



**Australian Government**  
**Department of Resources**  
**Energy and Tourism**

## AUSTRALIAN PETROLEUM NEWS

MAY 2008

### **Award of Nine New Offshore Exploration Permits**

Nine new offshore petroleum exploration permits in the Western Australia, Northern Territory and the Territory of Ashmore and Cartier islands adjacent areas have been granted. The work program commitments for the awarded permits are valued at A\$425 million over the next six years.

These new permits result from the first round of the 2007 Acreage Release that closed on 18 October 2007. One other release areas from the same round is still being finalised and any resulting permits are expected to be announced soon. All permits will be jointly administered by the Australian Government and the respective State and Northern Territory Governments.

Exploration permits in Australia's offshore areas were awarded under a work program bidding system for an initial term of six years, with a maximum of two renewals each of five years. Under this system, applicants are required to nominate a guaranteed minimum 'dry hole' exploration program for each of the three years of the permit term and a secondary program for the remaining three years. Each component of the program must be completed in the designated year or earlier.

<u>Permit</u>	<u>Basin</u>	<u>Area No</u>	<u>Date Granted</u>	<u>Successful Applicant(s)</u>
NT/P76	Browse	NT07-1	28 March 08	SIPC Australia Pty Ltd
AC/P42	Bonaparte	AC07-1	15 April 08	Apache Northwest Pty Ltd Total E&P Australia
AC/P43	Bonaparte	AC07-2	15 April 08	Apache Northwest Pty Ltd Total E&P Australia
AC/P44	Bonaparte	AC07-4	15 April 08	Finder Exploration Pty Ltd
AC/P45	Bonaparte	AC07-5	15 April 08	Finder Exploration Pty Ltd
WA-408-P	Browse	W07-6	18 April 08	Total E&P Australia
WA-409-P	Carnarvon	W07-16	30 April 08	Cue Exploration Pty Ltd Gascorp Australia Pty Ltd

WA-410-P	Browse	W07-5	5 May 08	Santos Offshore Pty Ltd Chevron Australia (W07-5) Pty Ltd Inpex Browse Ltd
WA-411-P	Browse	W07-7	5 May 08	Santos Offshore Pty Ltd Inpex Browse Ltd Beach Petroleum Ltd

NT/P76 (released as NT07-1) on Troubadour Terrace in the Bonaparte Basin off the Northern Territory has been awarded to SIPC Australia Pty Ltd. The company proposed a guaranteed work program of geotechnical studies and 500km of 2D seismic reprocessing, 1000 sq km of new 3D seismic surveying, 2000 km of new 2D seismic surveying and data processing to an estimated value of \$35.65 million. The secondary work program consists of one well and geotechnical studies to a value of \$38.5 million. There was one other bid for this area. This area is subject to the Designated Frontier Area tax incentive.

AC/P42 (released as AC07-1) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to Apache Northwest Pty Ltd and Total E&P Australia. The companies proposed a guaranteed work program of 2500km of 2D seismic data reprocessing, 895 sq km of new 3D seismic surveying and geotechnical studies, to an estimated value \$18.69 million. The secondary work program consists of geotechnical studies and one well to a value of \$30.2 million. There were no other bids for this area.

AC/P43 (released as AC07-2) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to Apache Northwest Pty Ltd and Total E&P Australia. The companies proposed a guaranteed work program of 1500km of 2D seismic data reprocessing, 822 sq km of new 3D seismic surveying and one well, at an estimated cost of \$32.95 million. The secondary work program consists of geotechnical studies, to a value of \$0.3 million. There was one other bid for this area.

AC/P44 (released as AC07-4) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to Finder Exploration Pty. Ltd. The company proposed a guaranteed work program of geotechnical studies, 750 km of new 2D seismic surveying and seismic interpretation, at an estimated cost of \$2.943 million. The secondary work program consists of prospect identification and one well, to a value of \$35.3 million. There were no other bids for this area.

AC/P45 (released as AC07-5) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to Finder Exploration Pty. Ltd. The company proposed a guaranteed work program of geotechnical studies, 1200 km of new 2D seismic surveying and seismic interpretation, at an estimated cost of \$3.602 million. The secondary work program consists of prospect identification and one well, to a value of \$35.3 million. There were no other bids for this area.

WA-408-P (released as W07-6) in the Browse Basin off Western Australia has been awarded to Total E&P Australia. The company proposed a guaranteed work program of 1300 sq km of new 3D surveying, 3 wells and geotechnical studies to an estimated value of \$94 million. The secondary work program proposes geotechnical studies to a value of \$6 million. There were three other bids for this area.

WA-409-P (released as W07-16) in the Carnarvon Basin off Western Australia has been awarded to Cue Exploration Pty Ltd and Gascorp Australia Pty Ltd. The company proposed a guaranteed work program consisting of 1400 km of new 2D seismic surveying and geotechnical studies, with an estimated value of \$3 million. The secondary work program consists of 1 well and geotechnical studies, with an estimated value of \$25.5 million. There were no other bids for this area.

WA-410-P (released as W07-5) in the Browse Basin off Western Australia has been awarded to Santos Offshore Pty Ltd, Chevron Australia (W07-5) Pty Ltd and Inpex Browse Ltd. The company proposed a guaranteed work program of licensing 375 sq km of 3D seismic data including reprocessing and geotechnical studies at an estimated cost of \$0.76 million. The secondary work program consists of one well, geotechnical studies and marketing studies at an estimated cost of \$30.5 million. There were no other bids for this area.

WA-411-P (released as W07-7) in the Browse Basin off Western Australia has been awarded to Santos Offshore Pty Ltd, Inpex Browse Ltd and Beach Petroleum Ltd. The company proposed a guaranteed work program consisting of licensing 1425 sq km of 3D seismic data, reprocessing of 1925 sq km of 3D seismic data and geotechnical studies, to an estimated value of \$1.46 million. The secondary work program consists of 1 well, geotechnical studies and marketing studies to an estimated value of \$30.5 million. There were no other bids for this area.

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## **Re-release of 2007 Areas**

Three areas did not receive bids in the second bidding round of the 2007 Acreage Release that closed on 17 April 2008 and have been re-released at the discretion of the relevant Joint Authorities. See next item below for application closing dates for these areas. The areas are:

**NT07 – 3**  
**W07 – 19, 20 and 21**  
**V07 – 2**  
**AC07-3**

The re-released areas are open to all interested bidders under the work program bidding system. The areas are also open for bidding by any company who wishes to fulfil its obligations under a good standing arrangement after cancellation of an exploration permit.

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## Summary of Areas Currently Available for Bidding

Release/round	Areas	Bid Closing Date
2008 Acreage Release, first closing round [17 areas]	AC08-1 to 8; W08-7 to 10 and 16 to 20	Thursday, 9 October 2008
Re-release of 2007 areas (from second closing round) [5 areas]	V07-2 NT07-3 W07-19, 20 and 21	Thursday, 9 October 2008

Further information on these areas and application requirements can be found by visiting this website: [www.ret.gov.au/petexp](http://www.ret.gov.au/petexp) or by requesting a free CD-ROM by e-mail: [petroleum.exploration@ret.gov.au](mailto:petroleum.exploration@ret.gov.au)

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## Promotion of Australian Offshore Acreage

Representatives from RET and Geoscience Australia will be available at the Good Oil Conference to discuss policy and technical aspects of the 2008 Australian offshore acreage release.

**Good Oil Conference    Freemantle, WA, Australia                      2-3 Sept 2008**

Please visit the Australian Government's booth at the event.

In June, a delegation from RET and Geoscience Australia will visit Malaysia, Singapore and India. Cities visited will include Kuala Lumpur, Malaysia (16 June), Singapore (17 June), New Delhi (18-19 June) and Mumbai (20 June).

We would be happy to organise private meetings with companies in conjunction with these events.

E-mail: [petroleum.exploration@ret.gov.au](mailto:petroleum.exploration@ret.gov.au) .

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## Geoscience Australia News

The program of data acquisition in offshore frontier basins has yielded some exciting results from the Great Australia Bight:

<http://www.ga.gov.au/ausgeonews/ausgeonews200709/bight.jsp>

and the remote Capel and Faust basins as reported in AusGeoNews:

<http://www.ga.gov.au/ausgeonews/ausgeonews200803/survey.jsp>

New science results from both these areas will be delivered at the Third Eastern Australian Basins symposium to be held at the Sydney Convention & Exhibition Centre, NSW on 14 - 17 September 2008.

Further information can be found at:  
<http://www.pesa.com.au/eabs3/index.asp>

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## **Offshore Petroleum Act 2006 (OPA) Update**

The *Offshore Petroleum Amendments (Miscellaneous Measures) Act 2008* was passed by the Australian Parliament on 15 May 2006. This Act amends the OPA to make certain technical corrections and one minor policy change.

The amendments include technical changes required before the OPA can be proclaimed:

- Providing for 'life of field' coverage for a number of production licences; and
- Clarifying the definition of coastal waters.

Other changes are minor and include:

- Repealing section 327 which allowed the Minister to exercise emergency powers in the Area to be Avoided, offshore Victoria in the Gippsland Basin as a result of implementation of a broader security regime under Maritime Transport and Offshore Facilities Security Act 2003; and
- Amending the OPA to include current Geocentric Data of Australia in response to increased use of Global Positioning Systems for surveying and navigation.

Pending the imminent finalisation of Tasmanian amendments to its mirror legislation, the Commonwealth will submit instruments to the Executive Council to proclaim the OPA and repeal the *Petroleum (Submerged Lands) Act 1967* with effect from 1 July 2008.

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## **Amendment to Offshore Petroleum Act to allow CO<sub>2</sub> Injection and Storage in Offshore Areas**

Legislation to amend the OPA in relation to carbon dioxide injection and storage in Commonwealth waters was publicly released on 17 May 2008. The legislation provides for access and tenure and a system for managing potential interactions with the petroleum industry as well as ensuring that storage is safe and secure.

The draft legislation has been referred to the House of Representatives Standing Committee on Primary Industries and Resources which will invite submissions and make recommendations to the Government on the legislation. The Government's intention is to finalise the legislation and to have it introduced and passed during the 2008 spring sittings.

The announcement by the Minister for Resources and Energy, Martin Ferguson along with the draft legislation and supporting information is available from the Department of Resources, Energy and Tourism's website at [www.ret.gov.au](http://www.ret.gov.au)

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## **Australian Petroleum Statistics**

The March 2008 issue of *Australian Petroleum Statistics* is now available, containing statistics on petroleum production, refining, consumption, stocks, imports and exports. Subscriptions cost \$270/year or \$27 per issue. Copies can be obtained by contacting Ms Teresa Peczalski by Phone +61 2 6276 7797, E-mail: [psims@ret.gov.au](mailto:psims@ret.gov.au)

Archived issues are now also available electronically.

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## **Are you on our distribution list?**

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**There is no charge for this service or the CD-ROM.** This distribution list is not used for purposes other than notifying registered parties of relevant petroleum issues, as indicated above.

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