

## All's well for Rialto as it spuds off Cote D'Ivoire

■ Peter Klinger

Rialto Energy has begun what it hopes will be a defining period for the Perth oil and gas junior after spudding the Gazelle-P3 production well, the first of three planned for its acreage off Cote D'Ivoire over the coming six months.

Gazelle-P3 should take up to 70 days to drill and test the namesake field, which Rialto estimates could contain a contingent resource of 50 million barrels of liquids and 396 billion cubic feet of gas.

The three-well program is designed to convert the contingent and prospective resources into proven plus probable, or 2P, reserves. The results of the drilling will be incorporated into the field development plan for Gazelle, which is underwritten by a gas sales memorandum of understanding with Cote D'Ivoire's Government.

Rialto hopes to be producing late next year with start-up output rates of 8000 barrels of liquids a day and 100 million cubic feet of gas.

This would require Rialto to make a final investment decision in the third or fourth quarter this year. The Gazelle field, in block CI-202, is about 50km off the coast of the West African nation and Rialto's development concept is a pro-

duction platform with liquids and gas pipelines to the coast.

Shares in Rialto, which has an 85 per cent working interest in CI-202, closed unchanged at 42¢ yesterday, valuing the company at \$252 million. The stock has rebounded from 24¢ just before Christmas.

Investors often buy into oil and gas exploration stocks in the lead-up to key wells spudding, and again in the lead-up to wells reaching their target depth.

Rialto also has a stake in the Tap Oil-operated Accra block off neighbouring Ghana, where a well is planned for the third quarter.

