



Australian Government

**Department of Industry
Tourism and Resources**

AUSTRALIAN PETROLEUM NEWS

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Nomination of areas for the 2004 Offshore Acreage Release

The Commonwealth and State/NT governments are now calling for nominations from interested parties for vacant offshore areas to be considered for release in 2005.

Nominations are treated as "Commercial-in-Confidence", should be in writing, and be forwarded by 31 July 2004 to the relevant State/NT Department or the General Manager, Offshore Resources Branch, at the address below.

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

In considering which areas to release, we look at whether there is a new geoscientific story, or a new market development, that might generate the interest of potential bidders. We also look at synergies with other industry activities such as drilling programs, speculative survey proposals, the Geoscience Australia research agenda and the Australian Offshore Petroleum Strategy.

The shortlisted areas proposed for release will be advised to industry around November/December, through the *Australian Petroleum News*.

Award of offshore exploration permits from the 25 September 2003 closing round

A total of three new offshore exploration permits in the South Australia, Victoria and Northern Territory adjacent areas have been granted.

The work program commitments for the awarded permits are valued in excess of A\$46 million over the next six years.

All permits were awarded under the work program bidding system and result from bids for offshore petroleum acreage in the bidding round that closed on 25 September 2003.

Details of the latest offshore exploration permits awarded are set out below.

<u>Permit</u>	<u>Basin</u>	<u>Area No</u>	<u>Date Granted</u>	<u>Successful Applicant(s)</u>
EPP 34	Otway	S02-7	25 Mar 04	United Oil and Gas Pty Ltd, National Energy Pty Ltd and Otway Oil and Gas Pty Ltd
Vic/P57	Gippsland	V03-1	19 April 04	3D Oil Pty Ltd
NT/P68	Bonaparte	NT03-3	23 Feb 04	TSP Arafura Petroleum Pty Ltd and Oz-Exoil N.L.

Permit EPP 34 has been awarded to United Oil and Gas Pty Ltd, National Energy Pty Ltd and Otway Oil and Gas Pty Ltd, which proposed a guaranteed program for the first three years of geological and geophysical studies, reprocessing 1500km of existing 2D seismic data, and acquisition of 600km of new 2D seismic data at an estimated cost of \$1.9m. The consortium also proposed a secondary program of geological and geophysical studies and a well at an estimated cost of \$15.45m. The permit was awarded on 25 March 2004. There were no other bids for the area.

Permit Vic/P57 has been awarded to 3D Oil Pty Ltd, which proposed a guaranteed program for the first three years of geological and geophysical studies, purchase of existing seismic data, and one well at an estimated cost of \$6.08m. The company also proposed a secondary program of geological and geophysical studies and a well at an estimated cost of \$6.3m. The permit was awarded on 19 April 2004. There were two other bids for the area.

Permit NT/P68 has been awarded to TSP Arafura Petroleum Pty Ltd and Oz-Exoil N.L., which proposed a guaranteed program for the first three years of geological and geophysical studies, reprocessing 2000km of existing 2D seismic data, and acquisition of 750km of new 2D seismic data at an estimated cost of \$1.7m. The consortium also proposed a secondary program of geological and geophysical studies and a well at an estimated cost of \$15.45m. The permit was awarded on 23 February 2004. There were no other bids for the area.

All permits were awarded for an initial term of six years with a maximum of two renewals each of five years. Each component of the work program must be completed in the designated year or earlier.

Re-release of 2003 areas

The following 2003 acreage release areas have been re-released and are available for bidding until 30 September 2004:

AC03-1 & 3
T03-1 to 3
S03-1 & 2
W03-1 to 3, 5, 6 & 11

Area W03-11 is from the 25 September 2003 close of bidding round. All other areas are from the 25 March 2004 close of bidding round.

The 13 areas did not attract successful bids in the respective closing rounds and have been re-released at the discretion of the relevant Joint Authorities.

The policy of re-releasing areas was introduced to enable companies to maintain their good standing after cancellation of an exploration permit. However, the re-released areas are open to all interested bidders under the work program bidding system.

For further details, follow the links from: www.industry.gov.au/petexp.

Areas currently available for bidding

	Areas	Bid Closing Date
2003 Re-release areas	AC03-1 & 3, W03-1 to 3, 5, 6 & 11, S03-1 & 2 and T03-1 to 3	30 September 2004
2004 Release areas (1 st bidding round) [11 areas]	V04-1, T04-1 and W04-6 to 14	30 September 2004
2004 Release areas (2 nd bidding round) [20 areas]	AC04-1 to 4, T04-2 to 5, W04-1 to 5 & W04-15 to 17, NT04-1 to 3 and V04-2	31 March 2005

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-mail: petroleum.exploration@industry.gov.au.

Petroleum (Submerged Lands) (Data Management) Regulations 2004

New objective-based Data Management Regulations came into effect on Friday, 4 June 2004.

The purpose of the Data Management Regulations is to implement a data management scheme for the adequate collection and submission of data and samples by companies undertaking offshore petroleum activities. The regulations also cover details of data confidentiality and release, which were previously the subject of legislation.

The objective-based regulations are based on explicit objectives instead of prescribed procedures. They are designed to allow participants in the industry greater flexibility in the way data is managed by nominating the most appropriate way to meet the specified data management objectives.

An essential part of this flexibility is the development of an agreed Data Management Plan (DMP), which will specify acceptable methods of acquiring, maintaining and submitting data.

From 4 June 2004, all companies undertaking offshore petroleum activities will need to comply with these new regulations. This means that an agreed DMP will need to be in

place. Companies that do not have an agreed DMP in place should contact the relevant Designated Authority to ensure activities have the appropriate permission to operate without an accepted DMP.

The Data Management Regulations can be found under the Regulations heading at: www.industry.gov.au/petlegislation

Guidelines relating to data submission are available from Geoscience Australia at: www.ga.gov.au/oceans/projects/psla_guidelines.jsp

Inquiries should be addressed to the relevant Designated (State/NT) Authority, or via e-mail to petroleum.exploration@industry.gov.au

Offshore Perth Seismic Data from Geoscience Australia

As part of the Australian Government's new petroleum initiative, Geoscience Australia has commissioned the re-processing of up to 2000km of seismic data in the offshore Perth Basin. The data is largely over the Vlaming Sub-basin, which has potential as a new petroleum province, with a proven petroleum system demonstrated by oils recovered from Early Cretaceous strata at Gage Roads 1. However, over 10 years has transpired since the last well, Araucaria-1, was drilled in the Vlaming Sub-basin by Petrofina Exploration in 1993. No significant exploration has occurred in the Vlaming Sub-basin since the Naturaliste seismic survey was shot by Woodside Oil Ltd, which led to the drilling of Felix-1 on the adjacent Vasse Shelf in 1998. A key risk for explorers has been predicting valid exploration targets. Previous exploration was hampered by seismic data being of insufficient quality to map potential traps or to accurately predict the distribution of sealing lithologies.

The Australian Government hopes that the re-processed seismic data will allow better definition of potential exploration targets through good resolution of structures and key stratigraphic intervals. Following a tender process, a contract was awarded to Robertson and the first of the re-processed data has been received. After quality control checking, the data will be made available in SEG-Y format at the cost of transfer to explorers. This is expected to be in August 2004. The data has been re-processed using High Resolution Radon Demultiple and Kirchhoff Pre Stack Time Migration and final velocities were picked at 500 meter intervals. Final velocities, raw and final Migrated stacks plus Pre-Stack Time Migration (PreSTM) gathers will be available.

The availability of this and other data releases from Geoscience Australia will be advised in this newsletter. For any further questions please contact Jenny Maher at Geoscience Australia, phone +61 2 62499896, fax +61 2 62499980 or email jenny.maher@ga.gov.au

The coverage of the data is described in the attached map. Please note this data coincides with the 2004 acreage release area in the Vlaming Sub-basin, W04-17, which is open for bidding until 31 March 2005.

ASEG Conference in Sydney

The Australian Society of Exploration Geophysicists (ASEG) will hold its 17th Geophysical Conference and Exhibition in Sydney on 15-19 August 2004. The conference is being jointly sponsored by ASEG and the NSW Branch of the Petroleum Exploration Society of Australia (PESA NSW). It will be held at the Sydney Convention and Exhibition Centre at Darling Harbour.

The theme of the conference - *Integrated Exploration in a Changing World* - brings together the application of multi-disciplinary and state of the art technologies to all phases of resource exploration and development. The application of geophysics to coal exploration, geothermal, groundwater, and near-surface studies including forensics, archaeology, and ordinance, will also be well covered throughout the conference.

For more information regarding the event, visit the website at:

www.aseg-pesa2004.org.au

Australian Petroleum Statistics

The *Australian Petroleum Statistics* monthly publication is now available via e-mail in Microsoft Excel format, with the April 2004 edition now available. The publication contains statistics on petroleum production, refining, consumption, and stocks. The Subscriptions cost \$270 annually 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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This occasional newsletter was prepared by the Resources Division, Department of Industry, Tourism and Resources, Canberra, Australia.

Postal Address: GPO Box 9839, Canberra ACT 2601, Australia

E-mail: petroleum.exploration@industry.gov.au

Website: www.industry.gov.au/petexp

Phone inquiries: +61 2 6213 7920 (Christopher Locke)

Facsimile: +61 2 6213 7955

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