

Great Eastern in sales deals

India -focused player Great Eastern Energy has signed deals to sell 5.73 million cubic feet per day of coalbed methane in West Bengal.

This will mean that production will need to be increased from its current level of 4 MMcfd in order to meet the demands of its 18 industrial customers.

While initial sales from the Raniganj South asset were largely based on compressed natural gas, Great Eastern is in the throes of developing a pipeline network to take gas to its growing industrial client base.

The region in and around the company's licence area is heavily industrialised with limited or no current access to gas resources and is centred on the cities of Asansol, Kulti and Durgapur. In Raniganj South there are currently 22 producing wells.

About 64 kilometres of pipelines have been laid, including two to Asansol and Kulti, both of which are able to transport 35 MMcfd of gas, while a third line to Durgapur is being commissioned.

Once this pipeline has been hooked up, Great Eastern plans to boost the rate of de-watering in the coal seams and will aim to complete a 100-well drilling campaign.

Plans are in hand to drill 200 more wells to develop the potential of the existing licence area.

Netherland, Sewell&Associates estimated that this licence holds about 1.9 trillion cubic feet of gas in place.

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