

Swift Energy estimates gas prices will exceed NZ\$3 per Mcf in 2004

22 February 2004 - Houston-based Swift Energy Company estimates its prices for natural gas in New Zealand will rise to approximately US\$2.20-\$2.40 (NZ\$3.20-\$3.50) per thousand cubic feet (Mcf) in 2004, according to guidance estimates issued to investors with its 2003 year-end statement.

Prices received by Swift Energy for gas have increased steadily over the past two and a quarter years from US\$1.28 (NZ\$2.00) per Mcf in the 2002 third quarter to an estimate of over US\$2 (\$NZ3) per Mcf for the 2003 fourth quarter.

Production of gas, oil and natural gas liquids from its Taranaki operations are all estimated to rise through 2004, the guidance figures show. Natural gas production is estimated at 2.7-3.0 Bcfe in the first quarter and 12.5-15 Bcfe for the 2004 year.

Average oil price received in New Zealand in the 2003 fourth quarter is expected to exceed US\$30 (NZ\$44) per barrel. Natural gas liquids price is expected to be over \$13 (NZ19) per barrel.

The guidance estimates New Zealand crude oil output at about 100,000 bbl for the first quarter of 2004 and 550-610,000 bbls for the full 2004 year. Natural gas liquids production is estimated at 35,000-60,000 bbls for the first quarter and 200,000-225,000 bbls over the full year.

Swift Energy's proved reserves in New Zealand increased 13% during 2003 to approximately 176 Bcfe at year-end, replacing 205% of 2003 New Zealand production, the year-end statement says.

The increase in proved reserves primarily resulted from Swift's activity in the Kauri and Manutahi sands in its PEP 38719 south Taranaki permit.

Swift's finding and development (F & D) costs for its New Zealand operations were approximately US\$0.78 per thousand cubic feet equivalent ("Mcf"), lower than its US operation's F & D costs of approximately \$1.23 per Mcfe.