

AUSTRALIAN PETROLEUM NEWS

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Award of offshore exploration permits in the Western Australia adjacent area from the 24 October 2002 closing round

Details of six new offshore exploration permits awarded to date from the closing round of 24 October 2002 are set out below.

The work program commitments for the six permits awarded are valued at around A\$84 million over the next six years. Three of the permits are in the Perth Basin which is a relatively under explored region that has attracted new exploration interest in the last 12 months following commercial oil discoveries.

<u>Permit No</u>	<u>Basin</u>	<u>Area No</u>	<u>Date Granted</u>	<u>Successful Applicant(s)</u>
WA-334-P	Carnarvon	W02-13	17 Dec 02	Apache North West Pty Ltd, Tap (Harriet) Pty Ltd
WA-335-P	Carnarvon	W02-15	17 Dec 02	Apache North West Pty Ltd
WA-336-P	Perth	W01-20	18 Dec 02	Petroz NL
WA-337-P	Perth	W01-26	15 Jan 03	Kerr-McGee NW Shelf Australia Energy Pty Ltd
WA-338-P	Browse	W01-5	15 Jan 03	Santos Offshore Pty Ltd, SK Corporation
WA-339-P	Perth	W01-21	15 Jan 03	Santos Offshore Pty Ltd, Kerr-McGee NW Shelf Australia Energy Pty Ltd

Carnarvon Basin

Permit **WA-334-P** (originally released as area W02-13 in the Barrow Sub-Basin) has been awarded to Apache North West Pty Ltd (80% operator) and Tap (Harriet) Pty Ltd (20%), which proposed a guaranteed program for the first three years of 1 well and geoscience studies at an estimated cost of \$5.45m. The companies also propose a secondary program of 1 well and geoscience studies at an estimated cost of \$4.1m. The permit was awarded on 17 December 2002. There was one other bid for the area.

Permit **WA-335-P** (originally released as area W02-15 in the Exmouth Sub-Basin) has been awarded to Apache North West Pty Ltd (100% operator), which proposed a guaranteed program for the first three years of 550km² 3D seismic survey, 1050km 2D seismic survey, 1 well and geoscience studies at an estimated cost of \$26.5m. The company also proposes a secondary program of 1 well and geoscience studies at an estimated cost of \$16.0m. The permit was awarded on 17 December 2002. There were no other bids for the area.

Perth Basin (Houtman and Abrolhos Sub Basins)

Permit **WA-336-P** (originally released as area W01-20) has been awarded to Petroz NL (100% operator), which proposed a guaranteed program for the first three years of 1225km 2D seismic survey, purchase of additional 1364km 2D seismic survey and geoscience studies at an estimated cost of \$2.4m. The company also proposes a secondary program of 1 well, 500km 2D seismic survey and geoscience studies at an estimated cost of \$13.85m. The permit was awarded on 18 December 2002. There was one other bid for the area.

Permit **WA-337-P** (originally released as area W01-26) has been awarded to Kerr-McGee NW Shelf Australia Energy Pty Ltd (100% operator), which proposed a guaranteed program for the first three years of 1100km 2D seismic survey and geoscience studies at an estimated cost of \$2.3m. The company also proposes a secondary program of 1000km 2D seismic survey and geoscience studies at an estimated cost of \$2.2m. The permit was awarded on 15 January 2003. There were no other bids for the area.

Permit **WA-339-P** (originally released as area W01-21) has been awarded to Santos Offshore Pty Ltd (50%) and Kerr-McGee NW Shelf Australia Energy Pty Ltd (50%), which proposed a guaranteed program for the first three years of 1000km 2D seismic survey and geoscience studies at an estimated cost of \$2.6m. The company also proposes a secondary program of 1000km 2D seismic survey and geoscience studies at an estimated cost of \$2.6m. The permit was awarded on 15 January 2003. There was one other bid for the area.

Browse Basin

Permit **WA-338-P** (originally released as area W01-5) has been awarded to Santos Offshore Pty Ltd (71.5% operator) and SK Corporation (28.5%), which proposed a guaranteed program for the first three years of 350km 2D seismic survey and geoscience studies at an estimated cost of \$1.55m. The companies also propose a secondary program of 1 well and additional geoscience studies at an estimated cost of \$4.4m. The permit was awarded on 15 January 2003. 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.

Areas currently available for bidding

	Areas	Bid Closing Date
2002 Release areas (2 nd 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
2002 Re-release area (1 st bidding round)	W02-14	10 April 2003

Further information on these areas and application requirements can be found by visiting website www.industry.gov.au/petexp or by requesting a free CD-ROM by e-mailing petroleum.exploration@industry.gov.au.

Promotion of Australian offshore acreage

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

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 yet finalised).

We would be happy to try and organise private meetings with companies in conjunction with these events. Please e-mail your interest in meeting with our representatives to: petroleum.exploration@industry.gov.au.

Increase in offshore petroleum fees

The Commonwealth is proposing to increase offshore petroleum fees charged under Regulations to the *Petroleum (Submerged Lands) Act 1967* and related Acts. The increases will essentially reflect CPI movements since the last increase in 1990. For annual title fees, the increase will also incorporate a component to reflect GST.

Draft Amendment Regulations are expected to be considered by Federal Executive Council on 20 February 2003. If approved, the new charges (shown in the Schedule below) will commence 1 March 2003.

SCHEDULE OF FEES - PETROLEUM (SUBMERGED LANDS) ACT 1967 AND RELATED ACTS

Fees - Petroleum (Submerged Lands) Act 1967

TYPE	CURRENT RATE	PROPOSED RATE (GST Free)
Application - Permit (s21(1)(f))	\$3,000	\$3,900
Application - Permit (s22A(5)(h))	\$1,200	\$1,560
Application - Permit (s24(1)(a))	\$3,000 + 10% deposit on premium	\$3,900 + 10% deposit on premium
Permit Renewal (s30(2)(c))	\$1,200	\$1,560
Retention Lease (s38A(2)(e))	\$1,200	\$1,560
Retention Lease (s38BB(2)(e))	\$1,200	\$1,560
Retention Lease Renewal (s38F(2)(d))	\$1,200	\$1,560
Production Licence (s41(1)(e))	\$1,200	\$1,560
Production Licence (s48(1)(a))	\$3,000 + deposit on premium	\$3,900 + deposit on premium
Production Licence (s51(2)(e))	\$600	\$780
Production Licence Renewal (s54(2)(d))	\$1,200	\$1,560
Infrastructure Licence (s59B(2)(d))	\$1,200	\$1,560
Pipeline Licence (s64(1)(f))	\$3,000	\$3,900
Pipeline Licence Variation (s71(2)(e))	\$600	\$780
Change of Company Name (s79(2))	\$60	\$78
Devolution of Title (s79(3)(b))	\$60	\$78
Search Fee (s86(1))	\$12	\$16
Certified Extract (s87(2))	\$2.00 per page	\$3 per page

Certificate - Evidentiary Provision (s87(3))	\$30	\$39
Special Prospecting Authority (s111(2)(d))	\$600	\$780
Borrowing Data & Material (s118) (s150)	\$25 per day	\$33 per day

Registration Fees - Petroleum (Submerged Lands) (Registration Fees) Act 1967

TYPE	CURRENT RATE	PROPOSED RATE (GST Free)
Minimum Fee (ss4(2), 4(3), 4(6))	\$600	\$780
Related Companies (ss4(4), 4(6A))	\$3,000	\$3,900
General Fee (ss4(2), 4(5))	1.5% of consideration	(unchanged)

Annual Fees - Petroleum (Submerged Lands) Fees Act 1994

TYPE	CURRENT RATE	PROPOSED RATE (includes GST)
Permit (s4)	\$50 per block (\$1000 min)	\$72 per block (\$1500 min)
Retention Lease (s4)	\$6,000 per block	\$8,600 per block
Production Licence (s4)	\$18,000 per block	\$25,800 per block
Infrastructure Licence (s4)	\$18,000 per title	(unchanged)
Pipeline Licence (s4)	\$80 per km	\$115 per km

Australian Petroleum Statistics

The Australian Petroleum Statistics monthly publication is now available via e-mail in Microsoft Excel format, with the December issue to be published in mid February. The December issue contains statistics on petroleum production, refining, consumption, and stocks for the 2002 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 Ms Rae Fisher on +61 2 6213 7967, or alternatively by e-mail at rae.fisher@industry.gov.au. Archived issues are now also available electronically.

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