

# Extension granted for Danish Licences

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New World Oil and Gas Plc ('New World' or 'the Company')

Extension granted for the Danica Jutland and Resources Licences, Denmark

New World Oil and Gas Plc, an oil and gas operating company focused on Denmark and Belize, is pleased to announce that it has reached agreement with the Danish Energy Agency ('Agency') to extend its existing work programme commitment deadlines for Licences 1/08, 1/09 and 2/09 (together, the 'Licences') to 15 September 2015. These extensions are granted to allow the Licence holders time to conduct additional technical work to further de-risk the prospects already identified on all three Licences. The Company currently holds a 25% working interest in the Licences through its Danish subsidiaries.

The Licence extensions are contingent upon the following licence work programmes:

1. For Licence 1/08 the licence holders shall conduct a fluid inclusion study from wells in the Licence area. As a minimum, the study shall include samples from Søllested-1, Rødby-2, Ørslev-1 and Kegnaes-1 wells. The results shall be evaluated and integrated with the existing interpretations of the area by latest 1 September 2015. By latest 15 September 2015 the licence holders shall either commit to conduct a 3D seismic survey over one or more mapped prospects or relinquish the licence.
2. For Licence 1/09 the licence holders shall conduct a fluid inclusion study from wells in the licence area. The study shall include samples from the Nøvling-1, Løve-1 and Jelling-1 wells. The results shall be evaluated and integrated with the existing interpretations of the area latest 1 September 2015. By latest 15 September 2015 the licence holders shall commit to carry out 2D seismic surveys over one or more mapped prospects or relinquish the licence.
3. For Licence 2/09 the licence holders shall conduct a fluid inclusion study from wells in the licence area. The study shall include samples from the Nøvling-1, Løve-1 and Jelling-1 wells. The results shall be evaluated and integrated with the existing interpretations of the area latest 1 September 2015. By latest 15 September 2015 the licence holders shall either relinquish the Licence or commit to carry out 3D seismic surveys over one or more mapped prospects to allow for a decision to be made to drill one exploration well in the Licence. This work shall be completed and evaluated well before the approved extension of the Licence period expires on 17 May 2017.

## Background

Since the Company farmed into the Licences in 2012, it has conducted an extensive work programme of 2D and some 3D seismic acquisition, reprocessing and interpretation, re-evaluation and interpretation of existing well data and conducted soil sampling, including a Vaportec geochemical survey, to detect hydrocarbon anomalies at the surface. The total cost of this work to date is approximately US\$10mn, including the 20% portion funded by the North Sea Fund. As part of the extension granted by the Agency, the Company will perform a fluid inclusion study from existing wells to further de-risk and better understand the hydrocarbon generation and migration in the Licences.

The results of New World's work programme to date have significantly improved the resource estimates and risks associated with the high graded prospects within the Licences. For example, the seismic data has improved fault correlations, helped identify Zechstein oil leads and prospects, and led to significant

growth in the North Rødby prospect in Licence 1/08. Risks have been reduced from <10% GPoS on entry to 20-25% GPoS based on the new data acquired.

Seismic and well analysis has improved the understanding of the primary targets in the Zechstein carbonates and Triassic and Rotliegend clastic reservoirs. New and reprocessed seismic has enabled the Company to identify the Zechstein carbonate platform margin and associated "reef"- like features that are analogous with the proven Koscian Fields in Poland.

Due to the presence of existing dry holes in the Licences, the key risk pre-access was identified as the hydrocarbon generation and migration story. The soil sampling and Vaportec surveys have improved confidence in the presence of active source systems and it is hoped the new fluid inclusion study will provide further positive evidence.

As part of the extension, the Licence holders have agreed with the Agency to relinquish less prospective areas on the Licences and focus on further evaluation of high graded prospects such as Jensen, Harboe, Jelling and Zechstein leads in 1/09 and 2/09 and North Rødby and Zechstein platform leads in 1/08. These prospects and leads are estimated to contain unrisks gross P50 resource estimates in excess of 75mmbbls of oil and 1.1TCF of gas based on previously published CPRs by RPS. The remapping of the North Rødby seismic indicates that the resource volumes associated with the prospect are likely to increase.

New World's non-executive Chairman, Chris Einchcomb, stated "We are excited to share the results of the work that the Company has been undertaking in Denmark with our shareholders. We believe the results create the potential for real value for the Company and will help in our continued efforts to find partners to fully develop the potential of these Licences."

The information contained in this announcement has been reviewed and approved by Christopher Einchcomb, BSc (Hons), the Non-Executive Chairman of New World Oil and Gas Plc who has over 30 years of geoscience and management experience in the oil industry. Mr. Einchcomb is a member of the Petroleum Exploration Society of Great Britain, and a member of the American Association of Petroleum Geologists.

AAPG	American Association of Petroleum Geologists
AVO	Amplitude variation with offset
B	Billion
Bbls	Barrels
Bcf	Billion cubic feet
BOE	Barrels Oil Equivalent
Bo	Barrel of oil
Closure	The vertical distance from the apex of a structure to the lowest structural contour that contains the structure. Measurements of both the areal closure and the distance from the apex to the lowest closing contour are typically incorporated in calculations of the estimated hydrocarbon content of a trap.
DHI	Direct hydrocarbon indicator
GIIP	Gas Initially in Place
GPoS	Geological Probability of Success
Km	Kilometre
M	metres

M	Thousand
MM	Million
MMbo	Million barrels of oil
Mstb	Thousand stock tank barrels
MMscf/d	Millions of standard cubic feet per day
MMstb	Million stock tank barrels
NPV <sub>10</sub>	Net Present Value using an annual discount on cashflow of 10% per annum
P10	At least a 10% probability that the quantities recovered will equal or exceed the estimate. This is a measure of uncertainty not geological or commercial risk
P50	At least a 50% probability that the quantities recovered will equal or exceed the estimate. This is a measure of uncertainty not geological or commercial risk
P90	At least a 90% probability that the quantities recovered will equal or exceed the estimate. This is a measure of uncertainty not geological or commercial risk
Play	The combination of reservoir, seal and source that is required to promote the likelihood of a working petroleum system within any given region or fairway.
Prospect	A potential trap which geologists believe may contain hydrocarbons
prospective volumes	Quantities of oil and gas estimated on a given date to be potentially recoverable from undiscovered accumulations. In the event of discovery they are likely to be technically viable and economic to recover
Reefal build-ups	Lithified carbonate build-ups associated with repeated episodes of coral reef formation on a platform edge often in response to minor sea-level change cycles
Reservoirs	A subsurface body of rock having sufficient porosity and permeability to store and transmit fluids
Rotliegendes	The Rotliegend is a sequence of rock strata of early Permian age found in the subsurface of large areas in western and central Europe and mainly consists of sandstone layers. It is usually covered by the Zechstein.
sq km	Square kilometres
Stb	Stock tank barrels
Scf	Standard cubic feet
SPB	Southern Permian Basin
SPE	Society of Petroleum Engineers
SPEE	Society of Petroleum Evaluation Engineers

Triassic	Of or belonging to the geologic time, system of rocks, or sedimentary deposits of the first period of the Mesozoic Era - between the Permian and Jurassic periods, about 245 million to 208 million years ago.
WPC	World Petroleum Council
Zechstein	Unit of sedimentary rock layers of Middle to Late Permian (Guadalupian to Lopingian) age located in the European Permian Basin.

For further information please visit [www.nwoilgas.com](http://www.nwoilgas.com) or contact:

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