

Frontera Releases Independent Resource Evaluation for Guyana Blocks

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Kawa-1 Exploration Well in Corentyne Block, Guyana to be Spud in 2H21

Work Commitments in Demerara Block, Guyana Rescheduled

TORONTO, Feb. 16, 2021 - [Frontera Energy Corp.](#) (TSX: FEC) ("Frontera" or the "Company") and CGX Energy Inc. ("CGX") and their joint venture partners (the "Joint Venture"), are pleased to announce the completion of an independent Prospective Resource Report (the "Resource Report") in respect of the Corentyne North Area, Corentyne Main Area and Demerara block, offshore Guyana. The Joint Venture is also pleased to announce the successful rescheduling of the Joint Venture's work commitments in respect to its Petroleum Prospecting License ("PPL") for the Demerara block offshore Guyana.

"We thank the Government of Guyana for its continued support and partnership, which are essential to the long-term success of this strategic initiative for the benefit of all stakeholders," said Gabriel De Alba Chairman of the Board of Directors. "As a result of the independent resource evaluation commissioned, the Guyana basin offers the Joint Venture access to a leading exploration opportunity. We expect a robust Guyana work program with the advancement of our exploration wells, as we continue to realize our plan to realize this value for our shareholders."

"The independent prospective resource study reaffirms our excitement about the world-class prospectivity of the Corentyne and Demerara blocks offshore Guyana," said Richard Herbert, Chief Executive Officer, Frontera. "With the support of the Guyanese government in rephrasing our exploration plans, we are eagerly progressing our work programs for Corentyne and Demerara."

Independent Prospective Resource Evaluation

The Joint Venture contracted McDaniel & Associates Consultants Ltd ("McDaniel"), an independent external qualified resource evaluator, to conduct a resource evaluation on its concessions in the offshore Corentyne and Demerara blocks in Guyana and the Guyana-Suriname basin. Frontera holds a direct working interest of 33.3% in both the offshore Corentyne and Demerara blocks, and, taken together with its CGX share ownership of 73.8%, results in a total consolidated working interest of 82.6% in the blocks.

McDaniel's evaluation was prepared as of August 31, 2020, in accordance with definitions of the National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101") of the Canadian Securities Administrators and the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook").

A total of 32 prospects were identified by McDaniel in both blocks (27 in the Corentyne block and 5 in the Demerara block). Frontera's consolidated interest is equivalent to a mean volume of 6,089 MMboe unrisks and 1,090 MMboe risks. The content considered for the prospects is mainly oil (64%), natural gas (28%) and the remainder condensate (8%). These results support management's view that the blocks are highly prospective.

The independent external Resource Report was completed on October 21, 2020 and certain information contained in the Report is summarized below. The table shows the prospects on the Corentyne North Area, Corentyne Main Area and Demerara block for Frontera's consolidated working interest (82.6%) on an un-risked and risked basis.

Product by Block/Area ⁽⁴⁾⁽⁵⁾⁽⁷⁾	Frontera Energy Consolidated Working Interest				
	Unrisked ⁽¹⁾⁽²⁾⁽⁷⁾⁽⁹⁾				Risked Resources
	Low	Median	Mean	High	Mean ⁽³⁾
Sub-Total Corentyne North Area					
Crude Oil, MMbbl	1,013	2,304	2,761	5,119	488
Natural Gas, Bcf	2,218	4,946	5,853	10,698	1,233
Condensate, MMbbl	72	177	218	419	51
Barrel of Oil Equivalent, MMboe ⁽⁶⁾⁽⁸⁾	1,455	3,305	3,955	7,321	745
Sub-Total Corentyne Main Area					
Crude Oil, MMbbl	95	404	616	1,421	107
Natural Gas, Bcf	753	2,599	3,689	8,078	494
Condensate, MMbbl	47	174	259	583	33
Barrel of Oil Equivalent, MMboe ⁽⁶⁾⁽⁸⁾	268	1,012	1,490	3,350	222
Sub-Total Demerara Block					
Crude Oil, MMbbl	156	443	541	1,056	103
Natural Gas, Bcf	169	490	616	1,232	117
Condensate, MMbbl	0	0	0	0	0
Barrel of Oil Equivalent, MMboe ⁽⁶⁾⁽⁸⁾	185	525	644	1,261	122
Total Prospective Resources, MMboe ⁽⁶⁾⁽⁸⁾	1,907	4,842	6,089	11,933	1,090

(1) 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.

(2) The Unrisked Total is not representative of the portfolio Unrisked Total and is provided to give an indication of the resources range assuming all the prospects are successful.

(3) All of the prospective resources assigned as part of this assessment have been estimated probabilistically as this is the most appropriate method given the high degree of uncertainty in the various input parameters. Distributions of the various reservoir and fluid parameters were determined, based on parameters from existing wells/discoveries in the area or general worldwide data, and probabilistic calculations of the unrisked OOIP/original gas-in-place ("OGIP") and recoverable resources were prepared for each prospect.

(4) The risked resources have been risked for chance of discovery and chance of development. The chance of development is defined as the probability that, once discovered, a known accumulation will be commercially developed. Quantifying the chance of development requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing. As many of these factors are extremely difficult to quantify, the chance of development is uncertain and must be used with caution.

(5) McDaniel has determined that the chance of discovery is estimated to be between 18% and 51% and the chance of development between 50% and 70%, based on an evaluation of the risks relevant to the blocks.

(6) Sub-Total and Total are based on the probabilistic aggregation of zones within a prospect and arithmetic aggregation of the individual prospects to the Sub-Total and Total level.

(7) Volumes listed are full life volumes, prior to any cutoffs due to economics.

(8) Based on a Mcf to BOE conversion of 6 to 1. See "Oil and Gas Information Advisories"

(9) The map operations presenting Frontera's 82.6% working interest were carried out by Frontera and confirmed by McDaniel.

The map below shows the location of the Joint Venture's Demerara and Corentyne blocks in the Guyana-Suriname Basin, along with peer discoveries.⁽¹⁾

(1) Block acreage reflects the proposed 25% relinquishment that has been submitted to the Government of Guyana in connection with moving to the second renewal period of the Corentyne and Demerara PPLs. Final relinquishment details remain subject to government approval.

Exploration Update

The Joint Venture continues to advance its exploration program in both the Corentyne and Demerara blocks with well locations being selected by the Joint Venture.

In the Corentyne block, plans are proceeding on the Kawa-1 exploration well. Well design is complete, procurement of long lead items is in advanced stages and key technical staff have been recruited. The Joint Venture plans to spud the Kawa-1 exploration well during the second half of this year and expects to drill the well in a water depth of approximately 1,100 feet targeting the Campanian-Santonian-aged stratigraphic trap, interpreted to be analogous to the discoveries immediately to the east on Block 58 in Suriname. Additional prospects and leads on the northern portion of Corentyne have been identified and are being matured by the Joint Venture.

In the Demerara block, the Joint Venture continues to advance its preparatory work for the Makarapan-1 exploration well (previously called Demerara-F), an Aptian stratigraphic prospect on the block. Additional prospects and leads on the block have been identified and are being matured by the Joint Venture.

Demerara Work Commitments

The Joint Venture completed negotiations with the Government of Guyana regarding rescheduling work commitments with respect to its PPL for the Demerara block in offshore Guyana. The Joint Venture has been advised that the existing February 12, 2021 deadline for drilling the next well will be extended to February 11, 2022 subject to documentation.

About Frontera:

[Frontera Energy Corp.](#) is a Canadian public company and a leading explorer and producer of crude oil and natural gas, with operations focused in South America. The Company has a diversified portfolio of assets with interests in more than 40 exploration and production blocks in Colombia, Ecuador and Guyana. The Company's strategy is focused on sustainable growth in production and reserves. Frontera is committed to conducting business safely, ethically in a socially and environmentally responsible manner. Frontera's common shares trade on the Toronto Stock Exchange under the ticker symbol "FEC".

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Advisories:

Forward Looking Information

Cautionary Note Concerning Forward-Looking Statements. This news release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding the ongoing impact of the COVID-19 pandemic on the Company's operations, estimates and/or assumptions in respect of the Company's exploration and development plans and objectives, including its drilling plans and the timing thereof, the timing and receipt of approvals and final documentation from the Government of Guyana and other regulatory approvals) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: volatility in market prices for oil and natural gas (including as a result of a sustained low oil price environment due to the COVID-19 pandemic and the actions of OPEC and non-OPEC countries and the procedures imposed by governments in response thereto; the duration and spread of the COVID-19 pandemic and its severity; uncertainties associated with estimating and establishing oil and natural gas reserves and resources; liabilities inherent with the exploration, development, exploitation and reclamation of oil and natural gas; uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; the Company's ability to access additional financing; political developments in the countries where the Company operates; the uncertainties involved in interpreting geological data; geological, technical, drilling and processing problems; timing on receipt of government approvals and the other risks disclosed under the heading "Risks and Uncertainties" in the Company's MD&A dated November 3, 2020 and under the heading "Risk Factors" and elsewhere in the Company's annual information form dated March 5, 2020 filed on SEDAR at www.sedar.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Oil and Gas Information Advisories

Reported production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this news release due to, among other factors, difficulties or interruptions encountered during the production of hydrocarbons.

The term "boe" is used in this news release. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of cubic feet to barrels is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Resource Definitions

Resource definitions, including those set out below, are set out in NI 51-101, and in the COGE Handbook.

"Resources" encompasses all petroleum quantities that originally existed on or within the earth's crust in naturally occurring accumulations, including discovered and undiscovered (recoverable and unrecoverable) plus quantities already produced.

"Prospective Resources" are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

The chance of development is defined as the probability of a project being commercially viable. Quantifying the chance of development requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing. As many of these factors are extremely difficult to quantify, the chance of development is uncertain and must be used with caution.

Estimates of resources always involve uncertainty, and the degree of uncertainty can vary widely between accumulations/projects and over the life of a project. Consequently, estimates of resources should generally be quoted as a range according to the level of confidence associated with the estimates. An understanding of statistical concepts and terminology is essential to understanding the confidence associated with resources definitions and categories.

"Prospect" is defined as a potential accumulation within a play that is sufficiently well defined to present a viable drilling target.

The range of uncertainty of estimated recoverable volumes may be represented by either deterministic scenarios or a probability distribution. Resources should be provided as low, best and high estimates, as follows:

- **Low Estimate** - This is considered to be a conservative estimate of the quantity that will actually be recovered. It is the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.
- **Best Estimate** - This is considered to be the best estimate of the quantity that will actually be recovered. It is equal to the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.
- **High Estimate** - This is considered to be an optimistic estimate of the quantity that will actually be recovered. It is the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.
- **Mean Estimate** - represents the arithmetic average of the expected recoverable volume. It is the most accurate representation of the volume distribution.

The resource estimates presented above are subject to certain risks and uncertainties, including those associated with the drilling and completion of future wells, limited available geological and geophysical data and uncertainties regarding the actual production characteristics of the reservoirs, all of which have been assumed for the preparation of the resource estimates. In addition, significant negative factors related to the

Prospective Resource estimate include a lack of infrastructure and transportation in the Corentyne and Demerara area and the capital expenditures and financing required for the joint venture to satisfy its obligations under the petroleum agreements and its proposed drilling and exploration program.

Definitions:

bbl(s) Barrel(s) of oil

Bcf Billion cubic feet

boe Refer to "Boe Conversion" disclosure above

Mcf Thousand cubic feet

MMbbl Million barrels of oil

MMboe Million barrels of oil equivalent

W.I. Working Interest

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