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## Xanadu-1 oil hit confirmed

NORWEST Energy is full steam ahead for Xanadu development after logging confirmed the oil discovery and the junior is also eyeing upside across the wider TP/15 Perth Basin permit, CEO Shelley Robertson told *Energy News*.

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Xanadu-1.

Wireline logs over a 330m section confirmed reservoir quality sand intervals throughout the Irwin River coal measures, with porosities from 15-16%, with three of them - A, B and C - at the top recording log-derived hydrocarbon saturations between 41-66%, with 4.6m pay in Sand A.

Fluorescence was observed in rock cuttings while drilling, and those log-derived hydrocarbon saturations persist for 120m in sands below those upper zones.

Further analysis of Xanadu-1 oil samples due later this week is expected to substantiate an analogue of Cliff Head. And plans are underway for an up-dip side-track appraisal well from the casing shoe, with an eye to becoming a commercial producer.

The conventional deviated oil well in state waters about 1.3km from the coastline, 40km south of the Dongara township, was spudded on September 17 when it was confirmed that Xanadu-1 had intersected hydrocarbon bearing intervals demonstrated by elevated gas readings, fluorescence and cut-fluorescence while drilling.

Rob Towner, managing director of Triangle Energy whose nearby well will be utilised for rapid commercialisation, said there had not been an oil discovery in the offshore Perth Basin since Cliff head more than 15 years ago.

## Next step

Robertson told Energy News this morning that Norwest committed to the extensive logging program to "get as much data as we could because we realised from the logging while drilling data that it was pretty good".

The Cliff Head oil field discovery Cliff Head-1 identified a gross 4.8m oil column at the top of the ICRM below the Kockatea Shale - the same stratigraphy encountered at Xanadu-1, and was immediately side-tracked to a more favourable up-dip location where a 36m gross oil column was intersected.

A similar side-track is now being considered as an "excellent" option, with the top section down to 971m MDRT already cased and cemented in place, about 250m vertically above the zone of interest.

Yet after considering Xanadu-2 as an up-dip side-track while the rig was still on location, the joint venture decided that gathering more data, allowing the drilling team more time to plan and gather materials and tools, and studying well completion and production options would be the more financially and technically robust option.

The JV is now planning to acquire more seismic data over the Xanadu field via a number of short infill lines to prepare for Xanadu-2, while a better understanding of the oil trap will allow the JV to re-examine its inventory of undrilled prospects.

"As a junior exploration company it's still sinking in, but it gives us a huge amount of scope to start thinking about other projects and what we can do, though at the moment our focus is on developing Xanadu," Robertson said.

"We have the whole TP/15 permit still to properly look at, because we've put some small prospects within it but we actually don't have any data. We need to go back and do an extensive review now that we have this, to give us a better understanding."

She said having Triangle Energy's onshore facility right there means that it's a fast-track opportunity for development.

"The most exciting thing for us at the moment is getting that oil to market," Robertson said.

Xanadu has been the shining light amid Perth Basin negatives with Angus Walker resigning from Empire Oil & Gas as the fallout from the troublesome Red Gully-1 well continues, and Robertson said Norwest's latest news highlighted the region's huge potential as an underexplored region compared to other provinces globally.

"It's great for the local communities in the region as well because it means ongoing development, and we're giving as much work to local people as we can, which is why they've been so supportive.

"We've had no problems whatsoever with this project, which is a testament to the way in which industry conducts itself in the region.

"AWE is certainly the flagship and does a lot of good work in the community, but we have so much support."



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