

TURKMEN BIDS AWARDED

At a ceremony in Ashghabad 23 January 1993, the Government of Turkmenistan announced the results of the 1992 bid round for development rights in certain fields in the South Caspian basin of Western Turkmenistan. (See *International Exploration Newsletter*, 20 July 1992.) The following nine companies registered to participate in the bid: AMEC, Bidas SAPIC, Eastpac International, Heritage Oil and Gas, Larmag Energy, Noble Drilling, Occidental Petroleum, Ocelot Energy, and Premier Consolidated.

WINNING BIDS

Offshore Block II on the Apsheron trend was awarded to Larmag Energy-Noble Drilling for a winning bid of US\$15,250,000. The block contains 2 producing fields with proven recoverable remaining reserves of 230 MM bbls oil and 1.87 Tcf gas. Zhdanov field has produced about 8 MM bbls oil and 60 Bcf gas from 58 wells since 1972. LAM field has produced 18 MM bbls oil and 57 Bcf gas from 52 wells since 1978.

Production is from Middle Pliocene sands at depths of 4000-5000 meters, but opportu-

nity for shallower and deeper development on the flanks of the structures is almost certain. The structures were caused by diapirism in the thick marine Jurassic shale, triggered by transcurrent basement faults along the Apsheron Trend. The result is intense folding, growth, and complex faulting on the crests of the structures.

Block III, on an extension of the Apsheron trend onshore, was awarded to Eastpac International. Eastpac bid US\$20 million. It includes East, Central, and West Kotur-Tepe, and Komsomol fields, which are accredited with combined remaining reserves of 642 MM bbls oil and 2.16 Tcf gas. The Kotur-Tepe/Komsomol complex is the largest field in Western Turkmenistan. It has produced 1.24 MM bbls oil and 2.6 Tcf gas since production began in 1959. It has about 1000 active field wells. North of Komsomol, under water, is an area which has not been evaluated as yet.

The geologic setting is similar to that of Block II, but crestal faulting is extremely complex. Major reserve additions by modern recompletions and flank development are very likely.

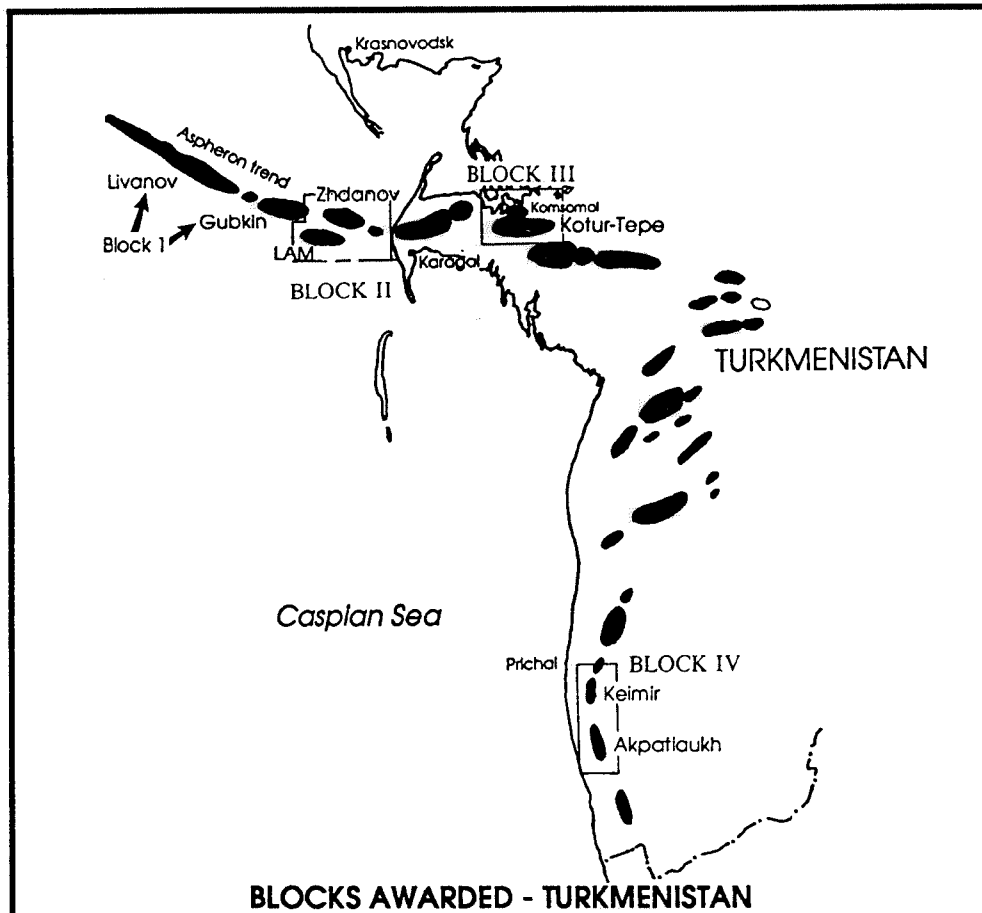
Block IV, in the southern part of the long-shore trend, was awarded to Bidas SAPIC for a bid of US\$30 million. The block covers the Keimir and Akpatlaukh fields, which are expected to coalesce into a single field 80 km long. Adjusted proven reserves are 230 MM bbls oil and 0.89 Tcf gas.

Diapiric folding is not as intense as on the Apsheron trend and there is less faulting. Production from the Middle Pliocene is also shallower, at 2500-3500 meters, but as there is a stratigraphic, as well as structural component to trapping, there is no clear downdip limit to production. Major reserve increases are assured by flank drilling and completion of numerous bypassed zones.

The next round of bidding for additional blocks will be announced soon. Interested parties should contact:

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FIRST PIPER PRODUCTION

First oil and gas production from Piper B platform in the U.K. sector of the North Sea started flowing 3 February 1993. Piper field is in Block 15/17, about 190 km northeast of Aberdeen. Work began in June 1989. Production is from the first of eight pre-drilled wells to be hooked up to the platform. Sixteen wells are planned to complete field development.

Piper B platform is a major part of a program to develop three fields, Piper, Saltire, and Chanter. Elf Enterprise Caledonia Ltd, a subsidiary of Elf Aquitaine (66.7%) and Enterprise Oil plc (33.3%), is operator. Saltire and Chanter are due to begin production in the next few months. Oil will be delivered by pipeline to the Flotta terminal in the Orkney Islands. Dry gas will enter the British national gas grid via the pipeline to St. Fergus in northeast Scotland. Piper B is considered the first of a new generation of North Sea platforms with the latest safety features.

Participants are:

- Elf Enterprise Caledonia Ltd, operator 36.5%
- Texaco Britain Ltd. 23.5%
- LASMO North Sea PLC 20.0%
- Union Texas Petroleum Limited 20.0%

Union Texas news release; 4 February 1993