

First two Maari oil wells flow over 20,000 barrels a day

16 April 2009 - The first two of the planned five development wells in OMV's Maari oil field off the Taranaki coast are now together flowing naturally at over 20,000 barrels per day. One of the Maari partners Horizon Oil said that the first production well MR3P8 had test flowed without pumping at a rate of over 10,000 barrels of oil per day (bopd) through a choke 26% open.

The first well was drilled horizontally through 1518 m of clean, oil-filled sand in the main Moki reservoir and began flowing on 25 February. A 100 hour performance test to the FPSO Raroa was successfully completed on 8 March.

The second well MR4P9, completed in over 2,000 m of clean, oil-filled sand, began flowing to the FPSO on 9 March, and showed similar flow characteristics to the first MR3P8 well.

The third production well MR5P12, drilled horizontally for about 1,800 m of oil-filled reservoir sand and currently running lower completion, is scheduled to come on stream in early April.

The Maari oil field, over 35 km south of the Maui gas field and more than 70 km off the south Taranaki coast, is expected to produce 35,000 barrels of oil a day.

The first cargo of crude oil from Maari has been contracted for sale in April.

Horizon Oil says the proven and probable (2P) production profile forecasts is for recoverable volumes of 61 million barrels of oil from the Maari field's main Moki reservoir over the 22 year term of the Petroleum Mining Permit.

Horizon (which holds a 10% interest in the field) estimates two years of cumulative production from the Moki reservoir will yield about 20 million barrels which at US\$50 a bbl would generate US\$81 million for the company. Four years of production of US\$50 oil would generate about US\$117 million for Horizon.

Maari development drilling is being done by the Ensco 107 jack-up rig and after the first three production wells, is drilling three water injector wells and the final two horizontal oil production wells.

Horizon said the joint venture then plans to drill an appraisal well into the nearby separate Manaia structure to the west.

The Manaia well was likely to be drilled from the platform site, Horizon said.

Interests in the Maari PMP 38160 are OMV New Zealand Ltd (69%) operator, Todd Maari Ltd (16%), Horizon Oil (10%) and Cue Taranaki Pty Ltd (5%).

Sources: Horizon and Lindsay Clark