

Warro continues to flow gas

Tuesday, 2 June 2009

TESTING of the Warro-3 tight gas well at the Warro gas project in the Perth Basin has continued to produce substantial gas flows and is now recovering condensate, according to partner Transerv Energy.

Transerv said the test had run uninterrupted for the past 10 days with the well flowing gas at 1.8-2.1 million cubic feet per day.

In addition to the gas flows, Transerv said the well had started recovering condensate of about 11 barrels per day.

Testing of Warro-3 began on May 2 and is expected to take up to 60 days.

On Friday, the well was shut-in for six hours for wellhead maintenance. Following shut-in, the well flowed at 2.79MMcfd before returning to the average rates achieved last week of 2.3MMcfd.

According to Transerv, the shutdown temporarily increased pressure and reduced fluids in the well bore.

The company said the temporary increase in flow rates was encouraging as it showed that even partial reduction of water in the well bore produced higher gas flow rates.

Meanwhile, operator Latent Petroleum is expected to run a production logging tool over the reservoir section on Tuesday to evaluate the gas rates from each of the seven fracture stimulation zones and to identify the source of fluid in the well bore.

Transerv said the well was possibly tapping a small aquifer and, if so, the production logging will identify the location of the water source and help determine how to seal off the zone.

The company also said the results of the production logging would determine the next course of action for the testing program.

Should the well be successful, which appears to be increasingly likely, the joint venture between Alcoa, Latent Petroleum and Transerv could drill more than 200 wells on the field to produce an average of 100-150 million cubic feet of gas per day.

The gas will be piped to the gas-processing plant from various well pad groupings before being delivered to the Dampier to Bunbury and Parmelia pipelines.

Alcoa is funding the evaluation program in return for a 65% interest in the project while unlisted private company Latent holds a 25% stake.

Transerv owns the remaining 10%.