

Stock Data

Share Price: 2.92p
Market Cap.: £23.1m
Shares in issue: 789.6m

Company Profile

Sector: Oil & Gas
Ticker: CORO
Exchanges: AIM

Activities

Coro has outlined an ambitious South East Asian growth strategy focused on the appraisal and development of oil and gas assets in Indonesia coupled with a longer term strategy to identify exciting exploration upside in Malaysia.

Share price performance



Source: LSE

Past performance is not an indication of future performance.

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Coro Energy plc

The Tambak-2 well on the Duyung PSC located offshore Indonesia, in which Coro holds a 15% interest, has reached a total depth of 503 metres. The coring programme, wireline logs and pressure surveys subsequently conducted have confirmed the well as a successful appraisal of the Mako gas field. In particular, the company believes that the quality of the reservoir implies that a significant proportion of 3C contingent resources could be converted into the 2C category enhancing substantially the commercial potential of the field.

Tambak-2 was spudded in early October 2019 as a large 13km step-out from the existing Mako South-1 well with the aim of targeting the southern region of the Mako gas field. Tambak-2 was drilled vertically in order to intersect the intra-Muda reservoir up-dip from Mako South-1 at approximately 380 metres below sea level.

The Tambak-2 well was drilled to a total depth of 503 metres true vertical depth sub-sea (TVDSS) and top reservoir depth came in on prognosis at c.381 metres TVDSS, approximately 3 metres updip from the Mako South-1 well. The well has probed a well-developed upper sandstone unit with greater thickness and quality than expected. In addition, the wireline logs are showing excellent porosity and permeabilities within the reservoir.

Tambak-2 also exhibits an additional lower unit providing overall reservoir thickness of approximately 10 metres compared to 7.3 metres demonstrated at Mako South-1. The well pressure data has confirmed the same pressure system as Mako South-1 implying lateral heterogeneity over the whole Mako field. With the gas-water contact interpreted to be at 392 metres TVDSS; the same as Mako South-1, Tambak-2 has confirmed the large areal extent of the Mako gas field.

The next stage in the drilling programme will be an extensive drill stem test (DST), which will assess the pressure, permeability and productive capacity of the main Mako reservoir. This is expected to be conducted imminently and further announcements are anticipated as results become available.

Independent consultant, Gaffney Cline & Associates has ascribed gross 2C resources of 276 BCF of recoverable dry gas to the Mako field with gross 3C resources upside amounting to 392 BCF. Coro is confident that a successful result from Tambak-2 has the potential to move c.100 BCF of gross contingent resources from the 3C to the 2C category. This would represent very attractive upside to the Mako field enhance the appeal of the field as a source of gas for the Singaporean market.

The current drilling programme will now focus on testing the main Mako reservoir following which we expect the well to be deepened to test the Lower Gabus Tambak prospect at a depth of approximately 1,370 metres. The operator has ascribed a 45% chance of technical success (CoS) to this portion of the well and estimates mid-case prospective resources of c.250 BCF of gas within the structure. Consequently, we note that a successful result from this tranche of the Mako drilling programme has the potential to almost double the existing 2C contingent resource base of the Mako field.

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