

Tower Resources and partner Repsol drill dry hole offshore Namibia

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RBC Capital Markets

[Tower Resources](#) reported June 13 that the Welwitschia-1A well on PEL0010, offshore [Namibia](#), was drilled but that no hydrocarbons were encountered. [Repsol](#) is operator of the block with 44% working interest, alongside Tower Resources (30%).

Drilling was behind the initial schedule due to late rig delivery and operational issues during drilling and logging, including the onset of the winter weather conditions. Tower Resources also stated that it expects the well costs to be around 10% higher than the initial \$91 million (gross) budget.

The partners will evaluate the information from the Welwitschia well, but have agreed to not to drill further wells at this time because to test a deeper target would cost an estimated \$40 million.