Primera Energy Resources Ltd. Announces Long Term Production Testing to Commence on Light Oil Discovery

12.07.2012 | Marketwired

PORT OF SPAIN, July 12, 2012 - Primera Energy Resources Ltd. ("PERL" or the "Corporation") (TSX VENTURE:PTT) is pleased to provide the following corporate update.

Moruga Exploration Update

Further to our previous press release announcing the Snowcap 1 well as "the first Trinidad onshore light oil discovery in 50 years, the Corporation in conjunction with the Operator shall commence long-term production testing from the Snowcap-1 well, subject to regulatory and partner approvals. The goal of the test is to determine sustained production rates and reservoir characteristics from prospective horizons encountered during drilling and which were previously tested. The shipping of oil, if any, from Snowcap-1 will be to an independent third party facility from where it will be treated and shipped to Petrotrin (the State owned Petroleum company). The trucking distance will be less than 30 kilometres. The Corporation will obtain WTI pricing for these sales volumes, less a discount to account for oil gravity, handling, processing and shipping. Gas produced during the test, if any, will be flared in accordance with the Ministry of Energy and Energy Affairs' regulations. The Corporation, in conjunction with the Operator, Parex Resources Inc., now expects to complete and test the Firecrown-1ST2 and Green Hermit-1 wells during the third quarter of 2012.

PERL's working and paying interest for the Moruga Block is 16.2%.

About PERL

PERL is a TSX Venture Exchange listed issuer which currently produces an average monthly rate of approximately 500 bopd pursuant to a lease operatorship agreement in South Central Trinidad and has a 16.2% working interest in the Cory Moruga 'E' Block.

READER ADVISORY

Statements in this press release may contain forward-looking information including expectations of future operations, the testing of Snowcap - 1, operating costs, commodity prices, administrative costs, commodity price risk management activity, acquisitions and dispositions, capital spending, access to credit facilities, income and oil taxes, regulatory changes, and other components of cash flow and earnings. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the issuer. These risks include, but are not limited to, the risks associated with the oil and gas industry, commodity prices and exchange rate changes. Industry related risks could include, but are not limited to, operational risks in development and production, delays or changes in plans, risks associated to the uncertainty of reserve estimates, or reservoir performance, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The reader is cautioned not to place undue reliance on this forward-looking information.

THE TSX VENTURE EXCHANGE DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Contact

Primera Energy Resources Ltd.
Geoffrey Leid, Chief Executive Officer
(868) 628-1128