



Perth tiddler on Target with Louisiana oil well

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PERTH exploration and production tiddler Target Energy is celebrating its first listing anniversary with the announcement of a new oil and gas discovery in Louisiana.

“I hope shareholders will be as happy as I am,” managing director Laurence Roe said yesterday after the company told the stock exchange that wireline logging of its 25 per cent owned Snapper A-2 well in St Martin Parish had encountered 28.7m of net oil and gas pay.

“This is a very encouraging result,” he said of fresh exploration of older oil areas.

The well — at Jennings, 150km west of New Orleans — operated by US oil field developer, Cyprus Productions, intersected seven pay zones.

Mr Roe said that since listing Target Energy had been involved in three successful wells in Louisiana and Texas.

The pre-drill estimate for Snapper A-2 was 1 million barrels of oil and up to 1.5 billion cubic feet of gas. The well could be in production within 30 days because of its proximity to existing infrastructure. “We’d be hoping that it will come in at around 200 barrels of oil a day or up to 2 million cubic feet of gas.”

Target Energy is also a 25 per cent partner in Snapper A-1, which is about 450m southwest of Snapper A-2.

That well, completed earlier in the year, indicated recoverable volumes of 6 million barrels of oil and 2.25 bcf of gas.

It is now producing around 1.3 million cubic feet of gas and five barrels of condensate a day.

Target Energy told the exchange it was a 10 per cent partner in the Teche prospect in nearby Jefferson Davis Parish, where drilling had just begun on a target estimated at 22.4 bcf of gas.

On the stock market Target Energy’s shares rose 8.5c to a high of 34c before closing at 29c.

Please note that the printers error in reference to 6 million barrels of oil at Snapper A-1. We currently believe that Snapper A-1 may hold up to 0.6 million barrels of oil.

Laurence Roe/Target Energy