Tasman Drills Promising Shale Oil Deposit In SA

he prospect of a shale oil deposit, which could be used to produce synthetic crude oil or gas, has been identified in South Australia's mid north.

Perth based explorer Tasman Resources said it had identified the potential for the deposit while drilling for coal and other minerals 80 km southwest of Coober Pedy.

Early drill work suggested the organic rich sediments could stretch for as far as 40 km with 22 of the 33 drillholes encountering significant thicknesses.

Results from the one hole initially test sampled returned the equivalent of about 118 L of hydrocarbons per tonne.

"While the results are encouraging, it is very early days yet", Tasman's Executive Chairman Greg Solomon said.

"We will, however, commence an immediate follow-up work program involving sampling and analysis of the existing holes drilled in the first pass.

"Tasman will also undertake some further broadspaced drilling to determine the distribution and thickness of the organic rich mudstones."

Mr Solomon said the follow-up program would lead to extensive hydrocarbon analysis of each hole to determine if the overall volume and oil-generating capacity of the deposit were potentially economic.