

## First Kauri Results Released

Swift Energy has announced interim test results from the first two Kauri exploration wells in PEP 38719, onshore Taranaki.

Initial flows from within the upper Tariki sands, 3397 m deep in the Kauri-A1 well, were encouraging, producing a 34-degree API gravity oil with minimal amounts of water. Core samples from the 9 m interval indicate porosities of up to 22% and permeabilities of up to 180 mD.

Two additional tests were conducted on the Kauri sands, which extend for about 266 m from 2888 m. The lower test flowed water and the second, oil, although at non-commercial rates.

Testing was then temporarily suspended to allow evaluation of results from the first two zones prior to further testing of the Kauri sands. The completion rig was moved to the shallow Kauri-A2 well, also on the Kauri A pad, to place the Manutahi zone back in production.

The shallow Kauri-A2 well was perforated in the Manutahi sand over a 10 m interval beginning at a depth of 1,163 m. The well flowed under natural conditions at rates ranging from 39 to 55 Bopd of 16-degree API gravity oil with minimal amounts of water.

Preliminary testing was performed using several jet pumping designs for the artificial lift system, without sand control measures. During this preliminary pumping evaluation, the well produced small amounts of sand (less than 2% by volume) and tested at rates of up to 133 Bopd.

Subsequent wireline operations confirmed that the well's productivity was not at capacity due to sand migration into the wellbore. Sand-fill was confirmed over 50% of the perforated interval.

Following additional testing, Swift plans to gravel-pack the well and install pumping equipment with a capacity in excess of 400 Bopd. Analysis of core samples taken from this interval indicates a hydrocarbon-bearing interval of approximately 20 m, which is about twice that determined from the initial log analysis. Laboratory core analysis indicates porosities of up to 29% and permeabilities up to 810 mD.

### Shell To Acquire TAWN Deep

NZ's Commerce Commission has approved Shell's application to purchase the assets and interests associated with the formations below the Tariki, Ahuroa, Waihapa and Ngaere (TAWN) producing rights.

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The decision means Shell New Zealand now owns the exploration rights for all formations below the TAWN, Mangahewa, Ngatoro and Kaimiro producing zones in onshore Taranaki.

Commission deputy chairperson, Paula Rebstock, said Shell's proposed TAWN acquisition involved only the exploration market and not the gas production market. The Commission was satisfied the move would not significantly lessen competition in the gas exploration or other markets, given the large number of other companies already actively exploring the region.

### **Bligh Aims For Tariki Sands**

Bligh Oil & Minerals NL subsidiary, Marabella Enterprises, is due to commence drilling of Makino-1 in onshore Taranaki permit PEP 38728 by end November 2001.

The Brisbane-based group's Chief Executive, Neil Malloy, said the test well will be drilled by the Parker 188 rig to a depth of 4500 m, with the Tariki Sandstones at 4100 m as the primary objective.

Secondary objectives are the Rimu Limestone section at 4400 m and the Tikorangi-Kauri sand sections at 3350 m. Mr Malloy estimated the prospect contained 56 MMboe.

Bligh shares interest in the well with Shell (30%), Origin (30%) and Bligh's other farmout partners (10%).

Following Makino-1, Bligh will drill the Huinga-1 re-entry well in PEP 38716, 16 km north of Makino. The well will target the Otaraoa/Tariki section below 4500 m, around 550 m west of the well head.