



## Is This The Most Exciting Oil Play Of The Decade

Article

January 11, 2021 4:20 PM EST

Tweet Share E-mail

**CVX Hot Sheet** [Get Alerts](#)  
Price: \$93.05 +1.58%  
Overall Analyst Rating: BUY (Up)  
Dividend Yield: 5.9%  
Revenue Growth %: -28.1%  
**Trade Now!**  
[Join SI Premium - FREE](#)

Get inside Wall Street with **StreetInsider Premium**. Claim your 1-week free trial here.

### FN Media Group Presents Oilprice.com Market Commentary

London - January 11, 2021 – The last great oil discovery onshore could unfold in the next few weeks, and it's been hiding right under the noses of the supermajors. It's all because of a treasure trove of government-held data that very few even knew existed. And it could lead to the most exciting oil discovery since the Permian Basin, the massive basin in Texas which is estimated to hold 46.3 billion barrels. But today, this property overlooked by the majors lies untouched halfway around the world... Mentioned in today's commentary includes: **Chevron Corporation** (NYSE: CVX), **Royal Dutch Shell plc** (NYSE: RDSA-A), **TOTAL SE** (NYSE: TOT), **Ecopetrol S.A.** (NYSE: EC), **Suncor Energy Inc.** (NYSE: SU).

And at a mammoth 8.5 million acres, this basin spans an area even greater than many of the richest discoveries in the Lone Star state. But now, one junior oil company most folks have never heard of has acquired the rights to the entire thing.

That company is **Reconnaissance Energy Africa** (RECO, RECAF). This is truly the final frontier of oil exploration, among the last Permian-sized basins that's never been drilled. And it's opportunities just like these that have produced incredible gains in recent years for other explorers that made a discovery.

*Africa Oil scored 379% gains after discovering oil in Kenya.*

*Valeura Energy Corp's shares skyrocketed for 1,000% gains after a discovery in Turkey.*

*Now in Namibia, ReconAfrica is already up 391% in less than a year on speculation that a discovery may be here too. And if they see the kinds of results some experts are anticipating now that drilling has begun, we could see another junior explorer hitting real success.*

### Validation from the Biggest Names in the Oil Industry

The Kavango Basin is an enormous untapped area spanning millions of acres across Namibia and Botswana. And at 8.75 million acres, that's nearly the size of the massive Midland Basin in the Permian, which is owned by countless different producers today.

After acquiring rights to Namibia's Aeromag data, **Reconnaissance Energy Africa** (RECO, RECAF) quickly had this analyzed by some of the world's foremost experts in oil exploration. This data showed that the sedimentary basin could run as deep as 30,000 feet. That would make it as deep as the Permian Basin in West Texas, which has been estimated to contain 46.3 billion barrels of oil. And the most exciting part is that the majority of this potential production is expected to be conventional.

ReconAfrica is focused on finding conventional plays with the untouched fields of the massive Kavango basin. That means no expensive hydraulic fracturing... Lower costs for water during drilling... And much, much lower cost per barrel. Plus, while digging deeper into the data, world-class geological interpreter Bill Cathey said it showed some of the best data he'd ever seen... That's incredibly promising coming from the geological interpreter to the supergiants.

Sproule, a tier-1 resource assessment company, put out an estimate in July that we could be looking at up to 18 billion barrels. This kind of discovery could mean a massive payday for an undervalued company like Recon Africa.

With the potential they're seeing in the Kavango Basin, **Reconnaissance Energy Africa** (RECO, RECAF) is doing their due diligence and has brought in another impressive name to the mix. They've called on Daniel Jarvie, president of Worldwide Geochemistry LLC, to analyze the data as well, giving them a clearer look at just how rich this virgin play could be. And he's estimated that if all goes well in the Kavango Basin, ReconAfrica could be sitting on a basin that could generate up to 120 billion barrels of oil...While numbers like this may seem hard to believe, Jarvie actually said this could be a conservative estimate.

Recently, Haywood Securities raised their short term price target for ReconAfrica from \$2.50 per share to \$4...But with world-class geophysicists and geochemists making such ringing endorsements and the low production costs in the region...it could go even higher.

That's a major driver behind ReconAfrica's net asset value (NAV) per share. And given the confidence in what they're seeing in the Kavango Basin so far...ReconAfrica is rushing to move on this high impact opportunity as fast as they can.

### Within Just Weeks of Breaking Exciting News

Not only does **Reconnaissance Energy Africa** (RECO, RECAF) have exclusive petroleum licenses of the entire Kavango Basin, but one expert after another has stepped up to put their stamp on this opportunity.

Nick Steinberger, for example, has also joined ReconAfrica's team as their Senior Vice President, Drilling and Operations. After spending over 30 years helping to lead an oil and gas company that was sold for an incredible \$3.1 billion, he could have gone wherever he liked in the industry.

Plus, ReconAfrica just got more validation from one of the world's most respected resource consulting companies, Wood Mackenzie. They identified one of the best comparisons to the Kavango as the Midland Basin, within the Permian in Texas. With the overall development value of the Midland Basin being an estimated \$540 billion, this could spell big news for ReconAfrica if all goes according to plan.

If they do make the massive discovery many are expecting, it could mean a huge payday because of Namibia's oil-friendly government. And after completing their first well spud, they'll move on quickly on to their next two wells. They're expected to complete drilling at the first well within 45 days. And from there, they could receive drilling results within weeks.

That means that unlike many other oil exploration plays, this isn't a long "wait-and-see" situation. **Reconnaissance Energy Africa** (RECO, RECAF) could have results showing whether they're sitting on the world's next great oil discovery within a matter of weeks.

Here are a few other companies branching out to capture new opportunities in untapped environments:

**Chevron** (CVX) comes in just above Shell as the world's second-largest oil and gas company by market cap. Chevron is also betting big on Africa, particularly Nigeria and Angola. The supermajor ranks among the top oil producers in the two African nations. Other areas on the continent where the company holds interests include Benin, Ghana, the Republic of Congo and Togo. Chevron also holds a 36.7 percent interest in the West African Gas Pipeline Company Limited, which supplies Nigerian natural gas to customers in the region.

Though Chevron still has not bounced back from the massive hit it took back in March 2020, where it dropped to a 5-year low of just \$59, the oil giant has made some progress thanks to recovering oil prices. Sitting at \$90 at the time of writing, Chevron is slowly recuperating some of its losses and is positioned well to benefit in the mid to long-term.

**Royal Dutch Shell** (RDSA) is world's third-largest oil and gas company by market cap. Like Chevron, Shell has also made some big bets in Africa. In fact, it is one of the leaders in the region. The Dutch oil giant began drilling in the region over 70 years ago, and now has energy assets in over 20 countries across the continent. South Africa is key for Shell because the government has been significantly more stable than some of the other big bets on the continent. Moreover, the country has been very open to Shell in its projects.

Like the rest of the oil industry, Shell took a massive beating in March 2020. It fell from a January high of \$59 to a multi-year low of just \$25. Since then, however, Shell has seen its share price grow by 60%, starting 2021 particularly strong.

Total (TOT) barely squeezes into the top 4 oil and gas companies in the world, as well. And it's no stranger to the African oil game, either. Total betting big on the region's potential. The company has been in the region for over 90 years, and it is showing no sign of reducing its footprint anytime soon.

That said, Total also keeps a 'big picture' outlook across all of its projects. The company is distinctly aware of the needs that are not being met by a significant portion of the world's growing population, it is also hyper-aware of the growing threat of climate change.

Like just about any and every other company with any exposure to oil, Total took a major hit when oil prices fell into the negatives. Despite this, however, Total, thanks to its diversification push, has been able to accomplish what some other companies have not. It has seen its share price jump by 80% since March of last year, and it's showing no sign of slowing.

**Ecopetrol** (EC) is another company to keep an eye on as oil prices slowly return to pre-pandemic levels. The Colombian producer has a bright future in one of the world's up and coming hydrocarbon regions. In a recent announcement, **Ecopetrol** approved an investment plan to help improve the company's growth potential. In fact, it's even betting on its own domestic fields, allocating as much as 80% of its planned \$4 billion investments in Colombia, with the remaining 20% to be split between operations in Brazil and the United States.

**Ecopetrol** may still be 50% down from its 5-year high, but the 2020 oil price crash presented an opportunity for investors to see some hefty gains in the years to come. Those who played this downturn correctly will likely reap the benefits of their choices in the mid to long term. **Ecopetrol** is making all the right moves, and it's at exactly the right time, with Asian demand pushing more and more buyers to the often-overlooked South American oil boom.

Suncor Energy (SU) is one of Canada's biggest oil companies. And it's set itself up perfectly for the rebound in the oil sands. Suncor has pioneered a number of high-tech solutions for finding, pumping, storing, and delivering its resources. Not only is it big in the oil sector, however, it is a leader in renewable energy. Recently, the company invested \$300 million in a wind farm located in Alberta.

When the rebound in crude prices finally materializes, giants like Suncor are sure to do well out of it. While many of the oil majors have given up on oil sands production - those who focus on technological advancements in the area have a great long-term outlook. And that upside is further amplified by the fact that it is currently looking particularly under-valued compared to its peers.

By: Jeff Black

**\*\*IMPORTANT! BY READING OUR CONTENT YOU EXPLICITLY AGREE TO THE FOLLOWING. PLEASE READ CAREFULLY\*\***

**Forward-Looking Statements.** Statements contained in this document that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of Recon. All estimates and statements with respect to Recon's operations, its plans and projections, size of potential oil reserves, comparisons to other oil producing fields, oil prices, recoverable oil, production targets, production and other operating costs and likelihood of oil recoverability are forward-looking statements under applicable securities laws and necessarily involve risks and uncertainties including, without limitation: risks associated with oil and gas exploration, timing of reports, development, exploitation and production, geological risks, marketing and transportation, availability of adequate funding, volatility of commodity prices, imprecision of reserve and resource estimates, environmental risks, competition from other producers, government regulation, dates of commencement of production and changes in the regulatory and taxation environment. Actual results may vary materially from the information provided in this document, and there is no representation that the actual results realized in the future will be the same in whole or in part as those presented herein. Other factors that could cause actual results to differ from those contained in the forward-looking statements are also set forth in filings that Recon and its technical analysts have made. We undertake no obligation, except as otherwise required by law, to update these forward-looking statements except as required by law.

Exploration for hydrocarbons is a speculative venture necessarily involving substantial risk. Recon's future success will depend on its ability to develop its current properties and on its ability to discover resources that are capable of commercial production. However, there is no assurance that Recon's future exploration and development efforts will result in the discovery or development of commercial accumulations of oil and natural gas. In addition, even if hydrocarbons are discovered, the costs of extracting and delivering the hydrocarbons to market and variations in the market price may render uneconomic any discovered deposit. Geological conditions are variable and unpredictable. Even if production is commenced from a well, the quantity of hydrocarbons produced inevitably will decline over time, and production may be adversely affected or may have to be terminated altogether if Recon encounters unforeseen geological conditions. Adverse climatic conditions at such properties may also hinder Recon's ability to carry on exploration or production activities continuously throughout any given year.

### DISCLAIMERS

**ADVERTISEMENT.** This communication is not a recommendation to buy or sell securities. Oilprice.com, Advanced Media Solutions Ltd, and their owners, managers, employees, and assigns (collectively "the Company") have been paid by Recon seventy thousand U.S. dollars to write and disseminate this article. As the Company has been paid for this article, there is a major conflict with our ability to be unbiased, more specifically:

This communication is for entertainment purposes only. Never invest purely based on our communication. We have not been compensated but may in the future be compensated to conduct investor awareness advertising and marketing for RECO. Therefore, this communication should be viewed as a commercial advertisement only. We have not investigated the background of the company. Frequently companies profiled in our alerts experience a large increase in volume and share price during the course of investor awareness marketing, which often end as soon as the investor awareness marketing ceases. The information in our communications and on our website has not been independently verified and is not guaranteed to be correct.

**SHARE OWNERSHIP.** The owner of Oilprice.com owns shares of this featured company and therefore has an additional incentive to see the featured company's stock perform well. The owner of Oilprice.com will not notify the market when it decides to buy more or sell shares of this issuer in the market. The owner of Oilprice.com will be buying and selling shares of this issuer for its own profit. This is why we stress that you conduct extensive due diligence as well as seek the advice of your financial advisor or a registered broker-dealer before investing in any securities.

**NOT AN INVESTMENT ADVISOR.** The Company is not registered or licensed by any governing body in any jurisdiction to give investing advice or provide investment recommendation. ALWAYS DO YOUR OWN RESEARCH and consult with a licensed investment professional before making an investment. This communication should not be used as a basis for making any investment.

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.** Investing is inherently risky. Don't trade with money you can't afford to lose. This is neither a solicitation nor an offer to Buy/Sell securities. No representation is being made that any account will or is likely to achieve profits similar to those discussed.

**DISCLAIMER:** OilPrice.com is Source of all content listed above. FN Media Group, LLC (FNM), is a third party publisher and news dissemination service provider, which disseminates electronic information through multiple online media channels. FNM is NOT affiliated in any manner with OilPrice.com or any company mentioned herein. The commentary, views and opinions expressed in this release by OilPrice.com are solely those of OilPrice.com and are not shared by and do not reflect in any manner the views or opinions of FNM. FNM is not liable for any investment decisions by its readers or subscribers. FNM and its affiliated companies are a news dissemination and financial marketing solutions provider and are NOT a registered broker/dealer/advisor, holds no investment licenses and may NOT sell, offer to sell or offer to buy any security. FNM was not compensated by any public company mentioned herein to disseminate this press release.

FNM HOLDS NO SHARES OF ANY COMPANY NAMED IN THIS RELEASE.

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally preceded by words such as "may", "future", "plan" or "planned", "will" or "should", "expected," "anticipates", "draft", "eventually" or "projected". You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, and other risks identified in a company's annual report on Form 10-K or 10-KSB and other filings made by such company with the Securities and Exchange Commission. You should consider these factors in evaluating the forward-looking statements included herein, and not place undue reliance on such statements. The forward-looking statements in this release are made as of the date hereof and FNM undertakes no obligation to update such statements.

Contact Information:

Media Contact e-mail: editor@fnmediainvestments.com U.S. Phone: +1(954)345-0611

SOURCE: Oilprice.com

**Serious News for Serious Traders! Try StreetInsider.com Premium Free!**

---

You May Also Be Interested In

- Stalchys Proposes To Acquire ODP (ODP) for \$40/Share
- Alchemy Code Lab Announces \$5.8M Investment from Social Finance to Launch New Career Impact Bond
- GameStop (GME) Announces Additional Board Refreshment to Accelerate Transformation

---

**Related Categories** Create E-mail Alert

FNMedia, Press Releases

---

**Related Entities**

Crude Oil

**Sign up for StreetInsider Free!**

Receive full access to all new and archived articles, unlimited portfolio tracking, e-mail alerts, custom newswires and RSS feeds - and more!

**Signup for StreetInsider Premium Today!** Free Trial!