

Parkmead hails potential of North Sea licences

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PARKMEAD has boosted the scale of its operations in the UK North Sea following the latest licensing round, as it revealed production from a key onshore gas field in The Netherlands has reached a new high.

The oil and gas firm, headed by North Sea veteran Tom Cross, has been provisionally awarded nine offshore blocks and part blocks spanning five new licences in the latest round.

The newly-awarded licences will all be operated by Parkmead and are located in the Central North Sea, Southern North Sea and West of Shetland. Two of the awards cover the highly-prospective Skerryvore area and contain seven new prospects, three of which are stacked.

Acreage containing the Lowlander oil field, located close to Parkmead's Greater Perth Area oil hub project, is also included in the new awards. Parkmead said the addition of Lowlander increases its contingent resources by 29 per cent to 95.3 million barrels of oil equivalent (MMBoe).

The licences were awarded to the UK and Dutch-focused company as it revealed production at its Diever West gas field hit a new gross average monthly high of 56.6 million cubic feet per day in April, which equates to around 7,833 barrels of oil equivalent per day (Boepd). It said production at Diever West has exceeded expectations since first gas was achieved in November 2015.

Mr Cross said: "These significant new licence awards further increase the scale of Parkmead's energy operations in the UK. The discoveries and de-risked exploration prospects have the potential to add major value to Parkmead.

The team at Parkmead is working intensively to evaluate and execute significant opportunities which could grow value and provide additional upside to the company. Parkmead is analysing both oil and gas, and wider energy related opportunities, which could broaden and enhance the group's revenue stream."

Shares edged up 0.4p to 72.9p.