

Desert Mountain Energy Reports on Gas in Place for Discovery Well #4

14.09.2021 | [CNW](#)

VANCOUVER, Sept. 14, 2021 - [Desert Mountain Energy Corp.](#) (the "Company") (TSX.V: DME) (U.S. OTC: DMEHF) (Frankfurt: QM01) From the President of the Company.

[Desert Mountain Energy Corp.](#) is pleased to announce that it has finished testing of well #4 and those results show that the company was successful in discovering another new helium field in Arizona. Gas samples from testing were sent to independent laboratory for gas chromatograph analysis which confirmed the presence of commercial quantities of helium. During drilling operations, the Company encountered helium in a total of 14 zones at various depths with an inferred and confirmed total thicknesses of helium bearing zones at 378'. The Company's geologic team has gained further excellent insight into water free production from naturally fractured formations. This may result in lowering the long-term production costs in excess of 43%. This understanding of the granularity of overall costs to produce a product are key to any successful company.

The use of mass spec coupled with specific samples then being run through chromatograph during drilling operations correlated directly to the NMR open hole and cased hole logs. The open hole logs showed high resistivities and secondary perms which must be present for helium production. Bottom hole pressures within helium bearing zones, varied with depth, from a low of 953#psi to a high of 2,349#psi. Two zones were flow tested with sampling and we will begin production from the deepest and most highly pressured pay zone. This provides the Company the opportunity to maintain a constant even production of product from this and offsetting wells. The Company feels confident in its selection of leases that will maximize shareholder return not only from this well but from 5 to 6 offsetting wells.

It is the Company's position that there may be a number of small single well leases whereby helium production may be possible. However, it is the Company's goal not to produce any water with helium production in Arizona. Therefore, we have no interest in trying to produce helium from those leases. Some limited water productions may come from the future operation of the production facilities.

An external reserve study prepared for the Company takes into account the fact there has been no known close production from the perforated zone and as such different effective drainage scenarios have been utilized. The "expected case" reserve estimate suggests 1.9 BCF of gross recoverable gas in place from the two of the tested zones in well #4. Helium is estimated to be about 1.137% of the gross recoverable gas in place. Calculations of expected case reserves for well #4 used the following parameters: area - 497 acres, thickness - 17 feet, porosity - 6%, water saturation - 15%.

The reader is cautioned that disclosure of helium in place volumes is not included in NI 51-101 guidelines. In addition, the above estimate of recoverable gas in place for this wildcat well drilled into a fractured reservoir and done prior to long term testing is very uncertain.

The Company's geologic team has identified 5 to 6 developmental wells at this location and anticipate drilling three more wells between now and the time the processing facility will be brought on-line in 2022.

Pricing on both crude and processed grades of helium vary with market conditions. At this time, crude helium is \$269mcf and processed helium ranges from \$580 to \$2,350mcf dependent upon grade and delivery. "While the percentage of helium at 1.137% in the deepest zone was not as great as we had previously discovered, the makeup of the gas containing over 94% nitrogen, combined with a lack of other gases significantly reduces the size and complexity of the processing plant. With regards to final engineering and procurement of the processing plant, this will help to regain some of the time lost with the issues encountered during drilling operations of this well. Additionally, the reduction in procurement of additional processing equipment will reduce the cost of the first plant," said [Desert Mountain Energy Corp.](#) CEO, Robert Rohlfiing. The Company's relatively clean helium will be more cost effective to deliver to end user's.

The Company is also pleased to announce the addition of Mr. James Hayes as VP of Operations & Engineering. James received his BS in mechanical engineering from Oklahoma State University. His 14 years of experience includes both engineering design and on-site field operations in Oklahoma, Texas, Colorado North Dakota and the north Slope in AK.

ABOUT DESERT MOUNTAIN ENERGY

[Desert Mountain Energy Corp.](#) is a publicly traded exploration and resource company focused on the discovery and development of rare noble gas fields in the U.S. The Company is primarily looking for elements deemed critical to the renewable energy and high technology industries.

We seek safe harbor

"Robert Rohlfing"
Robert Rohlfing
Executive Chairman & CEO

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. The statements made in this press release may contain certain forward-looking statements that involve a number of risks and uncertainties. Actual events or results may differ from the Company's expectations.

Cautionary Note Regarding Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward looking statements and information herein include but are not limited to statements regarding the Company's anticipated performance in the future the planned exploration activities, receipt of positive results from drilling, the completion of further drilling and exploration work, and the timing and results of various activities.

Forward-looking statements or information involve known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company and its operations to be materially different from those expressed or implied by such statements. Such factors include, among others, changes in national and local governments, legislation, taxation, controls, regulations and political or economic developments in Canada and the United States; financial risks due to helium prices, operating or technical difficulties in exploration and development activities; risks and hazards and the speculative nature of resource exploration and related development; risks in obtaining necessary licenses and permits, and challenges to the Company's title to properties.

Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to the continued operation of the Company's exploration operations, no material adverse change in the market price of commodities, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or information, there may be other factors that cause results to be materially different from those anticipated, described, estimated, assessed or intended. There can be no assurance that any forward-looking statements or information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company does not intend to, and nor does not assume any obligation to update such forward-looking statements or information, other than as required by applicable law.

SOURCE [Desert Mountain Energy Corp.](#)

Contact
Don Mosher, President & Board Director, (604) 617-5448, E-mail Don@desertmountainenergy.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/394014--Desert-Mountain-Energy-Reports-on-Gas-in-Place-for-Discovery-Well-4.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](#).