

Po Valley Energy Limited

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Po Valley Energy to boost gas production from Italian field

Po Valley Energy (ASX:PVE) will soon increase its gas production after it was awarded production concession status for its Bezzecca gas field in the Lombardy Region, Italy.

This is the final approval required to bring the field into production through a 7 kilometre pipeline to the company's existing Vitalba gas plant.

Bezzecca will provide a substantial increase to its gas production given that its Castello and Sillaro fields produced a total of 5.66 million standard cubic metres (199.9 million standard cubic feet) of gas in the March 2014 quarter.

The field was discovered in 2009 with the Bezzecca-1 well flowing gas at a combined rate of 3.9 million standard cubic feet per day during testing.

"Over the course of the past year, the company's leadership team has worked diligently to progress this project from a regulatory and technical standpoint and as we are at an advanced stage of planning the award puts the company in a position to move forward concretely," acting chief executive officer Sara Edmonson said.

Bezzecca Gas Field

The Bezzecca gas field – located 35 kilometres east of Milan – was discovered in 2009 with production sourced from the Pliocene and Miocene formations which are located at a depth of 2,000 metres.

It has Proved Reserves of 3 billion cubic feet of gas as well as Proved and Probable Reserves of 4.2Bcf.

With the award of production concession status for Bezzecca gas field through enlargement of the existing Cascina Castello Production Concession, Po Valley can now proceed with construction of the 7 kilometre pipeline to its Vitalba gas plant.

It had already started in April the bid process for the Engineering, Procurement, Installation and Construction contract for the pipeline, which has been estimated to cost €3.1 million (A\$4.49 million).

Analysis

Increased gas production is on the cards for Po Valley Energy following the award of production concession status to its Bezzecca gas field.

This will add a third producing field to its existing Castello and Sillaro fields, which currently produce 2.3 million standard cubic feet of gas per day, given that the Bezzecca-1 well produced 3.9 million standard cubic feet per day on

Price: 0.046

Market Cap: \$29.78 m

1 Year Share Price Graph



Share Information

Code: PVE

Listing: ASX

52 week High Low
0.06 0.032

Sector: Oil & Gas

Website: www.povalley.com

Company Synopsis:

Po Valley Energy Ltd (ASX:PVE) is an emerging oil & gas exploration and development company with an expanding portfolio of hydrocarbon assets in northern Italy.

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initial testing.

It had \$1.25 million in cash as of 31 March 2014.

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