



Empyrean Energy PLC - EME Duyung PSC, Operational Update - Tambak -1
Released 07:00 13-Nov-2019



RNS Number : 2356T
Empyrean Energy PLC
13 November 2019

This announcement contains inside information

Empyrean Energy PLC / Index: AIM / Epic: EME / Sector: Oil & Gas

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**Empyrean Energy PLC ("Empyrean" or the "Company")
Duyung PSC, Operational Update – Tambak -1**

Highlights

- Top reservoir depth came in at circa 1,276 feet TVDSS as predicted
- Very well-developed upper sandstone unit of approximately 17 feet with wireline logs confirming excellent porosity & permeabilities
- Tambak-1 encountered a much better developed intra-Muda sand package than expected:
 - In addition to the upper sandstone unit, a thick lower sandstone unit of almost 66 feet was found
 - Overall gross thickness of ~ 82 feet of intra-Muda sandstone, (compared to a 23.9 feet reservoir sandstone seen in Mako South-1)
- Pressure data confirm Tambak-1 is in the same pressure system as Mako South-1 & Tambak-2
- Gas samples recovered from the reservoir confirm gas composition as seen in Mako South-1
- Gas-water contact found in the main upper sandstone unit, 5 feet below the gas-water contact at Mako South-1 and Tambak-2, providing volumetric upside potential for the field

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.

Tambak-1, located approximately 4.5 km north of the Mako South-1 well, has been drilled to an intermediate depth of 1,683 feet true vertical depth sub-sea ("TVDSS"). The well has intersected the intra-Muda reservoir of the Mako field and a full suite of wireline logs have been acquired together with a pressure survey and extensive fluid and gas samples recovered. These data have established the

well as a successful appraisal of the Mako gas field and confirm the large, areally extensive single tank model for the field.

As previously reported, the Tambak-1 well is designed as both an appraisal of the northeast flank of the Mako gas field as well as an exploration test of the Tambak prospect. 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 results of the successful appraisal drilling in both Tambak-1 and -2 provide significant volumetric upside potential for the field, representing a very significant value addition.

As a next step, the well will be drilled to a total depth of approximately 4,495 feet TVDSS in order to test the potential of the deeper Tambak prospect. Tambak is estimated as having a mid-case prospective resource potential of 250 Bcf and a geological chance of success of 45%. The Tambak-1 well is planned to be plugged and abandoned once operations are complete.

The gross cost of the two well programme is expected to be approximately \$17MM-19MM to the PSC partners on a fully tested basis, including rig mobilisation and de-mobilisation, for which Coro Energy Plc ("Coro") is funding US\$10.5MM. Emphyrean will fund 8.5% of the additional drilling campaign costs over and above the Coro funding.

Tom Kelly, Emphyrean CEO commented, "The successful appraisal of the Mako gas discovery (intra-Muda sands) to date has clearly added significant confidence in the resource and has created value that is normally only achieved through additional exploration. Any subsequent success at the deeper Tambak exploration prospect will add further value to an already successful drilling campaign".

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

****ENDS****

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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 391m

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 huge 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%.

At the southern end of the field, over the structure's crest, sits the Mako Shallow prospect. This again shows a very strong direct hydrocarbon indicators on seismic, conformable with closure in shallow Muda sandstones. The Shallow Muda prospect has potential to add a further 100 Bcf of recoverable resources and a very high CoS of 75%.

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