

ROC Moves Fast On China Discovery

The discovery of oil at the Wei-6-12S-1 block in the Beibu Gulf has led to ROC immediately implementing plans to commence further appraisal, including a three week production test, followed by the possible drilling of sidetrack wells and commercial development.

Commenting on the appraisal programme, ROC Chief Executive Officer, John Doran, said there was usually a considerable gap between making an offshore discovery and gathering the appraisal data which is crucial for commercial evaluation. "But fortunately with the Wei-6-12S-1 discovery, ROC and its co-venturers have the opportunity to acquire this information, including production test data, before releasing the rig from its present location. Consequently, when the programme is complete the joint venture will be well placed to make a timely and informed decision regarding the field's commercial potential".

Exploration drilling encountered three separate hydrocarbon columns with individual gross thicknesses of 65 m, 111 m and 121 m, which collectively represent 95 m of total net hydrocarbon pay, including 80.5 m of net oil pay. At least three separate zones will be tested.

Doran said the production testing programme is designed to provide the joint venture with the maximum amount of technical data for possible field development rather than maximum oil flow rates. "Consistent with standard industry practice, the deepest zone will be tested first and the shallowest zone tested last", he said. "A possible fourth test may be undertaken in a zone in the higher part of the upper sand package which is gas bearing according to pressure and sample data. The test would supply more information about the nature of the gas and productivity data relating to these sands which will be in the oil leg further down dip."



Nanhai IV drilling the 2002 oil discovery offshore China.

Doran said the joint venture then intends to drill one of two sidetrack wells from the current well location after the production testing programme has finished, and subject to the results obtained from them. "These sidetrack wells will have two main aims: to core the relevant parts of the different reservoirs; and/or to identify more accurately the location of some of the hydrocarbon-water contacts which may exist down dip from the current well", he said.

He said the joint venture's overall appraisal strategy is to ensure that upon completion of the appraisal programme sufficient data will have been collected to allow the commercial potential of the discovery to be evaluated quickly and thoroughly. "If the appraisal

results support a commercial development, the joint venture would immediately commence feasibility studies, Front End Engineering and Design, and submit an overall development plan to the relevant government authorities in China." The testing programme is expected to be completed in mid-June.

The Block 22/12 joint venture comprises: Roc Oil (China) Company (40% and operator), Horizon Oil Limited (30%), Petsec Energy Ltd (25%), Oil Australia Pty Ltd (5%). The China National Offshore Oil Company ("CNOOC") is entitled to participate up to a 51% funding equity level in any commercial development within Block 22/12. ■