

Cyprus new gas discovery holds 6 to 8 tcf, ENI says



A natural gas field offshore Cyprus is believed to hold between six and eight trillion cubic feet, Italian energy firm ENI has said.

Speaking at an industry event in Cairo on Monday, CEO Claudio Descalzi said an appraisal well would have to be drilled to understand the real volumes of a recent discovery at Calypso 1, which was announced last week.

Asked whether it is believed to hold around 6 to 8 trillion cubic feet, Descalzi said: "It could be more or in that range... for sure it cannot be less but we have to understand it ... It's a good find that has merit to go ahead with additional investment."

An analysis of data following a collection of fluids and rock samples revealed that Calypso "is a promising gas discovery and confirms the extension of the 'Zohr-like' play" into the Cypriot EEZ, ENI said in a company statement.

Zohr, a supergiant gas field discovered by ENI in 2015 in adjacent Egyptian waters, holds an estimated 30 trillion cubic feet (tcf) of resources in place.

Eni has been present in Cyprus since 2013 and has interests in six licenses located in the EEZ of Cyprus (in Blocks 2, 3, 6, 8, 9 and 11), five of which are operated.

The gas in the new discovery will presumably be exported, since Cyprus's potential for consumption of natural gas is estimated at just 1 BCM annually. Cyprus still uses polluting fuel oil to produce electricity. To abide by the European program for reducing polluting emissions and to switch to using natural gas immediately, Cyprus is gearing up for imports of liquefied natural gas.

Up to now, only one gas reservoir, Aphrodite, has been discovered in Cypriot waters. Aphrodite is owned by Noble Energy and Shell. The reservoir, which contains 4.5 TCF of natural gas, was discovered in 2010, and has yet to be developed.