

Empire Energy Group Ltd: Letter to Shareholders - Operational Update

21.06.2022 | [ABN Newswire](#)

Sydney, Australia - [Empire Energy Group Ltd.](#) (ASX:EEG) (OTCMKTS:EEGUF) advises shareholders, post our recent capital raising while our SPP is still open, to bring you up to date on the opportunity ahead of us.

The uncertainty in the international outlook created by increasing interest rates, together with increasing energy costs, has been harsh on equity valuations. Unfortunately, Empire has not been immune.

This is starkly contrasted by energy commodity prices, notably gas which has tripled in price in some markets.

Gas demand is forecast to grow substantially as the world transitions to the new energy economy. It is notable that a modest percentage of gas is used to create electricity globally. The majority is used in non-replaceable industries like agriculture and manufacturing. Shell, in its most recent World Energy Outlook, has forecast demand for LNG to grow from 380mt currently to 700mt by 2040.

The Beetaloo is a major potential source of increased gas supply. Potentially 100 TCF recoverable, enough to power Australian industry for decades....

The Beetaloo enjoys the support of the new Federal Government. Prime Minister Anthony Albanese said during the election campaign: "We've been supportive of the Beetaloo Basin Exploration on the basis of looking at, of course, environmental approvals which need to be considered there, as well as the traditional owners."

The NT Government is also supportive. Last week, Deputy Chief Minister Nicole Manison MLA told the NT Parliament Estimates Committee: "The Beetaloo Sub-basin has the potential to transform the Territory's economy and create thousands of jobs. Again, this is another important step in diversification of the Territory economy."

We continue to position the company to be a major player in the Beetaloo moving from appraisal phase towards production.

Our 2022 work program is now extended to:

Hydraulically stimulate Carpentaria-2H which was drilled late last year, the longest horizontal well drilled into the Velkerri Formation to date. The stimulation has been designed to utilise several fluid mixes to assess which design results in the best production performance. It will also provide an early production type curve for development planning, a better understanding of gas composition and enhance Beetaloo specific completion designs.

Drill Carpentaria-3H, hydraulically stimulate and flow test. This well will be drilled from the Carpentaria-2H pad location enhancing cost efficiency and will seek to optimise fracture stimulation design and create an early production type curve. Together with Carpentaria-2H, this could be a future production well.

Drill Carpentaria-4V. This well will be drilled, vertically only, on the eastern side of the high bisecting the Carpentaria Area in EP187. The well will prove the depth and thickness of the Velkerri shale to the East and will seek to book increased contingent resources, potentially materially increasing our present 400 BCF in EP187. We will undertake the same test work as on the original Carpentaria-1 well ("C-1") to determine gas concentration and composition. This well, as with C-1, can be developed into a horizontal production well in future production scenarios.

It is worth noting that our US Appalachian assets are enjoying a considerable lift in revenue contribution. The US Henry Hub gas benchmark has improved from US\$1.52 / MMbtu at the depths of the COVID shutdowns to presently around US\$7.00, having traded as high as US\$9.00.

The resulting cash flows are being applied to debt reduction, and are enhancing the value of those assets.

With a current cash balance of A\$41.4 million and anticipated future receipts from the Commonwealth grants

and R&D tax incentive rebates, Empire is in a sound financial position to develop our 100% owned asset base.

The Board continues to consider the financing of the future development of this 29 million acre footprint in the Northern Territory, which may include joint venture partnerships or other capital structures.

2022 and 2023 will be transformational for Empire. Our ambition continues to be the first Beetaloo operator to enter commercial production.

About Empire Energy Group Ltd:

Empire Energy (ASX:EEG) (OTCMKTS:EEGUF) holds over 14.5 million acres of highly prospective exploration tenements in the McArthur and Beetaloo Basins, Northern Territory. Work undertaken by the Company since 2010 demonstrates that the Eastern depositional Trough of the McArthur Basin, of which the Company holds 80% has very considerable conventional and unconventional hydrocarbon potential. The Beetaloo sub-Basin, in which Empire holds a substantial position, has independently assessed world class hydrocarbon volumes in place with a major ramp up in industry activity underway to appraise substantial discoveries already made by major Australian oil and gas operators.

Empire Energy is an experienced conventional oil and gas producer with operations in the Appalachia region (New York and Pennsylvania). Empire has been successfully developing and producing oil and gas since 2006.

Source:

[Empire Energy Group Ltd.](#)

Contact:

[Empire Energy Group Ltd.](#) E: info@empiregp.net T: +61-2-9251-1846 F: +61-2-9251-0244 WWW: www.empireenergygroup.net

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/417383--Empire-Energy-Group-Ltd--Letter-to-Shareholders---Operational-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](#).