

Parkmead's Dutch delight

Discovery: Explorer's gas field find will boost Drenthe IIIb production

BY KEITH FINDLAY

Aberdeen oil and gas explorer Parkmead Group announced a new discovery yesterday.

It said it had found a new gas field in the Netherlands which it expects will feed into existing production infrastructure in the area.

The Diever-2 exploration well is in the Diever West prospect, which forms part of the onshore Drenthe IIIb production licence.

Parkmead - led by north-east businessman Tom Cross - is one of four partners in the licence, alongside Canada's Vermilion Energy and Dutch firms NAM and EBN.

Diever-2 was drilled by Vermilion, the operator, with DrillTec's Explorer TB2100S rig.

Parkmead said the well reached a depth of 7,457

feet and gas was discovered in a good quality sandstone reservoir.

The firm added: "The well discovered a significant 157ft gas column, with both net pay and porosity values that have exceeded pre-drill expectations.

"Vermilion will set production casing in the well prior to testing and it is expected that Diever West will be tied into existing production facilities in the area."

Mr Cross, who was chief executive of Aberdeen firm Dana Petroleum around the time of its £1.67billion buyout by South Korea's national oil company in 2010, added: "This new field provides an excellent, additional near-term production opportunity."

Parkmead also announced it had started a site survey at its Skerryvore offshore oil prospect in the UK North Sea in advance of drilling in 2015.

Mr Cross said: "Exploratory work is already under way at the exciting Skerryvore oil target.

"Skerryvore has the potential to add major value to Parkmead's growing asset base."

Parkmead has gone from having no oil and gas assets at all in November 2011 to a growing presence in the



FIND: Parkmead is one of four partners in the Drenthe IIIb licence

North Sea. The company reported its first profits earlier this year after seeing its asset base double inside a year.

Parkmead said it made

first half pre-tax profits of £3.1million, compared with losses of £2.7million a year earlier, after snapping up assets on the UK continental shelf (UKCS).

It ended up with a 30% stake in the Athena field after its £14.5million takeover of North Sea oil firm Lochard Energy and a separate stake purchase

from Germany's EWE Vertrieb.

The firm also picked up five new licences last year, bringing its interests across the UKCS to 30 prospects.



Tom Cross, chairman of Parkmead Group

MARKET

Prices bounce back

The FTSE 100 Index, which had slumped by nearly 100 points or 1.4% yesterday, rose 30.2 points to 6706.3.

The market climbed despite geopolitical fears after bombing raids in Syria, and gloomy sentiment this week at the start of a US crackdown on the use of foreign takeovers in order to lower tax bills.

The performance of the top flight was lifted by a rebound for heavily-weighted mining stocks. They were higher after some encouraging economic figures in China boosted confidence.

Royal Mail fell 2% or 9.7p to 414.4p after Dutch parcel delivery firm TNT Express issued a profits warning due to tough trading conditions in Europe.

The biggest risers on the FTSE 100 Index were BHP Billiton up 56p at 1797.5p, Vodafone up 5.6p at 204.3p, Rio Tinto up 74.5p at 3182.5p and Kingfisher up 7.1p at 318.5p.

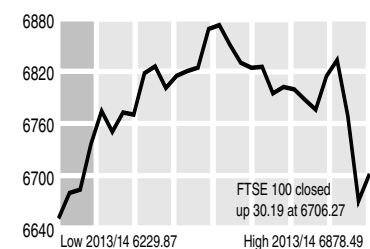
The biggest fallers were Intercontinental Hotels down 32p at 2374p and Aviva down 7p at 522.5p.

MARKETS

FTSE 100

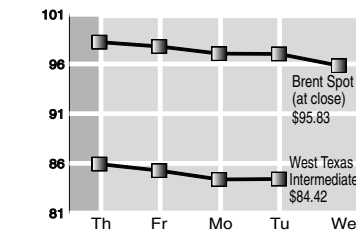
TOCK	PRICE	VAR	VAR(%)	HIGH	LOW	YLD
3i Group	385½	-1½	-0.28	435¼	341½	5.20
Aberdeen Asset Mgt	405½	-2½	-0.61	500	363¼	4.10
Admiral Gp	1236	+6	+0.49	1575	1195	8.10
Aggreko	1570	+1	+0.06	1774	1442	1.70
Anglo American	1461	+32½	+2.28	1648	1226½	3.60
Antofagasta	741	+12	+1.65	959	729	8.20
ARM Hldgs	930	+13½	+1.47	1110	833½	0.70
Ashtead Gp	1032	-3	-0.29	1059	588	1.10
Assoe British Foods	2587	-32	-1.22	3125	1866	1.20
AstraZeneca	4396	-18	-0.41	4823½	3113	3.80
Aviva	522½	-7	-1.32	535½	396¼	2.90
Babcock Intl	1061	+3	+0.28	1471	1040	2.20
BAE Systems	466½	-¼	-0.06	475½	376	3.60
Barclays	228¼	-½	-0.20	296½	207½	2.80
BG	1150½	+6	+0.52	1351½	1008½	1.60
BHP Billiton	1797½	+56	+3.22	2096	1730½	4.20
BP	465	-1½	-0.24	523½	432¼	5.10
Br Am Tob	3567	+23½	+0.66	3633½	2881	4.10
British Land	700	+5½	+0.79	733	568	4.00
BSkyB	876	-1	-0.11	950	785	3.60
BT Gp	388½	+¼	+0.21	418½	340½	2.80
Bunzl	1610	-7	-0.43	1690	1295	2.10
Burberry Gp	1503	+4	+0.27	1657	1374	2.10
Capita Gp	1140	-8	-0.70	1235	959½	2.40
Carnival	2451	+8	+0.33	2600	2030	2.50
Centrica	308½	-6¼	-2.00	370	304½	5.50

FTSE 100 (30-day)



Coca-Cola HBC AG	1399		1689	1326	2.10	
Compass Gp	961½	-6	-0.62	1048	829½	2.70
CRH	1412	-7	-0.49	1788	1343	3.50
Diageo	1793	+15	+0.84	2030	1709½	2.90
Direct Line Ins	297½	+½	+0.03	304¼	207	7.70
Dixons Carphone	364	-4¼	-1.27	379½	228	1.60
easyJet	1315	+19	+1.47	1827	1200	2.60
Experian	1019	+1	+0.10	1270	968½	2.20
Fresnillo	775½	+16½	+2.17	1042	674½	1.00
Friends Life Gp	308½	+2¾	+0.78	382½	277	6.90
G4S	250	-3½	-1.22	273½	228	3.50
GKN	331½	+1¼	+0.39	414½	330¼	2.50
GlaxoSmithKline	1428½	+6½	+0.46	1690½	1377	5.60
Glencore	349¼	+5	+1.47	377½	297	3.00
Hammerston	584½	-3½	-0.60	619	489¾	3.50
Hargreaves Lansdown	964	-1½	-0.16	1549	964	3.30
HSBC	653	+1¼	+0.20	703	589	4.60

Oil



IMI	1279	+1	+0.08	1608	1278	2.80
Imperial Tobacco	2707	+22	+0.82	2774	2174	4.50
Intercont Hts	2374	-32	-1.33	2475	1763	1.80
Intertek Gp	2627	+39	+1.51	3354	2533	1.80
Intl Cons Airl	366¼	+½	+0.14	454½	316¼	-
Intu Properties	332¼	-2½	-0.78	348½	282	4.10
ITV	208½	-¾	-0.33	222	169½	1.80
Johnson Matt	3020	-25	-0.82	3440	2714	2.10
Kingfisher	318½	+7½	+2.28	444¼	295¾	3.20
Land Securities	1054	-2	-0.19	1105	914½	2.90
Legal & General	234¼	-¾	-0.34	243½	186½	4.20
Lloyds Banking	75½	+¼	+0.33	86¼	71	-
London Stock Exchange	1911	+2	+0.10	1920½	1390½	1.60
Marks & Spencer	428¼	+7½	+1.76	511	416½	4.00
Meggitt	470¼	-3½	-0.65	572½	447¼	2.80
Mondi	1045	-1	-0.10	1123	904½	3.10
Morrison (Wm)	176½	+1½	+0.86	286½	165½	7.80

National Grid	882	+1	+0.11	916	730½	4.80
Next	6910	+10	+0.14	7215	4940	2.10
Old Mutual	187¾	-¾	-0.37	209¾	171¾	4.50
Pearson	1231	+17	+1.40	1365	998	4.00
Persimmon	1358	+4	+0.30	1471	1061	5.20
Petrofac	1044	+4	+0.38	1478	1040	3.80
Prudential	1418½	+16½	+1.18	1455	1138	2.50
Randgold Resources	4327	+15	+0.35	5235	3608	0.70
Reckitt Benckiser	5250			5495	4269	2.60
Reed Elsevier	989½			1011	821½	2.50
Rio Tinto	3182½	+74½	+2.40	3627½	2957½	3.90
Rolls-Royce	972	+6½	+0.67	1289	961½	2.30
Royal Bank of Scot	362¼	+4¼	+1.17	384½	295½	-
Royal Dutch Shell A	2375½	-2	-0.08	2453	1987	4.80
Royal Dutch Shell B	2463			2592	2077½	4.70
Royal Mail	414¾	-9¼	-2.29	615	330	3.10
RSA Ins Gp	478½	+2½	+0.55	645½	96¼	-
SABMiller	3484½	+39	+1.13	3740	2661	1.90
Sage Group	372¼	-¾	-0.21	435½	312¾	3.10
Sainsbury(J)	260¾	-3¼	-1.21	214¾	260¾	6.80
Schroders	2391	+28	+1.18	2727	2213	2.60
Severn Trent	1888	+6	+0.32	2000	1637	4.50
Shire	5185	+85	+1.67	5335	2381	0.20
Smith & Neph	1033	-5	-0.48	1100	747½	1.60
Smiths Gp	1252	-8	-0.63	1525	1224	3.20
Sports Direct Intl	660	+6	+0.92	922	647	-
SSE	1530	+21	+1.39	1595	1300	5.70
St James Place	719	+5	+0.70	879½	601	2.60
Standard Chartered	1197½	-2½	-0.21	1543½	1184½	4.40
Standard Life	412	-1½	-0.39	421¾	333¼	3.90
Tesco	194¾	+¾	+0.21	372¼	194½	7.60