

Petro One Energy Corp.: Update

05.11.2014 | [Marketwired](#)

VANCOUVER, Nov 5, 2014 - [Petro One Energy Corp.](#) (TSX VENTURE:POP) is pleased to report that it has received the license to drill its first horizontal well at Milton, where the Company's consulting geologists have identified 49 net horizontal upper Viking drill locations. The 6-22 well is the first well designed to specifically target the thick Upper Viking formation as an initial step in a detailed horizontal drilling plan designed to efficiently exploit approximately 2,500 acres that are underlain by Viking sand. The Company plans to spud the first well as soon as the rig is available.

The target Viking reservoir on the property is 10 metres thick and contains oil throughout. The technical team has described oil saturated core from two vertical wells on Petro One's property as excellent quality Viking sand and strongly recommend focusing on horizontal drilling in the upper Viking as the best way to exploit that reservoir. Core from the nearest Petro One well had an average porosity of 21.7% and an average permeability of 16.89 mD over the entire interval. The data from those wells indicates that horizontal wells targeting the upper Viking should provide water-free or near water free production as is the case with a majority of other horizontal Viking wells in the immediate area, including those drilled by Novus at the newly discovered Marengo field, just 1.5 kilometres south of Milton.

As of July, 2013, there had been twelve horizontal wells drilled at Marengo with a 100% success rate, three month initial production rates of up to 75.5 bopd and average production rates of 56 bopd, and thirteen new licenses to drill were granted at Marengo in July. Based on the success at Marengo, his analysis of drill core from existing J5 Milton wells drilled by Petro One and the NI 51-101 resource credited to Petro One by McDaniel & Associates, Dennis Price, P Geo. and former Senior Exploration Advisor to Exxon-Mobil has expressed to the Company his view that Upper Viking wells at Milton have a very high probability of economic success. McDaniel and Associates has most recently credited Petro One with an NI 51-101 prospective resource of 1.8 million barrels of recoverable oil on the Milton property, as well as 124,800 barrels of proved plus probable reserves (Petro One News Releases May 8 and May 13, 2014).

Petro One's J5 property is located within the Dodsland Viking reservoir, a blanket sand formation which covers over 20 townships and extends over 185 kilometres from northwest to southeast. Since 2008, over 2,000 horizontal wells have targeted this reservoir, adding over 135,000 cubic metres (850,000 barrels) of monthly oil production (J.E. Mathieson paper presented at Geoconvention 2014). In a 2012 Special Report, CIBC estimated that the Viking reservoir contains more than 6 billion barrels of original oil in place (CIBC Special Report 2012), and stated that the lower geological risk and lower costs make the Viking play very well suited for junior producers.

After more than three years in production, Petro One's 10A-15 conventional vertical discovery well at Milton continues to produce oil at excellent rates from a one meter thick, Lower Viking conglomerate (September average 26 bopd). This well shows no sign of decline, and has more than doubled its daily production since McDaniel's last reserve assessment in May, 2014. The 10A-15 well is currently producing pure emulsion with no free water, and October production is estimated at 37.2 bopd. This estimate by the Company's consulting geologist, Trevor Bremner, was made by totaling the emulsion trucking tickets from the 10A-15 well for the month of October and applying an average water cut of 40% based on the September statement from the processing plant. Well 10A-15 has produced more than 13,000 barrels of oil to date, and is anticipated to provide the Company with a steady revenue stream for years to come, with a near flat decline.

The Viking in West Central Saskatchewan produces 35° - 39° API light sweet oil, and Saskatchewan offers an extremely attractive royalty system whereby Viking horizontal wells qualify for a 2.5% royalty rate on crown lands for the first 37,700 barrels of cumulative oil production, significantly enhancing the economics for horizontal drilling.

South Reston SR-1 Test

Recompletion and three month production testing of the Petro One-Goldstrike Joint Venture SR-1 vertical wildcat well at South Reston, Manitoba are also planned to be conducted in the near future. The SR-1 well tested and confirmed a large Waulsortian mound with a strong oil show in a 20 metre interval at the top of the Mississippian Lodgepole limestone, which was the targeted formation. Cuttings from 790 to 810 metres drill depth had medium brown oil stain, vivid fluorescence and fluorescent cut, and emitted a strong petroliferous odor during sample wash. Independent technical consultants recommended reworking and

production testing the well to recover the oil seen in samples coming from what is believed could be a large, new, highly productive reservoir. Contingent on a successful production test, Petro One intends to drill a horizontal well westward from the same location, which is believed to be the best way to exploit the mound. A total of up to 17 net horizontal Lodgepole drilling locations have been identified on the property.

Milton Tests

The joint Petro One-Goldstrike program to restart Lower Viking vertical oil wells at Milton has seen some encouraging results that included a 47% increase in production from 4.4 to 6.6 bopd, and a 6% decrease in water cut. Testing at Milton is scheduled to wrap up before year end, but as things stand it appears that the remaining Lower Viking vertical wells at Milton, with the exception of 10A-15, are likely not economic to operate without converting an existing well on the property to a water disposal facility, which would substantially lower both trucking and water disposal costs. If the Lower Viking vertical wells remain suspended long term, the spacing units could provide additional prime drill locations for additional Upper Viking horizontal wells, which is in keeping with the company's new focus and direction at Milton.

NATIONAL INSTRUMENT 51-101 DISCLOSURE

BOE means barrels of oil equivalent. It may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip, and does not represent a value equivalency at the wellhead.

Oil production during a period is generally expressed in terms of "barrels per day", which indicates the total oil produced during a period divided by the number of hours that the well was in production during that period. "Barrels per day" is indicative of flow rate while a well is in production and does not mean that such well was in constant production during such period.

Prospective resources

The resources described in the report and in this document are "undiscovered resources" as defined in the Canadian Oil and Gas Evaluation Handbook. Undiscovered resources are defined as those quantities of oil and gas estimates on a given date to be contained in accumulations yet to be discovered. The estimates of the potentially recoverable portions of undiscovered resources are classified as prospective resources.

Prospective resources are defined as those quantities of oil and gas estimated on a given date to be potentially recoverable from undiscovered accumulations. They are technically viable and economic to recover. Pursuant to s. 5.9(d)(v) of NI 51-101, the Company cautions that there is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources. Prospective resources are defined as those quantities of oil and gas estimated on a given date to be potentially recoverable from undiscovered accumulations.

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved + probable reserves.

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

ON BEHALF OF THE BOARD

Peter Bryant
President & Director

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

Certain statements contained herein constitute forward-looking statements or information (collectively "forward-looking statements") within the meaning of applicable securities legislation, including, but not limited to management's assessment of future plans and operations, including: drilling plans and potential locations; expected production levels; development plans; reserves growth; production and operating sales and expenses; reservoir characteristics; the results of applying certain operational development techniques; certain economic factors; and capital expenditures.

Forward looking statements are typically identified by words such as "anticipate", "estimate", "expect", "forecast", "may", "will", "project" and similar words suggesting future events or performance or may be identified by reference to a future date. In addition, statements relating to oil and gas reserves and resources are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves or resources described, as the case may be, exist in the quantities predicted or estimated and can be profitably produced in the future. With respect to forward looking statements herein, the Company has made assumptions regarding, among other things; future capital expenditure levels; future oil and natural gas prices; ability to obtain equipment and services in a timely manner to carry out development activities; ability to market oil and natural gas successfully to current and new customers; the ability to obtain financing on acceptable terms; and the ability to add production and reserves through development and exploitation activities. Although the Company believes that the expectations reflected in the forward-looking statements contained herein, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included herein, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous risks and uncertainties that contribute to the possibility that the forward-looking statements will not occur, which may cause the Company's actual performance and financial results in future periods to differ materially from any estimates or projections. The forward-looking statements contained herein are made as of the date hereof. The Company does not undertake any obligation to, nor does it intend to, publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained herein are expressly qualified by this cautionary statement. In addition, readers are cautioned that historical results are not necessarily indicative of future performance.

Contact

For further information, please visit the company's website at PetroOneEnergy.com, follow the Company's tweets at [Twitter.com/PetroOneEnergy](https://twitter.com/PetroOneEnergy).

King James Capital Corporation
Jeff Stuart, Investor Relations
(604) 805 0375
jstuart@kingjamescapital.com

Dieser Artikel stammt von Rohstoff-Welt.de
Die URL für diesen Artikel lautet:
<https://www.rohstoff-welt.de/news/185665--Petro-One-Energy-Corp.--Update.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).