

Forza Petroleum Announces Its Year End 2020 Reserves and Resources and Operations Update

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Proved Plus Probable (2P) Oil Reserves of 62 million barrels at December 31, 2020

Calgary, March 10, 2021 - [Forza Petroleum Ltd.](#) (TSX: FORZ) ("Forza Petroleum" or the "Corporation") today announced its oil reserves and resources as at December 31, 2020 as evaluated by Netherland, Sewell & Associates, Inc. ("NSAI"), an independent oil and gas consulting firm, and as set forth in a report dated February 26, 2021 prepared in accordance with National Instrument 51-101 by NSAI (the "2020 NSAI Report"). The reserves and resources disclosure coincides with the filing on SEDAR at www.sedar.com of a material change report (the "Material Change Report"), which includes additional information derived from the 2020 NSAI Report.

Highlights of the report for Forza Petroleum's gross (working interest) oil reserves and resources volumes in the Hawler license area as at December 31, 2020, as compared to the equivalent estimates prepared by NSAI as at December 31, 2019 (the "2019 NSAI Report"), include:

- Proved plus probable oil reserves decrease to 62 million barrels ("MMbbl") from 103 MMbbl:
 - Decrease in volumes primarily attributable to revisions to the estimates of the volume of oil-in-place for the Cretaceous reservoir in the Banan East fault block of the Banan field and to estimated ultimate recoveries from the Cretaceous reservoirs of the Demir Daghi field and in the Banan East fault block of the Banan field based on well performance
 - Minor decrease in volumes for the Cretaceous reservoirs of the Zey Gawra field and in the Banan West fault block of the Banan field and the Tertiary reservoir in the Banan West fault block of the Banan field are attributable to production and to moderate revisions to the estimated ultimate recoveries from the reservoirs and estimates of the volume of oil-in-place for the Cretaceous reservoir of the Zey Gawra field
 - Decrease in volumes partially offset by the addition of oil reserves to the Tertiary reservoir in the Banan East fault block of the Banan field as a result of data obtained during drilling in early 2020 of a sidetrack of the previously drilled Banan-1 well targeting the Cretaceous reservoir (the "Banan-1 sidetrack")
- Best estimate (2C) unrisks contingent oil resources attributable to the Hawler license area of 225 MMbbl versus 176 MMbbl:
 - Increase in contingent oil resources is primarily attributable to the addition of contingent oil resources to the Tertiary reservoir in the Banan East fault block of the Banan field as a result of data obtained during drilling of the Banan-1 sidetrack
- Best estimate (2U) unrisks prospective oil resources attributable to the Hawler license area of 94 MMbbl versus 105 MMbbl

Operations Update:

- Average gross (100%) oil production from the Hawler license area for the months of December 2020 and January 2021 was 12,100 barrels per day ("bbl/d") and 11,600 bbl/d, respectively
 - Production rates were lower than recent months primarily as the result of reducing the rates of the Banan-5 and Banan-6 wells in the portion of the Banan field west of the Great Zab river to avoid excess production of salty water

- The Corporation has received payment in accordance with production sharing contract entitlements for all deliveries into the Kurdistan Oil Export Pipeline through January 2021, except for an outstanding balance for deliveries relating to the months of November and December 2019 and January and February 2020
 - In accordance with an agreement with the Government of the Kurdistan Region of Iraq, the invoice for January 2021 deliveries included approximately \$900,000 against the outstanding balance
 - After the above partial payment and an agreed set-off with the Ministry of Natural Resources of the Kurdistan Region of Iraq, the balance outstanding for oil sales during the months of November and December 2019 and January and February 2020 has been reduced to US\$ 22 million
- A new well targeting the Tertiary reservoir of the Zey Gawra field was completed during the first week of February 2021. The well flowed 32 degree API oil at solution gas-oil ratio with no water during the recently completed testing period. It is now shut in but will be placed on production in the coming days once surface facility modifications are complete
- A workover of the Banan-4 well to replace a rental pump with equipment owned by the Corporation was successfully completed in November 2020, achieving monthly operating expense savings of more than \$100,000

CEO's Comment

Commenting today, Forza Petroleum's Chief Executive Officer, Vance Querio, stated:

"We are pleased to provide an update on our operations and report our reserves and resources at year-end 2020 as evaluated by NSAI. Before I comment on either of those topics, I would like to acknowledge the efforts of our team in successfully implementing the protocols necessary to allow the Corporation to maintain continuous operations in the Hawler Production Area in the Kurdistan Region of Iraq during 2020 notwithstanding the challenges posed by the coronavirus disease and related restrictions imposed by governments around the world. This accomplishment is a testament to the hard work and diligence of the employees and contractors of Forza Petroleum and its operating subsidiary OP Hawler Kurdistan Limited.

NSAI's year-end evaluation of our reserves and resources resulted in a 40% reduction of 2P oil reserves, resulting primarily from revised estimates of the original-oil-in-place in the Cretaceous reservoir in the east fault block of the Banan field and the ultimate recovery achievable from several reservoirs in the area. Smaller reductions in other reservoirs resulted from depletion of previously booked reserves and minor adjustments to development plans.

Reductions were partially offset by the first-time inclusion of oil reserves attributable to the Tertiary reservoir in the Banan East fault block where the best estimate discovered original-oil-in-place is more than four times larger than that in the productive Banan West Tertiary reservoir.

On January 1 of this year, OP Hawler Kurdistan Limited spudded the Zey Gawra-5H well which was completed in mid-February as our first producer in the Tertiary reservoir of the Zey Gawra field. Although this well has allowed the Corporation to commence production and sales of oil from the Tertiary horizon at Zey Gawra, it was not completed before year-end 2020 and NSAI's year-end 2020 evaluation does not include any reserves attributable to the Tertiary reservoir of the Zey Gawra field.

The Zey Gawra-5H well was the first of five wells we intend to drill as part of our ambitious capital program for 2021 which has been devised to increase production from the Hawler production area and to reduce the unit operating cost. In addition to the Zey Gawra-5H well, the Corporation is planning to complete new wells in the Cretaceous reservoirs of the Banan, Zey Gawra and Demir Dagh fields and to begin development of the newly booked Tertiary reserves in the east fault block of the Banan field with one well there.

In addition to five new wells, we plan to complete a previously drilled well in the Ain al Safra field for further evaluation and to install a gathering system in the western part of the Hawler production area to improve the safety of our operations and to reduce operating expense and the potential for adverse environmental impact by eliminating the need to transport crude oil via road tankers.

We currently anticipate that our 2021 capital program can and will be funded entirely from internally

generated cash flow.

We are excited about our future as we embark on our first year of operation as Forza Petroleum. The incremental production that we expect to result from our capital program together with the significant increase in Brent oil price that has accrued since the start of the year will strengthen our financial position and embolden us in our mission to create value for our shareholders."

Summary Reserves and Resources

The following is a summary of NSAI's evaluation as at December 31, 2020 with comparatives to NSAI's evaluation as at December 31, 2019:

Oil Reserves and Resources and Future Net Revenue Summary Tables

	December 31, 2019	December 31, 2020
	2019 NSAI Report	2020 NSAI Report
	Proved	Proved Plus Probable
	Gross ⁽⁷⁾ Oil (Working Interest)	Gross ⁽⁷⁾ Oil (Working Interest)
	Probable	Probable
	Resources	Resources
Oil Reserves ⁽¹⁾ (MMbbl)		
Kurdistan Region of Iraq - Hawler		
Demir Dagħ		
Cretaceous	52	18
Zey Gawra		
Cretaceous	11	11
Banan East		
Cretaceous	23	10
Tertiary	-	8
Banan West		
Cretaceous	12	11
Tertiary	5	4
Total ⁽⁸⁾	100	62
		567

	December 31, 2019			December 31, 2020		
	Best Estimate (2C) Gross ⁽⁷⁾ Oil (Working Interest)			Best Estimate (2C) Gross ⁽⁷⁾ Oil (Working Interest)		
	Unrisked			Unrisked		
	Resources			Resources		
	Future Net Revenue ⁽⁶⁾			Future Net Revenue ⁽⁶⁾		
Contingent Oil Resources ⁽²⁾ - Development Pending ⁽³⁾	(MMbbl)	(MMbbl)	(US\$ million)	(MMbbl)	(MMbbl)	(US\$ million)
Kurdistan Region of Iraq - Hawler						
Demir Dagħ						
Cretaceous	-	-	-	16	12	
Banan West						
Tertiary	-	-	-	8	6	
Banan East						
Cretaceous	31	23		31	23	
Tertiary	-	-	-	43	32	
Zey Gawra						
Cretaceous	-	-	-	4	3	
Tertiary	7	6		9	7	
Total ⁽⁸⁾	38	29	59	110	83	160
	December 31, 2019			December 31, 2020		
	Best Estimate			Best Estimate		
	Gross ⁽⁷⁾ Oil (Working Interest)			Gross ⁽⁷⁾ Oil (Working Interest)		

Contingent Oil Resources ⁽²⁾ - Development Unclassified ⁽⁴⁾	Unrisked	Risked ⁽⁹⁾	Unrisked	Risked ⁽⁹⁾
		(MMbbl)		(MMbbl)
Kurdistan Region of Iraq - Hawler				
Demir Dag				
Cretaceous	16	6	--	
Jurassic	80	25	80	25
Tertiary	6	2	6	2
Banan East				
Jurassic	1	0	1	0
Banan West				
Tertiary	8	2	-	-
Ain al Safra				
Jurassic	28	22	28	11
Total ⁽⁸⁾	138	46	115	38
Prospective Oil Resources ⁽⁵⁾	Unrisked	Risked ⁽¹⁰⁾	Unrisked	Risked ⁽¹⁰⁾
Iraq		(MMbbl)		(MMbbl)
Kurdistan Region of Iraq - Hawler	105	4	94	3
Total ⁽⁸⁾	105	4	94	3

(1) The oil reserves data is based upon evaluations by NSAI, with effective dates as at December 31, 2019 and December 31, 2020, as indicated. Volumes are based on commercially recoverable volumes within the life of the production sharing contract.

(2) The contingent oil resources data is based upon evaluations by NSAI, and the classification of such resources as "contingent oil resources" by NSAI, with effective dates as at December 31, 2019 and December 31, 2020, as indicated. The figures shown are NSAI's best estimate using deterministic methods. Once all contingencies have been successfully addressed, the probability that the quantities of contingent oil resources actually recovered will equal or exceed the estimated amounts is 50% for the best estimate. Contingent oil resources estimates are volumetric estimates prior to economic calculations.

(3) Classification of a project's maturity as Development Pending indicates that there is a high chance of development (i.e., probability that a known accumulation will be commercially developed), where resolution of the final conditions for development is being actively pursued.

(4) Classification of a project's maturity as Development Unclassified indicates that evaluation of the project is incomplete and there is ongoing activity to resolve any risks or uncertainties regarding commercial development of the project. An economic evaluation has not been performed by NSAI on the contingent oil resources classified as Development Unclassified.

(5) The prospective oil resources data is based upon evaluations by NSAI, and the classification of such resources as "prospective oil resources" by NSAI, with effective dates as at December 31, 2019 and December 31, 2020, as indicated. The figures shown are NSAI's best estimate, using a combination of deterministic and probabilistic methods and are dependent on a petroleum discovery being made. If a discovery is made and development is undertaken, the probability that the recoverable volumes will equal or exceed the unrisked estimated amount is 50% for the best estimate. Prospective oil resources estimates are volumetric estimates prior to economic calculations.

(6) After-tax net present value of related future net revenue using forecast prices and costs assumed by NSAI and a 10% discount rate as at December 31, 2019 and December 31, 2020, as indicated. Gross proved plus probable oil reserves estimates and estimates of best estimate (2C) gross contingent oil resources sub-classified as Development Pending used to calculate future net revenue are estimated based on economically recoverable volumes within the development period specified in the production sharing contract applicable to the Hawler license area. The estimated values disclosed do not represent fair market value.

(7) Use of the word "gross" to qualify a reference to reserves or resources means, in respect of such reserves or resources, the total reserves or resources prior to the deductions specified in the production

sharing contract.

(8) Individual numbers provided may not add to total due to rounding.

(9) These are risked contingent resources that have been risked for chance of development.

(10) These are risked prospective resources that have been risked for both chance of discovery and chance of development. If a discovery is made, there is no certainty that it will be developed or, if it is developed, there is no certainty as to the timing of such development.

(11) This estimate for after-tax net present value of future net revenue has been increased to remove the impact of a previously modelled lump-sum payment in 2021 of \$79 million to settle the contingent consideration obligation disclosed in the Corporation's financial results.

The following is a discussion of reserves and resources as at December 31, 2019 and December 31, 2020.

Kurdistan Region of Iraq - Hawler License Area

Reserves and Contingent Resources

Demir Dagh

Estimated proved plus probable gross (working interest) oil reserves attributable to the Demir Dagh Cretaceous reservoir are 18 MMbbl as at December 31, 2020 versus 52 MMbbl as at December 31, 2019. The downward revision reflects the change of estimated ultimate recovery from the reservoir and production in 2020.

Best estimate (2C) unrisked gross (working interest) contingent oil resources attributable to the Demir Dagh Cretaceous reservoir are 16 MMbbl as at December 31, 2020 unchanged versus December 31, 2019. NSAI assigns a 75% chance of development for the Cretaceous reservoir contingent oil resources at the Demir Dagh field, versus a 40% chance of development in the 2019 NSAI Report, resulting in a risked estimate of 12 MMbbl. These resources are classified in the 2020 NSAI Report as "development pending" versus "development unclarified" in the 2019 NSAI Report. The changes in chance of development and classification are due to these resources representing volumes downgraded from oil reserves as at December 31, 2019. The volumes remain located inside the area of the field currently under production and where wells are planned in the field development plan.

Estimated contingent oil resources volumes in the Lower Jurassic Mus and Adaiyah reservoirs, Lower Jurassic Butmah reservoir, the Lower Jurassic Naokelekan and Sargelu reservoirs, and the Tertiary Pila Spi reservoir are unchanged versus December 31, 2019 as no new data has been collected from such reservoirs in 2020. NSAI assigns chances of development ranging from 20% to 40% to the Lower Jurassic and Tertiary reservoirs. These resources are classified by NSAI as "development unclarified".

Zey Gawra

Best estimate proved plus probable (working interest) oil reserves attributable to the Zey Gawra Cretaceous reservoir were 11 MMbbl as at December 31, 2020, largely stable versus December 31, 2019, reflecting revisions to the estimated volume of the oil-in-place, a change of estimated ultimate recovery from the reservoir and production in 2020.

Best estimate (2C) unrisked gross (working interest) contingent oil resources attributable to the Zey Gawra Tertiary reservoir are 9 MMbbl as at December 31, 2020 versus 7 MMbbl as at December 31, 2019, resulting from certain technical revisions. Best estimate (2C) unrisked gross (working interest) contingent oil resources of 4 MMbbl estimated for the Zey Gawra Cretaceous reservoir as at December 31, 2020 arise through the

partial downgrade of certain oil reserves attributable to the reservoir as at December 31, 2019.

NSAI assigns a 75% chance of development for the Tertiary and Cretaceous reservoir contingent oil resources at the Zey Gawra field resulting in risked estimates for the reservoirs of 7 MMbbl and 3 MMbbl, respectively. These resources are classified by NSAI as "development pending".

Banan (East and West)

The interpretation of data accumulated to date is that the Banan field is two fault blocks (Banan East and Banan West) separated by a north-south fault, roughly along the line of the Great Zab river.

- East fault block

Estimated proved plus probable gross (working interest) oil reserves attributable to the Banan East Cretaceous reservoir decreased to 10 MMbbl as at December 31, 2020 versus 23 MMbbl as at December 31, 2019. The decrease in reserves is based primarily on revisions to the volume of oil-in-place after the drilling, logging and testing operations in early 2020 of a sidetrack of the previously drilled Banan-1 well and the estimated ultimate recovery from the reservoir. Estimated proved plus probable gross (working interest) oil reserves attributable to the Banan East Tertiary Pila Spi reservoir are 8 MMbbl as at December 31, 2020 versus 0 MMbbl as at December 31, 2019. The addition of reserves was the result of an upgrade of prospective oil resources as at December 31, 2019 based on data obtained during drilling of the Banan-1 sidetrack. The product from the Banan East Tertiary Pila Spi reservoir has also been reclassified as light/medium oil.

Best estimate (2C) unrisks gross (working interest) contingent oil resources attributable to the Banan East Cretaceous reservoir are 31 MMbbl as at December 31, 2020 unchanged versus December 31, 2019. NSAI assigns a 75% chance of development for such contingent oil resources estimated for the Banan East Cretaceous reservoir unchanged versus the 2019 NSAI Report. These resources are classified by NSAI as "development pending".

Based on data obtained during drilling of the Banan-1 sidetrack, 43 MMbbl of best estimate (2C) unrisks gross (working interest) contingent oil resources were attributed to the Tertiary reservoir in the Banan East fault block of the Banan field, a portion of which has been upgraded from prospective oil resources as at December 31, 2019. The product from the Banan East Tertiary Pila Spi reservoir has also been reclassified as light/medium oil. NSAI assigns a 75% chance of development for such contingent oil resources which are classified by NSAI as "development pending".

Estimated contingent oil resource volumes attributable to the Banan East Lower Jurassic Butmah reservoir are unchanged as at December 31, 2020 versus December 31, 2019. NSAI assigns a 30% chance of development for the Banan East Lower Jurassic Butmah. These resources are classified by NSAI as "development unclarified".

- West fault block

Estimated proved plus probable gross (working interest) oil reserves attributable to the Banan West Cretaceous reservoir decreased to 11 MMbbl as at December 31, 2020 versus 12 MMbbl as at December 31, 2019. Estimated proved plus probable gross (working interest) oil reserves attributable to the Banan West Tertiary Pila Spi reservoir are 4 MMbbl as at December 31, 2020 versus 5 MMbbl as at December 31, 2019. The decrease in oil reserves for the Cretaceous and Tertiary reservoirs in the Banan West fault block of the Banan field is primarily the result of production and an adjustment to the estimated ultimate recovery from the reservoirs.

Best estimate (2C) unrisks gross (working interest) contingent oil resources attributable to the Banan West Tertiary Pila Spi reservoir are 8 MMbbl as at December 31, 2020 unchanged versus December 31, 2019. However, NSAI assigns a 75% chance of development for contingent oil resources estimated for the Banan West Tertiary reservoir and classifies the resources as "development pending" as at December 31, 2020. The contingent oil resources were attributed a 20% chance of development and classified as "development

unclarified" as at December 31, 2019. The changes in chance of development and classification are due to these resources representing volumes downgraded from oil reserves as at December 31, 2019. The volumes remain located inside the area of the field currently under production and where wells are planned in the field development plan.

Ain al Safra

Estimated unrisksed contingent oil resources attributable to the Ain al Safra field, specifically the Lower Jurassic Alan, Mus and Adaiyah reservoirs, were unchanged at December 31, 2020 versus December 31, 2019. Estimates are based on the drilling and testing and post drilling analysis of the Ain al Safra-1 well drilled in 2013 and additional reservoir data accumulated during the drilling of the Ain al Safra-2 appraisal well in 2014. NSAI assigns a 40% chance of development for the Lower Jurassic Alan, Mus and Adaiyah reservoirs. These resources are classified by NSAI as "development unclarified".

Prospective Resources

Estimated prospective oil resources attributable to the Hawler license area as at December 31, 2020 were 94 MMbbl (risked: 3 MMbbl) versus 105 MMbbl (risked: 4 MMbbl) at December 31, 2019.

The decrease in volumes relates to the upgrade of prospective oil resources estimated for the Tertiary reservoir in the Banan East fault block of the Banan field as at December 31, 2019 to oil reserves and contingent oil resources as a result of data obtained during drilling of the Banan-1 sidetrack. Otherwise, prospective oil resources attributable to the Hawler license area are unchanged as no new data has been collected from the applicable reservoirs in 2020. The prospects comprising such value are risked for geologic chance of success and chance of development, which factors are unchanged versus the 2019 NSAI Report.

Volumes previously attributed to the AGC Central license area are not included in the 2020 NSAI Report as a result of the divestiture of the asset in July 2020.

After-Tax Net Present Values

Realised Price and Cost Assumptions

The after-tax net present values of future net revenue estimated by NSAI as at December 31, 2019 and 2020 utilize Brent crude oil prices shown below which are based on the average of forecasts of Brent crude oil prepared by three Canadian independent consultants. Such prices are escalated at 2% on January 1 of each year after 2031.

All volumes included in the after-tax net present values of future net revenue estimated in the 2019 NSAI Report and the 2020 NSAI Report are attributable to Forza Petroleum's interests in the Hawler license area in the Kurdistan Region of Iraq.

All sales are assumed to be export sales in the 2019 NSAI Report and the 2020 NSAI Report based on a pipeline export price. Assumed pipeline export prices in the 2019 NSAI Report and the 2020 NSAI Report are determined in accordance with agreements in place with the Ministry of Natural Resources of the Kurdistan Region of Iraq at the time of each report. Assumed pipeline export prices in the 2019 NSAI Report and 2020 NSAI Report equal the Brent crude oil price less a US\$7.88 per barrel export tariff plus the addition or deduction of a quality differential to the extent crude qualities differ from Brent crude oil specifications.

Export tariffs in both the 2019 NSAI Report and the 2020 NSAI Report are treated as non-recoverable. The quality differentials for API gravity and sulphur content in the 2019 NSAI Report and the 2020 NSAI Report are based on actual and, where appropriate, forecast oil quality specifications at the time of the reports. The quality differentials assumed in each forecasted year are weighted averages reflecting the relative blend contributions assumed for each reservoir. The following table shows assumed export oil prices for production from proved plus probable oil reserves, except where indicated.

Period Ending December 31,	Assumed Brent Crude Oil Price (US\$/bbl) as at December 31,		Assumed Export Oil Price (US\$/bbl) as at December 31,	
	2019	2020	2019 ⁽¹⁾	2020 ⁽¹⁾
2020	66.33	-	49.66	-
2021	67.94	48.25	51.71	33.15
2022	70.06	53.35	54.28	39.04
2023	71.66	56.88	55.86	42.43
2024	73.27	58.81	57.03	43.95
2025	74.57	60.57	58.12	45.65
2026	76.22	61.75	59.38	46.68
2027	77.83	62.96	60.59	47.34
2028	79.36	64.19	61.82	48.11
2029	80.92	65.45	63.37	48.92
2030	82.54	66.76	65.01	49.69
2031	84.19	68.09	66.66	50.63 ⁽²⁾

(1) All export sales are assumed to be pipeline export sales. Export prices in the 2019 NSAI Report and the 2020 NSAI Report equal Brent crude oil price less a US\$7.88/bbl export tariff plus/minus any quality differential versus Brent crude oil specifications.

(2) Reflects assumed export oil price for production from proved plus probable plus possible oil reserves, as current proved plus probable oil reserves are forecast to be depleted by 2031.

Operating costs assumed in the 2019 NSAI Report and the 2020 NSAI Report are based on information from in-country operator expense records provided to NSAI by Forza Petroleum and commercially available databases at the time of preparation of each report. Operating costs are escalated 2% per year on January 1 of each year through the duration of the Hawler production sharing contract.

Capital costs assumed in the 2019 NSAI Report and the 2020 NSAI Report were provided to NSAI by Forza Petroleum and are based on authorizations for expenditures, field development plans, actual costs from recent activity, and commercially available cost databases available at the time of preparation of each report. Capital costs are escalated 2% per year to the date of expenditure.

Proved Plus Probable Oil Reserves

The after-tax net present value of future net revenue attributable to the Corporation's gross (working interest) proved plus probable oil reserves as at December 31, 2020, utilizing a 10% discount rate, is US\$ 567 million versus an adjusted amount of US\$ 800 million as at December 31, 2019. The decrease reflects:

- Lower oil reserves volumes resulting primarily from downward revision of volumes attributable to the Cretaceous reservoirs of the Demir Dagħ field and in the east fault block of the Banan field and more modest downward revisions to volumes attributable to the Zey Gawra Cretaceous reservoir and the Tertiary reservoir in the west fault block of the Banan field; and
- Lower forecast export oil prices due primarily to lower assumed Brent oil prices.

These negative factors were partially offset by:

- Oil reserves volumes attributed to the Tertiary reservoir in the east fault block of the Banan field for the first time;
- Lower absolute development costs than assumed in the 2019 NSAI Report resulting from reduced number of assumed producing wells and lower facilities capital expenditure; and
- Lower absolute operating costs resulting from lower volumes and from the installation of a gathering system to eliminate trucking in the western part of the Hawler license area.

An adjusted figure is used for 2019 for comparison purposes as the original 2019 figure of \$732 million

included a previously modelled lump-sum payment in 2021 of \$79 million to settle the contingent consideration obligation disclosed in the Corporation's financial statements.

Best Estimate (2C) Contingent Oil Resources

The 2020 NSAI Report includes estimated after-tax risked net present values of future net revenue attributable to contingent oil resources classified in the "development pending" project maturity sub-class, such resources attributable to the Cretaceous reservoirs in the Banan East fault block of the Banan field, the Demir Dag field and the Zey Gawra field, and the Tertiary reservoirs in the Banan East and West fault blocks of the Banan field and the Zey Gawra field in the Hawler license area. The estimated after-tax risked net present values of the future net revenue attributable to best estimate (2C) risked contingent oil resources in the "development pending" project maturity sub-class, utilizing a 10% discount rate, is US\$ 160 million as at December 31, 2020 versus US\$ 59 million as at December 31, 2019. The increase in the estimate reflects higher risked volumes due to (i) a reclassification of contingent resources attributable to the Demir Dag Cretaceous reservoir from "development unclarified" to "development pending" and the addition of contingent resources attributable to the Zey Gawra Cretaceous reservoir, in each case in connection with the downgrade of oil reserves as at December 31, 2019, (ii) an increase in the contingent resources attributable to the Zey Gawra Tertiary reservoir as a result of technical revisions, (iii) the addition of contingent resources attributable to the Tertiary reservoir in the Banan East fault block of the Banan field in connection with the upgrade of prospective oil reserves as at December 31, 2019 resulting from data obtained during drilling in early 2020 of a sidetrack of the previously drilled Banan-1 well, and (iv) a reclassification of contingent resources attributable to the Tertiary reservoir in the Banan West fault block of the Banan field from "development unclarified" to "development pending" in connection with the downgrade of oil reserves as at December 31, 2019. These positive factors were partially offset by lower assumed export prices.

ABOUT FORZA PETROLEUM LIMITED

[Forza Petroleum Ltd.](#) (formerly Oryx Petroleum Corporation Limited) is an international oil exploration, development and production company. The Corporation's shares are listed on the Toronto Stock Exchange and trade under the symbol "FORZ". Forza Petroleum has a 65% participating interest in and operates the Hawler license area in the Kurdistan Region of Iraq, which has yielded oil discoveries in four areas, three of which are contributing to production while appraisal and development activity continues. Further information about Forza Petroleum is available at www.forzapetroleum.com or under Forza Petroleum's profile at www.sedar.com.

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Reader Advisory Regarding Forward-Looking Information

Certain statements in this news release constitute "forward-looking information", including statements related to reserves and resources estimates and potential, future net revenue, drilling plans (including use of horizontal wellbores in the development of certain reservoirs), development plans and schedules and chance of success, future drilling of wells and the reservoirs to be targeted, costs and drilling times for wells, ultimate recoverability of current and long-term assets, forecasts of Brent crude oil prices, and possible commerciality of our projects. Statements that contain words such as "may", "will", "could", "should", "anticipate", "believe", "intend", "expect", "plan", "estimate", "potentially", "project", or the negative of such expressions and statements relating to matters that are not historical fact, constitute forward-looking information within the meaning of applicable Canadian securities legislation.

Although Forza Petroleum believes these statements to be reasonable, the assumptions upon which they are based may prove to be incorrect. For more information about these assumptions and risks facing the Corporation, refer to the Corporation's Annual Information Form dated March 23, 2020 available at www.sedar.com and the Corporation's website at www.forzapetroleum.com. Further, statements including forward-looking information in this news release are made as at the date they are given and, except as

required by applicable law, Forza Petroleum does not intend, and does not assume any obligation, to update any forward-looking information, whether because of new information, future events or otherwise. If the Corporation does update one or more statements containing forward-looking information, it is not obligated to, and no inference should be drawn that it will make additional updates with respect thereto or with respect to other forward-looking information. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

Reserves and Resources Advisory

Forza Petroleum's reserves and resource estimates have been prepared and evaluated in accordance with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities and the Canadian Oil and Gas Evaluation Handbook.

Proved oil reserves are those reserves which are most certain to be recovered. There is at least a 90% probability that the quantities actually recovered will equal or exceed the estimated proved oil reserves. Probable oil reserves are those additional reserves that are less certain to be recovered than proved oil reserves. There is at least a 50% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable oil reserves. Possible oil reserves are those additional reserves that are less certain to be recovered than probable oil reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible oil reserves. Each of the reserve categories may be divided into developed and undeveloped. The proved reserves disclosed in this news release have been classified as developed producing, developed non-producing and undeveloped.

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirement of the reserves category (proved, probable, possible) to which they are assigned.

Contingent oil resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. Contingent oil resources entail additional commercial risk than reserves. There is no certainty that it will be commercially viable to produce any portion of the contingent oil resources. Moreover, the volumes of contingent oil resources reported herein are sensitive to economic assumptions, including capital and operating costs and commodity pricing.

Prospective oil resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective oil resources have both a chance of discovery and a chance of development. Prospective oil resources entail more commercial and exploration risks than those relating to oil reserves and contingent oil resources. There is no certainty that any portion of the prospective resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources.

Use of the word "gross" to qualify a reference to reserves or resources means, in respect of such reserves or resources, the total prior to the deductions specified in the production sharing contract. Reference to 100% indicates that the applicable reserves or resources are volumes attributed to the license, field or reservoir (as applicable) as a whole and do not represent Forza Petroleum's working interest in such volumes.

For details regarding the risk factors affecting the Corporation and the assumptions relied upon by the Corporation, refer to the Corporation's Annual Information Form dated March 23, 2020. The Corporation will file an annual information form for the year ended December 31, 2020 on or before March 31, 2021.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/76726>

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