

# Dart targets Dajing probe

**Australian coalbed methane gas player Dart Energy is set to kick off exploration of its Dajing block in China after securing approval from the Beijing authorities for a production sharing contract with state-owned China National Petroleum Corporation (CNPC).**

[Upstream staff](#) 01 April 2011 08:46 GMT

Dart aims to drill a total of 14 gas exploration wells on the block this year with start-up targeted early in the second quarter.

The company is due to hold a meeting with block partner CNPC shortly to finalise and approve the work programme and budget, after which Dart will award contracts for site preparation, drilling rigs and suppliers in to meet the planned drilling start-up date.

"We believe Dajing has enormous potential and we are intent on working diligently and quickly with CNPC to unlock that value," said Dart chief executive Simon Potter.

Meanwhile, Dart said it has produced first gas from its SCBM-1 well at the Sangatta West project in East Kalimantan, Indonesia - believed to be the first dedicated CBM well to produce gas from a PSC in the country.

It is the first of four pilot wells planned for Sangatta West, having been drilled last month to a depth of 830 metres.

Well testing over the next two to three months will determine production and reserves potential, once a stabilised gas flow is achieved.

Gas produced from the Sangatta West pilot holes will initially be sold under an approved gas-to-power scheme to the local grid.

Dart is the joint operator of the Sangatta West CBM PSC with Ephindo Energy, with each holding 24%, while Pertamina holds the remaining 52%.

Also in Indonesia, Dart said a joint operating agreement for the Tanjung Enim PSC has been signed by all parties, enabling the first exploration well on Sumatra block to be spudded shortly.

Eventual gas output from the block is intended to be sold initially to the local market under a deal similar to that of Sangatta West.

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