

Touchstone makes largest land based natural gas find in T&T's history



The Cascadura well, at Poole Valley, Rio Claro. This drone image was provide by Xavier Moonan of Touchstone Exploration

TOUCHSTONE, the Canadian energy exploration company, has reported discovery of estimated reserves of 381 billion cubic feet (bcf) of natural gas in its onshore Cascadura Assessment Area in its Ortoire exploration block in Trinidad.

Touchstone is the 80 per cent working interest operator, and Heritage Petroleum Company Ltd has 20 per cent working interest.

The Cascadura Reserves Report, which was compiled by an independent Canadian petroleum consultancy firm, GLJ Ltd, evaluated the Cascadura Assessment Area on a stand-alone basis and provides a reserves estimate of natural gas and natural gas liquids, as well as a before income tax estimate of net present values of future net revenues as of June 30, 2020.

Commenting on the discovery, Touchstone's president and CEO Paul Baay, said "We are delighted to report that the independent reserves report verifies the material size of the reserves yet to be produced in the Cascadura structure and provides the groundwork for a multi-year future onshore development programme in Trinidad.

"Through the excellent work of the Touchstone team in the drilling of our first two exploration wells, we have successfully proven up the hydrocarbon bearing turbidite model in Ortoire. This model will be further evaluated by our next two exploration targets at Chinook and Cascadura deep, with drilling at Chinook on track to commence within the next few weeks.

"We could not have envisioned a better start from the first two wells of the Ortoire exploration program and we look forward to updating the market and our Trinidad stakeholders as we progress with our Ortoire exploration and development activities in the coming months."

The Cascadura Reserves Report said gross discovered petroleum initially-in-place estimated between a high of 571.5 bcf of natural gas and a low of 241.2 bcf, with a best estimate of 398.5 bcf.

The report added that net peak production is estimated to be 22,600 boe per day in the 3P forecast, 15,108 boe per day in the 2P forecast, and 10,266 boe per day in the 1P forecast.

It further noted that net future development costs associated with the development of the Cascadura Assessment Area is estimated at US\$11.6 million for 1P reserves and US\$15.8 million for both 2P and 3P reserves.

Chief operating officer James Shipka, said "GLJ's independent evaluation of the Cascadura-1ST1 production test results and the subsequent reserves evaluation of the Cascadura Assessment Area confirms the tremendous potential of the Ortoire exploration block."

Commenting on the discovery to the Express was Heritage Petroleum Company Ltd chairman Michael Quamina who said the company is proud of Touchstone in achieving the independent reserves evaluation of the Cascadura Assessment Area.

"The Cascadura and Coho discoveries represent a major milestone for the industry in Trinidad considering it is the largest onshore gas discovery since 2002. With a 20 per cent participating interest in the Ortoire Block B, Heritage looks forward to continued success of the partnership and for future exploration, appraisal and ultimately development work on the block," Quamina said.