



## Australian shale success: Beetaloo basin exploration well hits liquids rich gas

Empire Energy has nearly 1000 metres of Velkerri shale in Northern Territory exploration well

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By Josh Lewis in Perth

Australian junior Empire Energy has hit liquids rich gas in a shale exploration well in Australia's onshore Beetaloo basin, in the Northern Territory.

Empire confirmed Monday the Carpentaria-1 well in EP187 had intersected the target Velkerri shale from a depth of 883 metres to 1831 metres, with mud logs indicating the well had encountered liquids rich gas.



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It said peak background mud log readings were recorded over the Middle Velkerri C, B and A shales, with strong mud gas readings observed in the interval between the Middle Velkerri B and the Middle Velkerri A shales.

Empire claimed the proportion of liquids rich gas intersected "materially" exceeded its pre-drill expectations and "dramatically" exceeded that of analogue wells previously drilled across the Beetaloo basin.

"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," Empire managing director Alex Underwood said.

"The presence of high levels of associated gas liquids in the target shales is encouraging for future commercial production scenarios because high-value liquids from produced gas can significantly enhance economics. The shallower depths at which we have intersected the Velkerri Shale will reduce development costs in future drilling programmes."

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He added the company would now look to further appraise the Velkerri shale sequences, with an extensive formation evaluation programme to commence this week.

Fracture stimulation and flow testing of the Carpentaria-1 well is scheduled for the second quarter of 2021 and, if successful, will allow Empire to book maiden contingent resources.

Empire previously estimated the prospect to hold a best estimate prospective resource of 2.4 trillion cubic feet of gas equivalent. (Copyright)