Predator acquires three T&T onshore oil fields

Workers install equipment at a Predator Oil and Gas field in Trinidad. PHOTO COURTESY PREDATOR OIL AND GAS

Predator Oil and Gas (Predator), a British company listed on the London Stock Exchange, has completed the acquisition of Challenger Energy (CEG) group's operations in T&T.

A statement posted on the website of the T&T's Energy Chamber explained CEG's operations in Trinidad include three onshore producing fields: Goudron, Inniss-Trinity and Icacos.

It noted, across these fields are a total of 250 wells, of which approximately 60 are in production at any given time, adding that within the fields, regular well workover operations are undertaken on the existing production well stock, including well stimulation operations, reperforations, reactivations, and repairs to shut-in wells as and when appropriate.

The chamber further explained the acquisition includes a revenue-sharing agreement with NABI Construction, allowing Predator to benefit from increased production without bearing field operating costs.

NABI Construction Inc is based in Georgetown, Guyana.

The company is involved in various construction projects, including oilfield construction services in Guyana.

Predator has executed a production and field services management agreement with NABI Construction Ltd (NABI) to replicate the arrangements for the Bonasse Field to cover the Goudron, Inniss-Trinity, and Icacos Fields.

In accordance with the agreement, Predator would receive 30 per cent of gross sales receipts at the sales point after deduction of royalties and taxes from the existing production, with no exposure to field operating costs and investment costs required to satisfy the minimum work obligations for the licences.

NABI would initially execute up to 13 heavy well workovers (HWO) over the next 12 to 24 months with the objective of enhancing the current consolidated field production of 285 barrels of oil per day (bopd) by up to 40 per cent. NABI would also execute a drilling programme to satisfy the minimum licence obligations over the next two years.

The chamber noted that for the incremental production and the new drilling, on any new well, or heavy worked over wells, Predator would receive 15 per cent of gross sales receipts of those respective wells at the sales point after deduction of royalties and taxes until recovery by NABI of HWO and drilling costs on a well-bywell basis.

In addition, Predator's wholly owned subsidiary, T-Rex Resources (Trinidad) Ltd (T-Rex), has entered into final negotiations with the rig contractor for the T38 Rig reactivation and commissioning to drill Snowcap 3 in early 2026, and any other prospects identified by T-Rex after the completion of the Snowcap-3 appraisal and development well.

T-Rex and the rig contractor expect to execute the final contract upon submission of regulatory documentation to the Ministry of Energy next month.

The chamber stated that Paul Griffiths, chief executive officer of Predator, said, "We are pleased to have successfully completed the acquisition of three new producing assets with an immediate generation of revenues for the company from the completion date. The agreement executed with NABI relieves the company of the burden of funding minimum work obligations and field operating costs. The arrangement also ensures that an aggressive heavy workover and infield drilling programme will be executed over the next 24 months to address overlooked opportunities with potential to enhance oil production. It provides multiple newsflow opportunities."

He added the revenue-sharing agreement with NABI may be regarded as a form of royalty that guarantees positive cash flow for the company without exposure to operational risks.