

Thursday, 30 January, 2003

## Pancon looking at new ventures

*Perth, 30 January, OGT—Pancontinental Oil & Gas said in its latest quarterly report released today that it is reviewing and/or negotiating a number of Australasian and North African opportunities and Government open acreage applications, including a North West Shelf gazettal area, a large offshore Mediterranean waters Moroccan area, and a Red Sea Eritrean area.*

" These reviews are proceeding, and cover producing and exploration properties,"

It said that the Jingemia-1 oil discovery, in spite of the Company's relatively small equity, is of considerable value given the high expected cash flows and reserves.

" These cash flows are expected to exceed the Company's annual office overheads and expenses," it said.

Pancon said that up to nineteen leads and prospects had been mapped earlier by the Joint venture within WA-312-P, in the offshore Barrow Dampier Sub-basin on the North West Shelf.

Pancon has a 33.3% interest in the permit.

It said: "That a number of prospects were at the stratigraphic level of the Wandoo and Stag oil producing oil fields."

"To further evaluate and rank these prospects for drilling, the Joint Venture contributed to the Panaeus seismic survey which acquired 25 km<sup>2</sup> of 3D data over these prospects.

"The mapping of these seismic data has now been largely completed and will be finalised in the coming quarter.

Once an inventory of drillable prospects has been defined by this work, the Joint Venture will start farming out to attract parties willing to earn equity in the permit by funding the exploration well drilling costs.

The permit has an area of 1,850 km<sup>2</sup>, and is situated about 50 km to the north of Karratha.

WA 312P is less than 1 km south of the 75 million barrels recoverable Wandoo Oil Field, now producing 24,000 barrels of oil per day, and the Hampton-1 gas discovery, and 11 km to the east of the 55 million barrels recoverable Stag Oil Field, now producing 17,000 barrels of oil per day.

A critical review of the remaining prospects in the EP 369, EP 405 sand EP 410 permits in the onshore Southern Carnarvon Basin had indicated little remaining potential, and the company had withdrawn from them.



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