

ASX ANNOUNCEMENT

15 September 2022

COGCC APPROVES FOUR DEVELOPMENT WELLS GALACTICA/PEGASUS

Highlights

- COGCC approves two OGDG applications for four helium development well locations at Galactica/Pegasus.
- Final permits to drill the four wells will be submitted shortly.

Blue Star Helium Limited (ASX:BNL) (**Blue Star** or the **Company**) announces that the Colorado Oil and Gas Conservation Commission (**COGCC**) has approved two Oil and Gas Development Plans (**OGDP**) in respect of four Galactica/Pegasus helium development well locations (100% Blue Star) at its hearing overnight in Denver, Colorado.

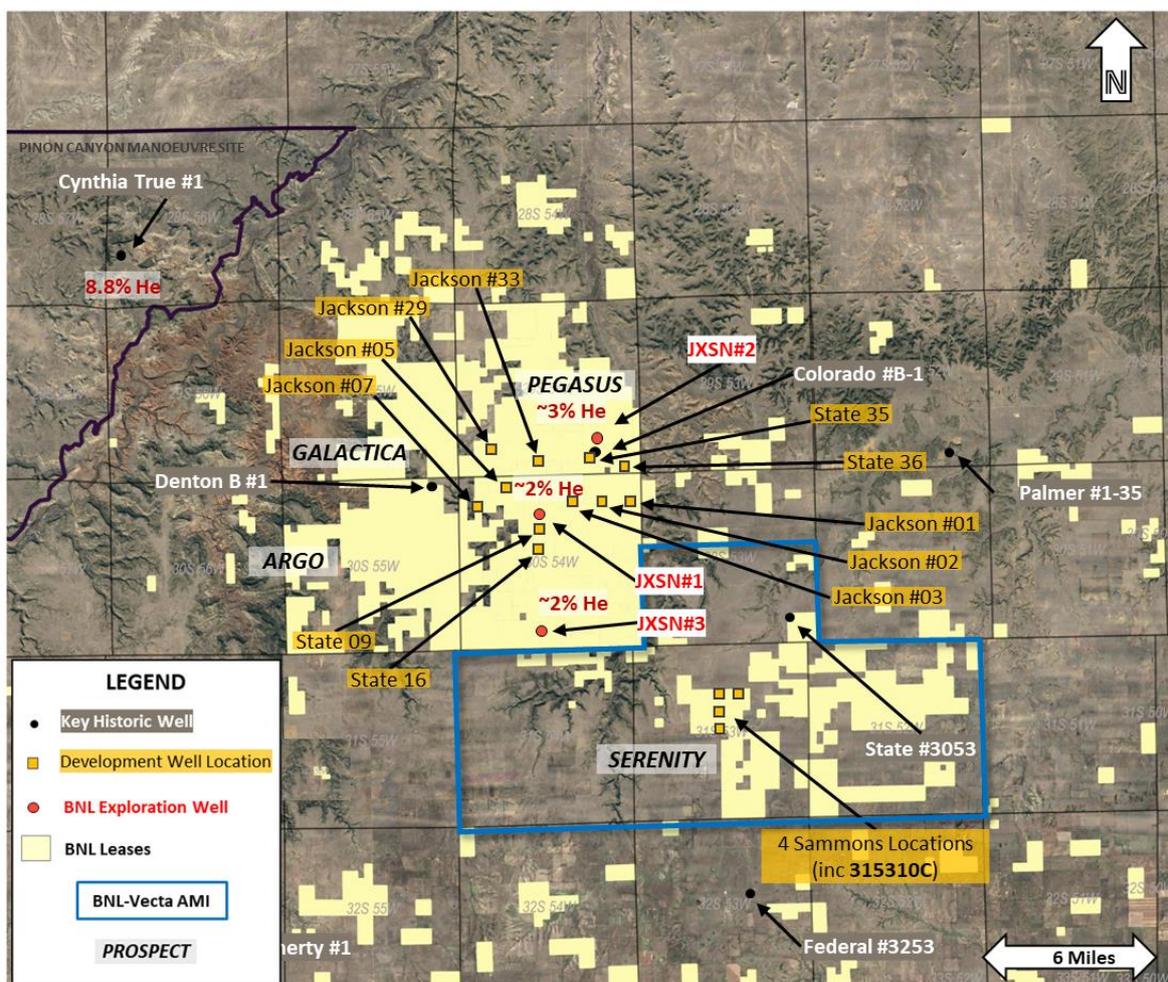
The OGDGs approved are “State 9 & 16 3054” in respect of two well locations and “State 35 & 36 OGDG” also in respect of two well locations. Blue Star will submit final permits to drill (Form 2) in respect of the four development wells after receipt of the COGCC’s written orders, which are expected shortly. Approval for the final permit to drill is expected 30 to 40 days after Form 2 submission.

Drilling of these wells will be scheduled as part of the plan of development for the Galactica/Pegasus area. This is likely to include drilling of an early development well for additional pressure and flow analysis, with the further three wells being targeted for completion closer to the commissioning of the planned processing facility. This best practice allows for limited time between drilling and exposing the helium reservoir and shutting the well in prior to tie-in to the production facility.

These four wells (State 09, 16, 35 and 36), as well as the additional seven development wells at Galactica/Pegasus currently under COGCC review, all of which offset the JXSN#1 and JXSN#2 discovery exploration wells, are shown on the map overleaf.

The table below outlines the current status of Blue Star’s helium development well permitting activities in Las Animas County, inclusive of the approvals granted overnight at Galactica/Pegasus.

Well Permitting Schedule								
Prospect	Location Selection	Survey	Permit Preparation	COGCC Review	COGCC Hearing	Form 2	Issued	Total
Enterprise	1	2	1				1	5
Galactica	4	3	5	3		2		17
Galileo			3					3
Pegasus			6	4		2		12
Serenity						3	1	4
Voyager	10		3	2				15
Total	15	5	18	9	-	7	2	56



This ASX Announcement has been authorised for release by the Board of Blue Star Helium Limited.

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About Blue Star Helium:

Blue Star Helium Ltd (ASX:BNL OTCQB:BSNLF) is an independent helium exploration and production company, headquartered in Australia, with operations and exploration in North America. Blue Star's strategy is to find and develop new supplies of low cost, high grade helium in North America. For further information please visit the Company's website at www.bluestarhelium.com

About Helium:

Helium is a unique industrial gas that exhibits characteristics both of a bulk, commodity gas and of a high value specialty gas and is considered a "high tech" strategic element. Due to its unique chemical and physical qualities, helium is a vital element in the manufacture of MRIs and semiconductors and is critical for fibre optic cable manufacturing, hard disc manufacture and cooling, space exploration, rocketry, lifting and high-level science. There is no way of manufacturing helium artificially and most of the world's reserves have been derived as a by-product of the extraction of natural hydrocarbon gas.