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# Shell, Apache agree with Petroleum Ministry to price gas from Apollonia field at \$4.6/1m units

*Apache completed drilling two horizontal wells in limestone layers in Western Desert, says source*

By Mohamed Adel

Dutch company Shell and the American Apache have agreed with the Ministry of Petroleum on the price of the gas in the limestone layers at Apollonia field in the Western Desert. The new agreement decided on \$4.6 per 1m thermal units instead of \$2.9.

A prominent source at the Ministry of Petroleum said that Apache completed drilling the two horizontal wells in Apollonia field. The cost of drilling each well was estimated at \$3m, and each one needed 19 days to be executed.

Shell completed the drilling of three vertical wells with the aim of collecting the information needed for designing the horizontal wells, the source said.



The cost of drilling each well is estimated to cost \$3m

Shell and Apache estimated the gas proven reserves in the limestone layers in Apollonia field at approximately 700bn cubic feet able to be extracted from the concession area.

The two companies are targeting to expand their search for gas in ir-

regular sources and in the limestone layers in their concession areas in the Western Desert. That is if the experiment in Apollonia field succeeds, the source said.

The budget approved for this joint project was estimated at \$23m. The

operations are carried out by Khada Petroleum in cooperation with Badr El Din Petroleum Company (BAPETCO).

The source said that Apache is carrying out the operations on behalf of the two companies because it has significant experience in working in these layers as well as the technology needed for the project, in addition to its successful experience in its concession areas in the US.

Minister of Petroleum Tarek El-Molla signed the first contract for producing gas from limestone layers in the Western Desert with Apache and Shell Egypt with investments ranging between \$30m and \$40m.

The contract stipulates drilling three horizontal wells in the fields of the Western Desert.