

NEWS

## Lamu Basin may hold 3.7bn barrels of oil: Pancontinental



An oil rig at Ngamia 1 in Turkana County where Tullow discovered oil. Lamu Basin which is on the coast of Kenya could contain up to 3.7 billion barrels of oil, Pancontinental, an Australian oil and gas prospecting company has said. Photo/FILE Nation Media Group

The Lamu Basin which is on the coast of Kenya could contain up to 3.7 billion barrels of oil, Pancontinental, an Australian oil and gas prospecting company has said.

The company, which owns a 40 per cent interest in the L6 block which is also known as Kifaru and Tembo, said that the estimates had been derived from data after new 3D and older 2D seismic surveys were done.

“The L6 area has potential to contain approximately 3.7 billion barrels of oil or 10.2 trillion cubic feet of gas prospective resources on a gross, un-risked, best-estimate basis according to an assessment by operator FAR Limited,” said Pancontinental in its latest trading statement released on Wednesday.

FAR Limited, the other Australian oil and gas prospecting company which holds a 60 per cent interest in the block said that the 3D data shows that Tembo, Kifaru and Kifaru West prospects in the L6 block have prospective resources of 327, 178 and 130 million barrels of oil respectively.

FAR Limited also said that the three prospects could also be containing 807,517 and 388 billion cubic feet of gas respectively.

The company said that chances of a discovery of the three prospects have been assessed to be 21 per cent, 19 per cent and 18 per cent respectively and that the first exploration well location will be selected shortly.

“The new resource estimates are a further step in unlocking the commercial potential of one of Pancontinental’s areas offshore Kenya. With these initial resource estimates, and mapping of the new 3D seismic well advanced, we are in a position to select a site for our first well in L6,” said Barry Rushworth, chief executive officer and executive director, Pancontinental.

The East African region has become a hotspot for oil and gas exploration after Uganda discovered oil and Tanzania discovered gas.

Last week, British explorer Tullow Oil said that tests done on the Twiga South-1 oil well in Kenya confirmed it could produce up to 2,812 barrels of oil per day at a constrained rate and up to 5,200 barrels per day at an unconstrained rate.

Tullow however said that the Ondyek-1 exploration well in Uganda, did not encounter hydrocarbons.

“While it is still early days for our exploration campaign in Kenya, these flow tests results at Twiga South-1 are an important step on the way towards understanding the commercial potential of the two discoveries we have made so far,” said Angus McCoss, exploration director, Tullow Oil.

(Read: [Tullow plans 11 more wells in Kenya in 2013](#))

Mr McCoss said that while the Ondyek-1 well in Uganda did not encounter hydrocarbons, it had contributed to the understanding of the limits of the EA-1A block

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