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BAPETCo, Khaleda invest \$23m to produce gas from limestone layers

By Mohamed Adel

Badr Petroleum Company (BAPETCo) and Khaleda Petroleum are aiming to drill three horizontal wells in the Apollonia field.

The step aims at producing natural gas from the layers of limestone with weak porosity and permeability, and conducting hydraulic fracturing on these layers.

Chairman of BAPETCo Emad Hamdy said, in a statement to Daily News Egypt, that the approved budget for that joint project is estimated at \$23m. The operations are conducted by Khaleda Petroleum in cooperation

with BAPETCo.

He added that two vertical wells are currently being drilled to collect the information needed for designing the horizontal wells and techniques for hydraulic fracturing. The expenditures on the project until now amount to approximately \$4m.

Khaleda Petroleum is a joint venture between the Egyptian General Petroleum Corporation (EGPC) and the American company, Apache; BAPETCo is the representative for Royal Dutch Shell and the EGPC.

BAPETCo's plan includes drilling 25 developmental wells, in addition to seven exploratory wells in its con-

cession areas during the current fiscal year (FY) 2015/2016. The wells will be linked to the production lines once the drilling process comes to an end, in accordance with the approved plan.

Hamdy explained that the plan approved by the EGPC includes producing 31,000 crude barrels daily, 12,000 condensates barrels, in addition to 440m cubic feet of gas during FY 2015/2016.

He added that the company seeks to increase production rates of natural gas and crude oil to compensate for the decline of reserves. This will occur by using new technology, such as water injection, to support the depleted

reserves.

In previous statements, Hamdy said the investments during FY 2015/2016 are estimated at \$415m in its concession areas. The investments aim at carrying out the operations of developing the wells, in addition to the research and exploration operations, to increase oil and natural gas production rates.

Hamdy also explained that the investments for FY 2015/2016 include three major items: \$268m to execute the wells development projects, \$97m for works and operations, and \$50m for drilling exploratory wells, in addition to other expenses.