

Weekly News Round-up

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Proactive oil & gas highlights: Hurricane Energy, Union Jack Oil, Sound Energy...

Hurricane Energy PLC (LON:HUR) generated its first-ever revenues after selling a tanker-load of oil from the Lancaster field, which sits about 100km off the west coast of the Shetland Islands.

An FPSO (floating production storage and offloading) vessel - called the Aoka Mizu - has been stationed above Lancaster since March, and Hurricane reported earlier this month that it had achieved 'first oil' at the project following the commencement of the Early Production System (EPS).

The Amundsen Spirit shuttle tanker has now lifted that oil from the Aoka Mizu and is taking it back to Rotterdam, where it will be refined and sold on by its new owner.

Union Jack Oil PLC (LON:UJO) revealed what is described as a "potentially transformational" result as the West Newton appraisal well confirmed a substantial hydrocarbon accumulation.

The West Newton A-2 conventional appraisal well, located in East Yorkshire, encountered a 65 metre (net) interval in the Kirkham Abbey formation which was its main target.

Analysis of drill core and logging data indicate a 'significant liquids' component within the formation and further well testing is now planned, slated for the current quarter (Q3).

Nu-Oil and Gas Plc (LON:NUOG) revealed that its 50% owned joint venture company, MFDevCo, has entered into a partnership with energy industry engineering group Petrofac Limited (LON:PFC).

Together MFDevCo and Petrofac will collaborate in gas-to-wire opportunities aimed at opening up 'stranded' gas resources.

They plan to engineer, deliver and operate facilities using platform based gas-fired power generation that will eliminate the need for costly gas pipeline development. It is expected that such facilities will boost the economic recovery of otherwise detached or uneconomic projects.

For its part, Petrofac will provide engineering support, and input to feasibility studies and opportunity screening.

Recent studies carried out at Chariot Oil & Gas Limited's (LON:CHAR) Anchois gas field, offshore Morocco, have shown that development of the project is "technically feasible".

Analysts at finnCap said confirmation of the project's viability "should help attract potential strategic partners with a view to funding appraisal operations in 2020".

Chariot believes there is potential for either a single phase or a staged development to "commercially optimise access to different parts of the gas market".

As well as studies on the field itself, the AIM company has carried out an assessment of the Moroccan energy market.

Its research concluded that Morocco has a growing energy market with "attractive gas prices" that underpins the

Share Information

MarketTopic Synopsis:

The news roundups, which are broken down by the sector, provide investors with an opportunity to read a summary of the most interesting news of the past five days of trading in just one story as they prepare for another busy week.

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"commercially attractive project".

Sound Energy PLC (LON:SOU) announced plans to raise US\$3mIn alongside further cost cuts that will see executives' pay drop.

Just under 24mIn shares will be issued at 10p each, a modest discount to Monday night's close.

The cash will be used to boost the firm's financial base as it markets its eastern Morocco gas assets, a process that's expected to be concluded before the end of the year.

On top of the economies announced on May 21, which were designed to reduce general and administrative expenses by 50%, Sound Energy said that from August 1 - and for a six-month period - executive base salaries will be cut by 29%.

Echo Energy PLC (LON:ECHO) told investors it has completed a 3D seismic exploration survey at the Tapi Aike licence in Argentina.

The survey covered the 'western cube' of the project and data processing is now underway.

It follows previous seismic data acquisition and processing of the 'eastern cube' data now said to be nearing completion.

In a note to clients, analysts at SPAngel said: " Positive news from Echo and its partners as they continue to target an Argentinean drilling campaign later in the year."

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