

PEI Announces 53% Increase in TPP Reserves in 2022 Reserve Report

05.05.2023 | [GlobeNewswire](#)

CALGARY, May 05, 2023 - [Prospera Energy Inc.](#) PEI: TSX-V; OF6B: FRA, OTC: GXRFF

[Prospera Energy Inc.](#) (PEI) December 31, 2022 year-end reserves were independently assessed by InSite Petroleum Consultants Ltd. ("InSite"). The InSite report confirmed current recovery to date of 8.6% using mostly vertical wells, mainly in core assets (>42,000 acres) located in Southwest and West-Central Saskatchewan, with significant remaining recoverable reserves representing a substantial upside for PEI. Further, there were no modern drilling or recovery methods applied to these fields.

Therefore, the restructured PEI recommended transition from vertical to horizontal wells to capture significant remaining reserves, while eliminating vertical wells along the path of the lateral resulting in reducing surface / environmental footprint and associated costs and liability. In 2022, two horizontal re-entry pilot wells were drilled to assess the technical and economic merits to substantiate a full scale development program. The pilots revealed that converting from re-entry to conventional horizontal would allow for better control of the well. Especially, in these depleted reservoirs where there is higher chance of encountering loss of circulation. Also, gentler build enables optimum operating conditions for pump landing. Based on the these pilots, a 10 horizontal well development program has been initiated by PEI for 2023. The PEI pilots enabled reserves booking of 100 Mbbl TPP reserves per horizontal well, additional PUD locations with total proved (TP) reserves of 1.8 MMbbl and total proved plus probable (TPP) reserves of 2.2 MMbbl. Prospera also exploited uphole zones in these fields with five new recompletions accessing new reserves of 128 Mbbl and 837 MMcf TPP reserves with significant development upside to add new production and reserves.

More significantly, PEI production tested the medium oil property acquired in 2022 by free flow average rate of 300 bpd at 6% watercut over 8 hours. This substantiated additional TPP reserves of 189 Mbbl. This test along with geological and seismic delineation have initiated a 2023 development program of eight vertical / directional wells. These wells will access new pool reserves and provide PEI with new incremental medium oil production, improving corporate production and margin. A pressure transient analysis or well test interpretation has not been carried out. Hence, the data should be considered as preliminary until such analysis or interpretation has been done. Furthermore, the test results are not indicative of long-term performance or ultimate recovery.

Prospera's 2022 testing with pilot wells has initiated the drilling of ten horizontals in the core Saskatchewan assets and the 8 vertical / directional wells in the medium oil property. Further, PEI also have planned to pilot pressure support to improve recovery of the significant remaining reserves.

2022 Reserve Report Highlights:

- 53% percent increase in TPP reserves from 2,808 to 4,306 Mboe at 95% liquids
- 30% increase in before tax cash flow NPV@10% from \$56.2 million to \$72.5 million
- The TPP reserve life index also lengthened from 23.0 to 28.4 years
- PEI elected to apply modest price of 79\$/bbl (WCS) for the estimation of NPV, allowing for substantial NPV appreciation if oil price sustains

NI 51-101 Table 2.1.1

The following table discloses, in the aggregate, the Corporation's gross and net proved and probable reserves, estimated using forecast prices and costs by product type. "Forecast prices and costs" means future prices and costs in the InSite Report that are generally accepted as being a reasonable outlook of the future or fixed or currently determinable future prices or costs to which the Corporation is bound.

[Prospera Energy Inc.](#)

Summary of Oil and Gas Reserves as of December 31, 2022

Reserves Category	Light and Medium Oil (Mbbbl)		Heavy Oil (Mbbbl)		Solution Gas (MMcf)		Gas (MMcf)	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Proved Developed Producing	120	109	749	704	149	79		
Proved Developed Non-Producing	45	37	480	469	80	69		
Proved Undeveloped	19	15	1,768	1,696	53	52		
Total Proved	183	162	2,996	2,869	282	200		
Total Probable	156	128	766	679	107	82	837	736
Total Proved + Probable	339	290	3,763	3,548	389	282	837	736

Gross reserves are the working interest share only. Net reserves are the working interest gross reserves plus all royalty interest reserves receivable less all royalty burdens payable. Conventional natural gas (solution) includes all gas produced in association with light, medium and heavy crude oil.

Remaining Reserves

Remaining reserves of oil and gas have been determined as of December 31, 2022. A summary of property gross and total company reserves follows:

[Prospera Energy Inc.](#)

Summary of Reserves as of December 31, 2022

	Proved	Developed	Producing	Total Proved Plus Probable
Oil - Mbbbl				
Property Gross	1,094			5,468
Company WI	868			4,101
Company Net	813			3,838
Gas - MMcf				
Property Gross	190			1,546
Company WI	149			1,227
Company Net	79			1,018
BOEs - MBOE				
Property Gross	1,126			5,725
Company WI	893			4,306
Company Net	826			4,007

Product Prices

The InSite base product price forecast, effective January 1, 2023, was used for this evaluation. A copy of which is included in the InSite Report. To estimate actual received prices, adjustments were made to crude oil and by-products prices for quality and transportation tariffs. Similarly, adjustments were made to gas prices for heating value and transportation. It is assumed that the adjustment factors and increments will remain constant throughout the forecasts. Revenue data provided by the Company was used to quantify price adjustments. If such data was unavailable, typical values for the area were used to estimate price adjustments. Risks of political and economic uncertainties could affect future results and could cause results to differ materially from those expressed in this evaluation.

Economic Results

Summarized as follows is the NPV of the Corporation's future net revenue attributable to the reserves categories previously tabulated, estimated using forecast prices and costs, before deducting future income tax expenses, and without discount and using discount rates of 5%, 10%, 15% and 20%. Future net revenue includes all resource income and is after capital investments, operating expenses, and royalties.

[Prospera Energy Inc.](#)

NPV of Future Net Revenue as of December 31, 2022

NPV before Income Taxes (M\$C)

		Proved Producing	Developed	Total Proved	Proved Plus Probable
Undiscounted	0 %	-1,892		74,172	109,965
Discounted	5 %	3,529		62,675	89,077
	10 %	4,446		51,795	72,458
	15 %	4,520		43,333	60,238
	20 %	4,416		36,845	51,131

Future operating costs are based on historical data. Wherever unavailable, they were estimated from analogous operations in the vicinity of the properties. The inflation of capital and operating costs is assumed to be 2.0% per annum after 2023.

InSite has included cost estimates of well abandonment and reclamation for all existing wells, regardless of reserves assignment, and undeveloped locations assigned reserves. Estimates have been prepared based on historical costs and published guidance from provincial liability management or rating. It is understood that all abandonment and reclamation costs of wells and facilities have been accounted for by the Company.

After Tax Results

As mandated by NI 51-101, after tax results are shown in the various tables of the InSite Report. After-tax calculations at the company level incorporated tax legislation and tax pool details for the Company, complying with the guidelines and philosophy of NI 51-101 in all material aspects. All future capital cost estimates herein have been categorized by tax pool definitions and used to supplement the year-end tax pool information provided by the Company. The year-end tax pool, as provided by the Company, is summarized below:

- Canadian Oil and Gas Property Expense (COGPE) 7,259,636
- Canadian Development Expense (CDE) 3,434,117
- Capital Cost Allowance (CCA Class 8,10,13,41,45) 3,156
- Non-Capital Losses (100%) 6,846,004

Qualification

To prepare their evaluation, a technical presentation of properties was made by the Company to InSite. Data required by them was sourced from the Company, industry references and regulatory bodies. Neither field inspection nor environmental review of these properties were conducted by InSite, nor deemed necessary. Generally accepted engineering methods were employed to estimate reserves and forecast production. The InSite Report follows the Practice Standards and Guidelines of the Association of Professional Engineers and Geoscientists of Alberta (APEGA) and adheres in all material aspects to the business practices, evaluation procedures, and reserve definitions contained within NI 51-101 and the COGEH Handbook.

PEI's 2022 year-end reserves information is under the Company's issuer profile on SEDAR at www.sedar.com.

For further information:

Samuel David, President, CEO
 Tel: (403) 454-9010
 Email: admin@prosperaenergy.com
 Website: www.prosperaenergy.com

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements relating to the future operations of the Corporation and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will," "may," "should," "anticipate," "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding future plans and objectives of the Corporation, are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Although Prospera believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Prospera can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Prospera. As a result, Prospera cannot guarantee that any forward-looking statement will materialize, and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Estimated values disclosed do not represent fair market value. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release, and Prospera does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by Canadian securities law.

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

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/442598--PEI-Announces-53Prozent-Increase-in-TPP-Reserves-in-2022-Reserve-Report.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](#).