

Gas find boost for Empire

GARY SHIPWAY

JUNIOR Australian oil and gas company Empire Energy Group is reporting significant results from its first exploration well in its highly prospective Northern Territory petroleum acreage on the eastern side of the Beetaloo Sub-basin.

The company says its latest drilling at its Carpentaria-1 exploration well has intersected an extensive interval of liquids-rich gas in the Velkerri Shale, which it says dramatically exceeds that of analogue wells previously drilled across the Beetaloo Basin and materially exceeds Empire's pre-drill expectations.

Empire Energy Group only recently resumed its drill program at its Carpentaria-1 EP187 well site and because it intersected the target formations at shallower depths than initially predicted, it now expects the final depth of the well will be reduced to 2200m MD, which is about 700m shallower than the pre-drill planned target depth.

The substantial proportions of heavier end, higher value liquid hydrocarbons indicated in the target Velkerri Shale will enhance the economics of any future EP187 production because liquid hydrocarbons attract higher oil linked market pricing than dry gas, opening up additional commercialisation options for Empire.

Empire managing director Alex Underwood said the company had intersected the liquids-rich gas across a thick and contiguous Velkerri Shale section in Carpentaria-1.

"This result has pleased the Empire team," he said. "In the pre-drill planning we have worked with various seismic interpretations and our 'most likely' model was that we would encounter the Velkerri Shale at greater depth, and that it would tend to drier gas. "This had been the experience of the wells drilled across the Beetaloo Basin that have targeted the Velkerri Shale.

"The presence of high levels of associated gas liquids in the target shales is encourag-



Empire Energy's Beetaloo exploration map. It has reported positive results from drilling.

ing for future commercial production scenarios because high-value liquids from produced gas can significantly enhance economics."

Mr Underwood said the

shallower depths at which Empire intersected the Velkerri Shale will reduce development costs in future drilling programs.

"We will now further ap-

praise the Velkerri Shale sequences with an extensive formation evaluation program starting within the week," he said.

Once the well reaches its

final depth, the extensive formation evaluation program will include logging, large diameter rotary sidewall coring and diagnostic fracture injection tests.

The well will then be cased, cemented, and suspended in preparation for re-entry after the wet season and the rig demobilised. The Empire team will continue preparing for the appraisal fracture stimulation and flow testing program in 2021.

"Fracture stimulation and flow testing is scheduled for the second quarter of next year, which in the success case will allow Empire to book maiden contingent resources including higher value liquid hydrocarbons not previously expected," Mr Underwood said.

Empire Energy was the first junior company to have environmental management plans (EMP) in the Beetaloo and McArthur Basins accepted for assessment by the Northern Territory government after the lift of the fracking moratorium.