

# AUSTRALIAN PETROLEUM NEWS

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INDUSTRY  
TOURISM  
RESOURCES

## Award of offshore exploration permits from 2000 and 2001 acreage releases in the Western Australia, South Australia, Victoria and Tasmania adjacent areas

Details of the latest offshore exploration permits awarded from the 2000 and 2001 acreage releases are set out below. Other bids received in the 11 April 2002 closing round are currently being finalised.

The work program commitments for the 11 newly awarded permits are valued at over A\$350 million over the next six years. This includes substantial new investments in the frontier and immature areas of the Perth and Otway Basins.

<u>Permit No</u>	<u>Basin</u>	<u>Area No</u>	<u>Date Granted</u>	<u>Successful Applicant(s)</u>
WA-324-P	Bonaparte	W00-24	5 July 2002	Daytona Energy Corporation
WA-325-P	Perth	W01-24	24 July 2002	Roc Oil (WA) Pty Limited, Chimelle Petroleum Limited, Bounty Oil & Gas NL
WA-326-P	Perth	W01-25	24 July 2002	Agip Australia BV
WA-327-P	Perth	W01-22	24 July 2002	Chimelle Petroleum Limited
WA-328-P	Perth	W01-23	25 July 2002	Agip Australia BV, Santos Offshore Pty Ltd
EPP31 [SA]	Duntroon	S01-1	27 June 2002	Woodside Energy Ltd, Anadarko Australia Company and EnCana Corporation
Vic/P50	Otway	V01-1		Essential Petroleum Resources Ltd
Vic/P51	Otway	V01-2	27 Aug 2002	Santos Limited, Inpex Alpha Ltd
Vic/P52	Otway	V01-3	27 Aug 2002	Santos Limited, Unocal South Asean Limited, Inpex Alpha Ltd
T/32P	Sorell	T01-1	22 Aug 2002	Santos Limited, Unocal South Asean Limited
T/33P	Sorell	T01-3	22 Aug 2002	Santos Limited, Inpex Alpha Limited

Permit WA-324-P (Daytona Energy Corporation) has a guaranteed work program for the first three years of data review, reprocessing and studies, and 250km 2D seismic acquisition at an estimated cost of \$1 million. The secondary work program proposes two wells and 200km 2D seismic acquisition estimated at A\$16.5 million. There were no other bids for the area.

Permit WA-325-P (Roc Oil (WA) Pty Limited [55%, operator], Chimelle Petroleum Limited [22.5%], Bounty Oil & Gas NL [22.5%]) has a guaranteed work program for the first three years of 2000km 2D seismic acquisition, 500km<sup>2</sup> 3D seismic surveying, 2 wells and studies estimated at A\$17.5 million. The secondary work program proposes 300km<sup>2</sup> 3D seismic surveying, two wells, and geological and geophysical studies, estimated at A\$13 million. There were two other bids for the area.

Permit WA-326-P (Agip Australia BV) has a guaranteed work program for the first three years of 1215km 2D seismic surveying and studies, estimated at A\$1.7 million. The secondary work program proposes one well, 200km<sup>2</sup> 3D seismic surveying and studies, estimated at A\$24.2 million. There were no other bids for the area.

Permit WA-327-P (Chimelle Petroleum Limited) has a guaranteed work program for the first three years of geological and geophysical studies, 1000km 2D seismic surveying, a geochemical sniffer survey and technical review estimated at A\$1.95 million. The secondary work program proposes two wells and 500km 2D seismic surveying estimated at A\$10.75 million. There was one other bid for the area.

Permit WA-328-P (Agip Australia BV [67%, operator], Santos Offshore Pty Ltd [33%]) has a guaranteed work program for the first three years of 3015km 2D seismic surveying, 300km<sup>2</sup> 3D seismic surveying and studies estimated at A\$9.37 million. The secondary work program proposes one well, 300km<sup>2</sup> 3D seismic surveying and studies, estimated at A\$26.2 million. There were no other bids for the area.

Permit EPP31 (Woodside Energy Ltd [40%, operator], Anadarko Australia Company [30%] and EnCana Corporation [30%]) has a guaranteed work program for the first three years of 1755km 2D seismic surveying, seismic data reprocessing, and geological and geophysical studies estimated at A\$6.6 million. The secondary work program proposes one well, 405km<sup>2</sup> 3D seismic surveying and studies, estimated at A\$22.4 million. There were no other bids for the area.

Permit Vic/P50 (Essential Petroleum Resources Ltd) has a guaranteed work program for the first three years of one well, 1000km 2D seismic acquisition and geological and geophysical studies estimated at A\$8.07 million. The secondary work program proposes one well, 200km 2D seismic acquisition and geological and geophysical studies, estimated at A\$7.28 million. There were two other bids for the area.

Permit Vic/P51 (Santos Limited [80%, operator], Inpex Alpha Ltd [20%]) has a guaranteed work program for the first three years of two wells, 300km<sup>2</sup> 3D seismic surveying, and geological and geophysical studies, estimated at A\$39.4 million. The secondary work program proposes one well and geological and geophysical studies, estimated at A\$18 million. There were four other bids for the area.

Permit Vic/P52 (Santos Limited [40%, operator], Unocal South Asean Limited [40%], Inpex Alpha Ltd [20%]) has a guaranteed work program for the first three years of one well, 1076km 2D seismic surveying, 400km<sup>2</sup> 3D seismic surveying and geological and geophysical studies estimated at A\$28.6 million. The secondary work program proposes two wells, 500km<sup>2</sup> 3D seismic surveying and geological and geophysical studies, estimated at A\$51.7 million. There were two other bids for the area.

Permit T/32P (Santos Limited [50%, operator], Unocal South Asean Limited [50%]) has a guaranteed work program for the first three years of 500km 2D seismic surveying and geological and geophysical studies estimated at A\$2.8 million. The secondary work program proposes one well, 1000km 2D seismic surveying and geological and geophysical studies, estimated at A\$23.9 million. There were no other bids for the area.

Permit T/33P (Santos Limited [80%, operator], Inpex Alpha Limited [20%]) has a guaranteed work program for the first three years of 300km 2D seismic surveying and geological and geophysical studies estimated at A\$2.9 million. The secondary work program proposes one well and geological and geophysical studies, estimated at A\$18 million. There were no other bids for the area.

The permits are awarded for a term of six years under the work program bidding system, and each component of the programs must be completed in the designated year or earlier.

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### Areas currently available for bidding

	<b>Areas</b>	<b>Bid Closing Date</b>
2001 Re-release areas	W01-2 to 6*, W01-16 to 21, W01-26, S01-2 to 3,	24 October 2002
	T01-2	25 October 2002**
2002 Release areas (1st bidding round)	NT02-1, AC02-1, W02-12 to 15, V02-2	24 October 2002
2002 Release areas (2nd bidding round)	NT02-2 to 9, W02-1 to 11, S02-1 to 8, V02-1, V02-3 to 4, T02-1 to 4	10 April 2003

The policy to re-release areas not successfully bid on was adopted to enable permit holders to maintain their good standing after a permit is cancelled. However, the re-released areas are open to all interested bidders under the work program bidding system.

Further information on these areas and application requirements can be found by visiting website ([www.industry.gov.au/petexp](http://www.industry.gov.au/petexp)) or requesting a free CD-ROM.

\* **Note:** Parties interested in bidding for W01-4, which covers the Cornea oil and gas accumulation, are advised that previously unavailable interpretative data for this area can now be accessed through Geoscience Australia (e-mail: [ausgeodata@ga.gov.au](mailto:ausgeodata@ga.gov.au) for further information).

\*\* **Note:** Thursday, 24 October 2002 is a public holiday in Tasmania. The closing date for T01-2 has therefore been extended until the following day, 25 October 2002.

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### Acreage now vacant

Petroleum Permits WA-273-P, AC/P15 and T/31P have been cancelled and the areas have reverted to vacant acreage. All vacant acreage is open for consideration for inclusion in future acreage releases.

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### Nominations closed for the 2003 Offshore Acreage Release

Nominations for acreage to be released in 2003 have now closed.

While expressing interest does not guarantee inclusion in the release, all nominations are seriously considered. The areas are subjected to a rigorous phase of assessment and shortlisting.

The areas proposed for release in the 2003 offshore acreage release will be announced through this newsletter around late November 2002. While these areas are still subject to change, it is highly unlikely that other areas will be added at that time. Details on the proposed areas will not be provided prior to the 2003 release date of 24 March 2003.

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## Promotion of Australian offshore acreage

Departmental representatives will be available to discuss Australian offshore acreage matters at the following conferences:

**WABS Perth, Australia 20-23 October 2002**  
(West Australasian Basins Symposium)

**NAPE Houston, USA 29-31 January 2003**  
(North American Prospect Expo)

**APPEA Melbourne, Australia 23-26 March 2003**  
(Australian Petroleum Production and Exploration Association)

**SEAPEX Singapore 9-11 April 2003**  
(South East Asia Petroleum Exploration Society)

**AAPG Salt Lake City, USA 11-14 May 2003**  
(American Association of Petroleum Geologists)

Seminars will also be held in Tokyo, Seoul and Beijing in April 2003 (dates not set yet).

We would be happy to try and organise private meetings with companies in conjunction with these events. E-mail: [petroleum.exploration@industry.gov.au](mailto:petroleum.exploration@industry.gov.au) .

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## Commencement of Commonwealth Petroleum (Submerged Lands) (Datum) Regulations

The Petroleum (Submerged Lands) (Datum) Regulations 2002 (Statutory Rule No 198 of 2002), which implement the adoption of the Geocentric Datum of Australia (GDA) under the Commonwealth *Petroleum (Submerged Lands) Act 1967* (the PSL Act), were approved by Federal Executive Council on 22 August 2002. They commenced on gazettal on 29 August 2002.

This means that, from 29 August 2002, all new and renewed titles that are issued to industry-members under the PSL Act will show the GDA as the datum for describing the location of points on the Earth's surface.

The Regulations also establish transitional arrangements, developed in consultation with industry, to facilitate a smooth transition to the new system, and to avoid confusion.

Accordingly, for any purpose under the PSL Act, if industry-members submit documents that mention geographic coordinates, they are now encouraged to refer them to the GDA. From 29 August 2002, industry-members should in any case specify which datum reference they have used in documents submitted to regulators, ie either AGD or GDA. If they do not specify the datum in these documents, the Datum Regulations allow the regulator to request that information from the industry member within 30 days of receipt. If the industry-member does not comply with the request within 14 days, the Regulations give the regulator an option of rejecting the document on that basis.

From 29 August 2002, the Regulations can be accessed at: [frli.law.gov.au](http://frli.law.gov.au) (please note the prefix 'www' is not required). Click on 'What's new on LID', then 'Recent Additions List'. The Explanatory Statement for the Regulations can be accessed at 'scaleplus.law.gov.au' (click on 'Browse All Data' on left of screen and scroll down to the database for 'Explanatory Statements of Commonwealth Statutory Rules'.)

The Regulations allow industry members 12 months from the commencement date to adjust to the new requirements. **This means that, in a year's time, from 29 August 2003, all documents submitted to regulators for a purpose under the PSL Act (apart from internal company documents which may be attached) must be referenced to the GDA in order to serve their intended purpose under the Act.**

Any enquiries should be directed to Mr Ilkka Aaltonen, Offshore Resources Branch, DITR (ph: +61 2 6213 7972 or email: [ilkka.aaltonen@industry.gov.au](mailto:ilkka.aaltonen@industry.gov.au) ).

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## **Australia's Gas Supply and Demand Balance 2019-20**

On 16 August 2002, the Australian Bureau of Agricultural and Resource Economics (ABARE) released a new report, *Australian gas supply and demand balance to 2019-20*. ABARE undertook this study for the Department of Industry, Tourism and Resources.

The focus of the ABARE study was to examine the capacity for Australia's natural gas supplies to keep pace with growing demand, particularly in eastern Australia. It also examined the potential for coal seam methane or gas supplies from Australia's north, west or Papua New Guinea, to supplement the domestic gas demand in eastern Australia.

The key conclusion of the ABARE Report is that there are more than sufficient gas reserves to meet Australia's growing gas demand beyond 2019-20. However, given the regional distribution of gas resources, the eastern Australian market will be increasingly dependent on new sources of supply towards the end of the study period. According to ABARE's modelling, which assumed a static resource base, a likely new source of gas is Australia's north. The Report also notes that significant oil and gas exploration is occurring in eastern Australia, particularly Bass, Otway and Gippsland basins, and that the outcome of this effort will not be known for some time.

For further information on the ABARE Report, contact Andrew Dickson (ph: +61 2 6272 2173, or email: [ADickson@abare.gov.au](mailto:ADickson@abare.gov.au)). An electronic copy of the Report is available at [www/library/content\\_library/gas\\_supply\\_demand.pdf](http://www/library/content_library/gas_supply_demand.pdf).

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## **Australian Petroleum Statistics**

The December issue of the Australian Petroleum Statistics is now available. The December issue contains statistics on petroleum production, refining, consumption, imports, exports and stocks for the 2001 calendar year. The issue also contains petrol prices and taxes in OECD Countries for the September quarter. Annual subscriptions cost \$270 or \$27 per issue. Copies can be obtained by contacting Rae Fisher on ph: +61 2 6213 7967 or alternatively by e-mail at [rae.fisher@industry.gov.au](mailto:rae.fisher@industry.gov.au).

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