

# Permex Petroleum Corporation

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## Permex Petroleum hails increased investment by major operators in West Texas basin, validating assets

Permex Petroleum Corporation (CSE:OIL) (OTCMKTS:OILCF) updated investors on a number of positive new developments surrounding the oil company's assets in the prolific Central Basin of West Texas.

In a note to shareholders Tuesday, the Vancouver-based company said that it had received confirmation of interest from a number of potential partners for a possible horizontal joint venture drilling program at the San Andres formation.

The company said it has shown "patience and resilience" since entering the Texas basin, being able to remain debt-free in a difficult oil price environment.

READ: Permex Petroleum closes first tranche of funding to advance US assets "We can see surrounding activity from various, well-known large cap offset operators, extending their investment and drilling of horizontal wells into this highly prolific formation," the company said in a statement.

It said it would continue to closely monitor the activity and evaluate best course of action to start its own horizontal drilling, while comparing notes against various drilling and completion techniques used by offset operators to maximize production and create efficiency at the wells.

According to Permex, public production data from nearby horizontal wells in San Andres have returned positive results. Texas-based Ring Energy Inc (NYSEAMERICAN:REI) brought wells online at over 400 boepd or 80 boepd per 1000 foot lateral, while others such as Chevron USA (NYSE:CVX), Occidental Petroleum Corporation (NYSE:OXY), Hess Corporation (NYSE:HES) and Steward Energy continue to invest in the region.

### Blue sky drilling

The increased level of investment in San Andres validates the resource and increases acreage value, Permex said in a statement.

"While our pace has been slow, it has been calculated, and our blue sky drilling growth will be timed in accordance with our industry recovery and overall strategy to maximize shareholder value."

Permex CEO Mehran Ehsan assured investors that the junior exploration company is quickly planning its next moves based on the increased level of investment in the Central Basin.

"In a fast paced industry such as ours, where operators have gone from profitable to filing for bankruptcy within months due to miscalculated risk taking, such as putting unnecessary debt on the books, we at Permex have been patiently accruing our land position, strategizing and now preparing for drilling programs as our industry embarks on a correction," he said in a statement.

Permex recently raised C\$1.5 million to advance its projects in Texas, with specific plans to restart waterfloods and

**Price:** 0.055

**Market Cap:** \$2.2 m

### 1 Year Share Price Graph



### Share Information

**Code:** OIL

**Listing:** CSE

**52 week High Low**  
0.205 0.025

**Sector:** Oil & Gas

**Website:** [www.permexpetroleum.com](http://www.permexpetroleum.com)

### Company Synopsis:

*Permex Petroleum (CSE:OIL): A junior oil and gas company focusing on identifying, evaluating and acquiring oil and natural gas assets in North America.*

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bring additional shut-in wells on stream.

Shares of Permex were sitting at C\$0.14 on Tuesday midday and up 9% on OTC markets at US\$0.11.

--Updates share price--

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