

Tuesday, March 23, 2010

Shell announced a significant new oil discovery in the deepwater eastern Gulf of Mexico, adding to discoveries in the area from 2009. The discovery is located at the Appomattox prospect in 2,200 metres (7,217 feet) of water in Mississippi Canyon blocks 391 and 392.

Shell drilled the discovery well, located on Mississippi Canyon block 392, to a depth of 7,643 metres (25,077 feet) and encountered approximately 162 metres (530-feet) of oil pay. Shell then drilled an appraisal sidetrack to 7,910 metres (25,950-feet) and encountered approximately 116 metres (380-feet) of oil pay. Additional appraisal activities are planned for later in the year.

“This discovery builds on a successful 2009 exploration program in the Gulf of Mexico, where Shell had discoveries at West Boreas, Vito and Cardamom Deep,” said David Lawrence, Executive Vice President Exploration. Shell operates and holds an 80% working interest in the prospect, with partner Nexen holding the remaining 20%. Shell made an initial discovery in the deepwater eastern Gulf of Mexico in 2003 with the Shiloh discovery (Shell 80%, Nexen 20%). A second discovery followed in 2007 at Vicksburg (Shell 75%, Nexen 25%), located about ten kilometers (six miles) east of Appomattox.