Decklar Resources Inc. Announces Update to Oza-1 Well Re-Entry

27.05.2021 | GlobeNewswire

TORONTO, May 27, 2021 - <u>Decklar Resources Inc.</u> (DKL-TSX Venture) (the "Company" or "Decklar") is pleased to announce an update to operations at the Oza-1 well re-entry at the Oza Oil Field in Nigeria through the Company's wholly-owned Nigeria-based subsidiary, Decklar Petroleum Limited.

Oza-1 Re-entry

Decklar continues to make considerable progress on the Oza-1 well re-entry with the camp and all associated infrastructure fully installed and operational. The major components of the drilling rig equipment are being transported to the field this week and it is anticipated the rig will be completely moved, installed and rigged-up within two weeks. Decklar will then commence the Oza-1 well re-entry operational activities including the initial work of pulling out the existing tubing, running a cement bond log and cased hole reservoir logs. The re-entry activities will then include the testing of three oil bearing zones (L2.2, L2.4 and L2.6) independently and then it is anticipated that a final dual-tubing string completion will be installed and the L2.2 and L2.6 zones placed into production upon successful testing. The drilling rig is expected to then be skidded on the same drill pad as Oza-1 to a new drilling slot and a horizontal development well will be drilled in the L2.4 zone and placed on production. The Oza-1 well and new horizontal development well are anticipated to generate significant production levels and cash flow in an abbreviated time frame due to the already existing infrastructure in place. The Oza development is anticipated to then continue with one or two more re-entries on existing wells and additional development drilling program with a potential of eight to ten wells being drilled for the full field development. Additional early production and central processing facilities will be added as required to accommodate additional production levels from field development activities.

The Oza Oil Field has significant export and production capacity through processing facilities and infrastructure already in place and operational, which will allow for the immediate export and sale of crude oil from the Oza-1 well.

The Oza Oil Field Summary

As previously announced, the Oza Oil Field was formerly operated by Shell Petroleum Development Company of Nigeria Ltd. ("Shell"). The field has three wells and one side track drilled between 1959 and 1974. During the period when Shell was the operator, there were two periods of extended production testing from the Oza-1, -2 & -4 wells. The field was however never tied into an export facility, nor was it fully developed by Shell and put into commercial production.

In 2003, the Oza Oil Field was awarded to Millenium Oil and Gas Company Limited ("Millenium") having won the field during the 2003 Marginal Fields Licensing Round. Since Millenium's acquisition of the Oza Oil Field, approximately US\$50 million has been spent on infrastructure in support of a restart of production including an export pipeline to tie the Oza Oil Field production into the Trans Niger Pipeline (TNP) which goes to the Bonny Export Terminal, a lease automatic custody transfer (LACT) unit fiscal metering system, infield flow-lines, manifolds, and related production facilities.

The Risk Service Agreement ("RSA") that Decklar and Millenium entered provides Decklar the majority share of production and associated cash flow from the Oza Oil Field in exchange for funding and technical assistance to restart commercial production and full field development; the RSA terms include a preferential return of Decklar's costs plus a share of cash flow thereafter. In exchange, Decklar is entitled to priority recovery of its capital from 80% of distributable funds. After achieving cost recovery, Decklar's profit share is based on a sliding scale starting at 80% and declining to 40% once cumulative production exceeds 10 million bbls.

07.11.2025 Seite 1/3

Decklar is also pleased to announce that it continues to make good progress on evaluations and negotiations for additional proven undeveloped oil and gas fields in Nigeria that have significant reserves and near-term production potential.

For further information:

Duncan T. Blount

Chief Executive Officer Telephone: +1 305 890 6516

Email: dblount@decklarresources.com

David Halpin VP Finance, Decklar Petroleum Telephone: +1 403 816 3029 Email:davidhalpin@decklarpetroleum.com

Investor Relations: info@decklarresources.com

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

Cautionary Language

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation), including completion of the remaining portion of the Offering. All statements in this news release, other than statements of historical facts, are forward-looking statements. Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities.

All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.

The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligation to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

07.11.2025 Seite 2/3

Dieser Artikel stammt von Rohstoff-Welt.de
Die URL für diesen Artikel lautet:
https://www.rohstoff-welt.de/news/384841--Decklar-Resources-Inc.-Announces-Update-to-Oza-1-Well-Re-Entry.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 -1999-2025. Es gelten unsere <u>AGB</u> und <u>Datenschutzrichtlinen</u>.

07.11.2025 Seite 3/3