

### Silvertip Recompletion Update

- Average 5-day IP for 55-28F recompletion well - 533 MCFD
- Average 5-day IP for 57-28F recompletion well – 233 MCFD
- Total production from recompleted wells for the month of November was 24,870 MCF
- December gas prices remain strong at around \$3.40 per MMBTU

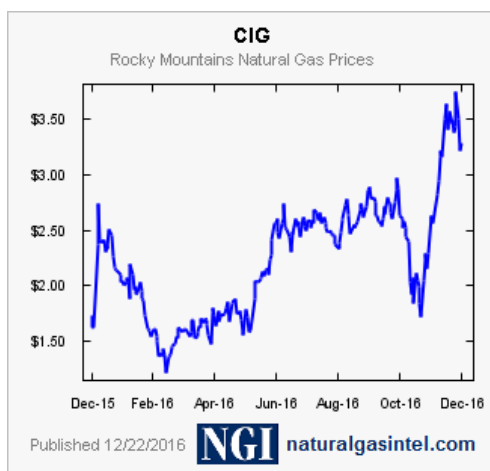
Incremental Oil & Gas Ltd. (ASX: IOG) is pleased to announce a further two successful well recompletions.

The 55-28F well was brought into production after a successful recompletion on November 29 with an average 5-day initial production (IP) rate of 533 MCFD. The decline on this well has been low to date. Well 57-28F was recompleted at the same time with a 5-day average IP of 234 MCFD.

Gas production from both of these wells has come from the Meeteetse Formation using well bores that were originally drilled to a deeper producing Frontier Formation. The cost of recompletion for these wells has been less than the originally budgeted \$35,000.

Gas production in November from 6 of the Phase I and II recompleted wells was 24,870 MCF (829 MCFD), excluding the Phase III 55-28F and 57-28F wells which were only recompleted on November 29<sup>th</sup>.

Prices received for the natural gas that is sold at CIG Rockies rates from the Silvertip Field are currently averaging \$3.40 per MMTBU for December which is the highest price since January 2015.



Recompletion rig, Silvertip Field

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**For further information please contact:**

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#### **About the Company:**

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Incremental Oil and Gas Ltd is an USA onshore focused oil and gas exploration and production company. The Company's strategy is to identify and acquire low risk, underperforming oil and gas fields and apply modern technology and expertise to increase production and enhance hydrocarbon recovery, while increasing net cash flow to grow the business.

Incremental has a portfolio of oil and gas producing projects in Wyoming, Colorado and California, USA.

Incremental is the operator of the Silvertip (WY), Florence (CO), Sheep Springs (CA) and Round Mountain (CA) Fields with 100% of the working interest and NRI's between 78.5 - 87.5%.

**All reference to dollars or \$ mean US\$ unless otherwise stated.**

#### **GLOSSARY**

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Formation	A formal term used to reference a genetically related rock unit.
IP	Initial production - the rate of initial flow of oil or gas from a new well or a newly recompleted well.
MCF	One thousand cubic feet (natural gas volumetric measurement).
MCFD	Mcf per day.
Recompletion	After the initial completion of a well, the action and techniques of re-entering the well and redoing or repairing the original completion to restore the well's productivity. The completion (or perforation) of an existing wellbore is generally carried out into a different formation from that in which the well was originally completed.

#### **FORWARD LOOKING STATEMENT**

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This document may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect Incremental's views and assumptions with respect to future events as of the date of this Press Release and are subject to a variety of unpredictable risks, uncertainties, and other unknowns that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth to various factors, many which are beyond our ability to control or predict. Some of the risk and other factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the oil and gas industry, including environmental regulation; economic conditions in the US and globally; geological, technical and drilling results; predicted production and reserves estimates; operational delays or unanticipated operating event; physical, environmental and political risks; liabilities inherent in oil and gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; and availability of capital at favourable terms. Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Incremental, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this Press Release sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.