

Stock Data

Share Price:	4.90p
Market Cap.:	£85.79m
Shares in issue:	1,750.72m
52 week high/low:	6.00p/2.30p

Company Profile

Sector:	Oil & Gas
Ticker:	ZPHR
Exchange:	AIM

Activities

Zephyr Energy plc ('Zephyr', 'the Group') is an independent oil and gas E&P Group with a strategic focus on carbon-neutral hydrocarbon development projects in the Rocky Mountain region of the US.

www.zephyrplc.com

5-year share price performance



Source: [LSE](#)

Past performance is not an indication of future performance.

Contact details

Tel: 0203 657 0050
Email: info@turnerpope.com
Web: www.turnerpope.com

Andrew Thacker
Corporate Broking and Sales

Barry Gibb
Research Analyst

TPI acts as joint broker to Zephyr Energy plc.

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Zephyr Energy plc

Zephyr has reported quite exceptional initial results from its flagship State 36-2 LNW-CC-R well (the 'Well') in the under-explored Paradox Basin, Utah. The single well produced a peak rate of 2,848 barrels of oil equivalent per day ('boepd'), in the form of 11.9 million standard cubic feet per day ('mmscfd') and 856 barrels of oil per day ('bopd'). Achieved on a 18/64-inch choke setting with no material drop in bottom hole pressure, this suggests Zephyr has potentially delivered one of the more productive one-mile lateral wells that the onshore US has seen in recent years. Moreover, well test data gathered from the 5,000-foot lateral suggests occurrence of hydrocarbon inflows across its length, indicating potential for a much larger reservoir volume to be drained compared with the initial completed interval of 130 feet in the previous production test which peaked at 2,100 boepd (as announced back on 6 September 2024). Significantly, no fracture stimulation was performed to achieve this excellent well deliverability result, although future stimulation could offer additional upside potential for both this well and for the broader Paradox project development. The early data suggests significant commercial opportunity for Zephyr, which is expected to be confirmed in due course through further interpretation and analysis, including the generation of updated estimated ultimate recovery forecasts. Given such highly positive observations, the Group's ongoing discussions with US-based industry and asset-level financial partners with respect of the larger, long-term development of the wider Paradox project is also expected to accelerate.

Exceptional initial production test observations

The Well was tested at multiple flow rates and choke settings in order to gather data to determine its flow capacity, to provide an early estimate of potential resource volumes, and to obtain high quality fluid samples. The production test successfully delivered on all of these key objectives and, most importantly, the test data gathered suggests that there is more than sufficient deliverability for a commercial well along with positive implications for the broader development of Paradox project.

During initial, 48-hour testing at a choke setting of 8/64-inch, the Well delivered stable production rates of 3-4 mmscfd and 200-400 bopd (700-1,066 boepd total) with no material drop in bottom hole pressure. Importantly, test data gathered from a fibre optic cable run along the length of the 5,000-foot lateral suggests that inflow of hydrocarbons across the length of the lateral is occurring, implying potential for a much larger reservoir volume to be drained compared with the initial completed interval in last year's production test.

Elevated condensate-rich liquid-yields were also observed, (in a range of 60-200 barrels of oil ('bo') per million standard cubic feet ('mmscf') with an 85 bo/mmscf average). While these will vary across the field area and in time as the reservoir pressure drops during production, the liquid yields overall elevated levels are expected to be a significant driver of enhanced project economics. Importantly, water cut was less than 0.5% throughout the duration of the test; continuing evidence of limited water production should

provide a further boost to the Well's economics by reducing the need for expensive disposal processes, etc. Produced gas and condensate fluid samples have been collected and a detailed fluid laboratory analysis is currently underway to further characterise the field's fluid fill and composition. TPI looks forward to further updates in the near-term as more verified data becomes available.

State 36-2 LNW-CC-R Well – Production Test in Progress



Source: Zephyr, RNS of 7 May 2025

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