

Cote d'Ivoire: Rialto Energy spuds Gazelle-P3 well offshore Cote d'Ivoire

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[Rialto Energy](#), the exploration, appraisal and development company with operated assets offshore Cote d'Ivoire, West Africa, has announced the commencement of drilling of the *Gazelle-P3* production well on the *CI-202* block. Rialto is Operator of the Block with an 85% working interest.

The *Gazelle-P3* well was spudded on 12th March 2012 using the Transocean GSF Monitor jack-up drilling rig. The well is planned to be drilled to a total depth (TD) of approx. 3400 mMDRT (-2926 mTVDSS) and is expected to take around 60-70 days to drill and test. The well is the first of an overall three well drilling programme on *CI-202* that is anticipated to take six months to complete, together with testing.

The *Gazelle-P3* well, which will be drilled from the *Gazelle* subsea template, is designed to be drilled as a deviated hole and will target already tested sands over the Upper Cenomanian reservoirs and will be deepened to test a combination structural / stratigraphic trap in the Lower Cenomanian that have never been drilled before. The well is situated on the northern flank of the *Gazelle* structure. The *Gazelle* field is located approx. 43 km south-west of Abidjan.

A *Competent Person's Report* completed in September 2011 by *RPS Energy Services* in relation to *CI-202* certified Total Mean Contingent Resources of 50 MMbbls of liquids and 396 Bcf of gas, in addition to Total Mean Prospective Resources of 511 MMbbls of liquids and 1,785 Bcf of gas. The first two wells in the current drilling programme, starting with the *Gazelle-P3* well, will appraise the down dip potential of the reservoirs in the *Gazelle* Field and also target the deeper gas prospect '*Condor*'. Successful appraisal and/or a *Condor* discovery will be a key step in converting the Contingent and Prospective Resources into Reserves. The third well in the programme will target the *Chouette* exploration prospect, some 13km from the *Gazelle* template.

Overview of the *Gazelle* Field Development Plan

Rialto has an approved Field Development Plan (FDP) for the *Gazelle* Field and has entered into a Gas Memorandum of Understanding (MOU) with the Government of Côte d'Ivoire, with the result that successful appraisal drilling will allow the Company to move to development at the *Gazelle* Field without delay. Rialto anticipates that production start up will commence by the end of 2013. Gross initial production rates from the *Gazelle* Field are anticipated at 8,000 bopd and 100mmscf/d of gas.

The results of the first phase drilling programme will be incorporated into the Field Development Plan. The Company aims to move to Final Investment Decision (FID) over the *Gazelle* Field in the third or fourth quarter of 2012.

Commenting on the commencement of drilling, Jeff Schrull, MD of Rialto said:

'We are pleased to report that the drilling of the *Gazelle-P3* well has commenced as scheduled. This is the first well of our fully funded, three well programme on the *CI-202* Block, offshore Cote d'Ivoire. This well aims to appraise the high graded, proven-productive oil zones in the Upper Cenomanian reservoirs on the *Gazelle* field, as well as testing a deeper target in the Lower Cenomanian.

'Throughout this drilling programme we aim to convert our contingent and prospective resources in the *Gazelle* area to Proven plus Probable reserves and, by means of well testing, prove the commercial viability of the *Gazelle* field which we believe is capable of producing approximately 8,000bopd and 100mmscf/d of gas by the end of 2013. We look forward to updating our shareholders on the progress of the *Gazelle-P3* well in due course as drilling operations continue.'