

Committed to Tanzania

By **DR NICK COOPER**

EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER, OPHIR ENERGY



NICK COOPER

was appointed as an executive director and Chief Executive in June 2011. Prior to joining Ophir, he was Chief Financial Officer and co-founder of Salamander Energy plc. He began his career as a geophysicist with BG and Amoco before joining Booz-Allen & Hamilton and the oil and gas team at Goldman Sachs. In September 2014 he was appointed as non-executive director of Siccar Point Energy Limited. He holds a PhD in Geophysical Sciences and an MBA from INSEAD.

Since its foundation in 2004 Ophir has focused on establishing a major presence in Africa, building up an extensive portfolio of mainly deepwater oil and gas interests on the continent, as a result of which the company is today one of East and West Africa's strategic offshore acreage holders, making it the most active explore in Tanzania in 2014. Building on its significant gas discoveries in Tanzania, the company is pursuing an active exploration and appraisal drilling campaign in East Africa, which has emerged as one of the continent's most important hydrocarbon areas, and where Tanzania is playing an increasingly important role in developing the region's deepwater LNG resources.

Ophir is now the largest net acreage holder in offshore Tanzania, holding five blocks: two operated blocks (an 80 per cent interest in Block 7 and a 70 per cent interest in East Pande) and three non-operated blocks (a 20 per cent interest in the BG-operated Blocks 1, 3, and 4).

It's been an eventful two years for Ophir in Tanzania. Since we started drilling operations on Blocks 1, 3 and 4 at the end of 2010, we have enjoyed 100 per cent success, with 16 out of 16 wells drilled safely and effectively.

We have undertaken successful appraisal drilling with our joint venture partners on the Jodari, Mzia and Pweza discoveries, which have included gas flow tests on all three fields that came in ahead of expectations. These results have de-risked the commerciality of the resource base and are likely to lead to significant cost savings on the upstream development.

The new exploration discoveries, Mkizi, Ngisi, and Taachui, along with the more recent Kamba-1 well have increased the total discovered resource on Blocks 1, 3 and 4 to 17.1 TCF.

In June of this year we made a gas discovery at the Taachui-1 well on Block 1 which extends the proven hydrocarbon system to the eastern limit of, and partly derisked the potential of East Pande licence. In August we had a positive result on Mzia-3 flow test and in October there was a gas discovery on the Kamba-1 well in Block 4.

These results are important to Ophir because the aggregate recoverable volumes of around 17.1 trillion cubic feet are now approaching the threshold needed to underpin a potential third LNG train from Blocks 1, 3 and 4.

In the near future we will be completing drilling

operations on the Tende-1 well on the East Pande licence and once done, we will drill the Mkuki-1 well on the 80 per cent Ophir-operated Block 7.

This increased volume will underpin a minimum two, 5 million-tonne per annum LNG Train development, along with domestic market commitments under Petroleum Sharing Contracts, and provides encouragement for a potential third LNG Train. Ophir has also made good progress with the midstream LNG project: an Integrated Project Team has been formed and the preferred location for the LNG facility has been submitted to the Government for approval. The proposed Gas Act which will go through Parliament during H2 2014 will provide the guidance for regulating the gas industry in Tanzania including the framework for approving the LNG development as it progresses.

Corporate Social Responsibility

Ophir is committed to contributing positively to the lives, communities, and economy of Tanzania directly through our business practices, which includes promoting economic and social development within those communities. We may do this by providing employment opportunities for local people, for example, or by promoting particular community goals. We take a collaborative approach, working closely with all stakeholders to identify and develop activities that benefit communities for the long term.

We work with contractors to ensure they prioritise employment, training, and development for local people by sourcing locally produced goods, conducting our operations to international standards of best practice, and building local skills through educational programmes and scholarships.

In Tanzania, we have completed the re-development of a primary school in Mtwara. The school will have a significant and positive impact on the lives of disadvantaged young children from a community we have had a close affinity to for the past five years.

We focus on improving education and health, so in addition to the work on the re-development of the Lilungu primary school in Mtwara, we have also worked with the John Hopkins Foundation Programme "Malaria Safe" on educating people on Malaria prevention. Historically we have also provided support and donations to flood victims and to the Benedictine Sisters Hospital.

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