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Empyrean Energy PLC - EME Duyung PSC, Ops Update - Tambak-2 Well reaches TD
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Empyrean Energy PLC

("Empyrean" or the "Company")

Duyung PSC, Operational Update - Tambak-2 Well reaches TD

- The Tambak-2 well reached Total Depth ("TD") of 1,650 feet true vertical depth subsea ("TVDSS") on 12 October 2019
- Top reservoir depth came in on prognosis, approximately 3 metres up dip from the Mako South-1 well
- Well-developed upper sandstone unit, greater thickness and overall quality than predicted with wireline logs showing excellent porosity and permeabilities
- Lower unit present, providing overall reservoir thickness of approximately 32 feet, relative to 24 feet seen in the Mako South-1 well
- Gas-water contact interpreted to be at 1,286 feet TVDSS, as also seen at the Mako South-1 well, confirming the very large areal extent of the Mako field
- The Tambak-2 well is a 13.5km step out from the Mako South-1 well

Empyrean Energy Plc, the oil and gas development company with interests in China, Indonesia and the United States, is pleased to provide an operational update in relation to the drilling campaign in the Duyung PSC in the West Natuna basin, offshore Indonesia, in which Empyrean holds an 8.5% interest.

The Tambak-2 well has been drilled to a TD of 1,650 feet TVDSS. The coring programme, wireline logging and pressure surveys have now been completed and confirm the well as a successful appraisal of the Mako gas field.

As previously reported, the Tambak-2 well spudded on the 4th of October and is designed as an appraisal of the southern area of the Mako gas field. An independent review by Gaffney Cline & Associates had previously ascribed gross 2C resources of 276 Bcf (48.78 MMboe) of

recoverable dry gas in the Mako field with gross 3C resources of 392 Bcf (69.3 MMboe) representing additional field upside.

The next step in the campaign is an extensive Drill Stem Test ("DST") programme, which will take place over the coming days and the market will be updated with results of this as appropriate.

Tom Kelly, Empyrean CEO commented, "The fact that we have confirmed good quality reservoir at a 13.5km step out from the Mako South-1 discovery well is an excellent step forward for this project. The wireline logs confirm excellent porosity and permeability and we look forward to the flow testing programme to commence. This is excellent news and progress so early on in our drilling campaign and, with a further well with additional high impact exploration potential to come, we look forward to updating our shareholders of further progress."

The information contained in this announcement has been reviewed by Empyrean's Executive Technical Director, Gaz Bisht, who has over 30 years' experience as a hydrocarbon geologist and geoscientist.

****ENDS****

For further information:

Empyrean Energy plc

Tom Kelly

Tel: +61 8 9380 9920

Cenkos Securities plc

Neil McDonald

Tel: +44 (0) 131 220 9771

Pete Lynch

Tel: +44 (0) 131 220 9772

St Brides Partners Ltd

Priit Piip

Tel: +44 (0) 20 7236 1177

Frank Buhagiar

Tel: +44 (0) 20 7236 1177

The Mako Gas Field, Duyung PSC, Offshore Indonesia

The Mako gas field is an extremely large, shallow structural closure, with an area extent of over 350 square km. The reservoir is a Pliocene-age sandstone, with a gas-water contact at approximately 1,282 feet true vertical depth sub-sea. The field has excellent seismic definition with direct hydrocarbon indicators being very evident.

Having been drilled but not tested by prior operators of the acreage, the commercial viability of the Mako gas field was demonstrated by the Mako South-1 well drilled by Empyrean and its partner and operator, Conrad Petroleum Limited, in 2017. The well was drilled to core and test the Mako reservoir, flowing up to 10.8 MMscf/d of dry gas on test. Overall four wells have penetrated the reservoir section, and, while further appraisal is planned given the significant areal extent of the field, the reservoir distribution is reasonably well understood.

The Mako field is located in the prolific West Natuna basin, approximately 16 km from the WNTS pipeline system which delivers gas from Indonesia to Singapore. A plan of development has recently been approved by Indonesian authorities and initial gas marketing discussions have commenced, with a gas buyer in Singapore for the Mako gas. An independent report on the field's potential was recently carried out by Gaffney Cline & Associates, giving a 2C recoverable resource assessment of 276 Bcf and 392 Bcf of 3C recoverable resources.

Near Field Exploration Potential, To Be Tested in 2019

A series of prospects both beneath and above the Mako field have been mapped. Of particular note is the Tambak (formerly 'Mako Deep') prospect, a Lower Gabus structure that sits beneath the northern end of the Mako field. The target interval within Tambak exhibits seismic amplitude brightening, conformable with structural closure. The prospect has a prospective resource range of 200 to 300 Bcf with a mid-case 250 Bcf and a CoS of 45%.

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