

# Largest Jurassic Gas Discovery In WA



Empire Oil & Gas, Red Gully-1 flares.

**E**mpire Oil & Gas could be laughing all the way to the bank following the company's success in the Perth Basin with two discovery wells, Gingin West-1 and Red Gully-1. Natural gas prices are robust and condensate prices will see the company earn significant annual revenue.

Empire's calculated recoverable gas figure is 30 Bcf and associated condensate is between 50 barrels per day MMcf in Gingin West and 75/85 in Red Gully. Gingin West was production tested in July last year and it had a stabilised flow rate of 7.5 MMcfgd of gas and 375 barrels of condensate.

Recently, Red Gully was also drilled and it flowed at a stabilised rate of 12 MMcfpd and 837 of barrels of condensate a day.

Managing Director, Craig Marshall, is delighted and said that both wells are situated in Jurassic aged reservoir, which flowed naturally without any stimulation. "The reservoirs demonstrated they are very good quality for gas and Red Gully is the largest Jurassic gas discovery in Western Australia", he said.

"The high condensate yields of the gas from both is the 'cream on top' and will be trucked to the BP Refinery under a crude oil contract.

"With the Red Gully discovery there's now the opportunity to utilise the hard earned knowledge to continue discovery successes by drilling the seismically defined prospects along the 60 km Gingin to Bullsbrook Trend. Additional 3D seismic is the key to the EP 389 JV becoming a more significant Perth Basin gas producer."

Empire's confidence is growing rapidly and they have just contracted WA-based Momentum Engineering to build the Red Gully gas and condensate plant, estimated to cost from \$6–10 MM. Momentum will also build a spur-line, but to which pipeline is not yet decided. Empire is still in negotiations with the Parmelia (Dongara to Pinjarra) and the Dampier to Bunbury (DBNGP) operators.

Initially the plant will treat 10 MMcf of gas a day and associated condensate, but the design will enable for up to 20 MMcf of gas to be produced.

"The industry and the utilities are looking for a diversity of supply of natural gas, away from the North West Shelf", Marshall said. "The supply from there is vulnerable and can be interrupted by such things as cyclones, Varanus Island-type explosions and other show stoppers." ■