



Australian Government
Department of Resources
Energy and Tourism

AUSTRALIAN PETROLEUM NEWS

JUNE 2009

2009 Release of Offshore Petroleum Exploration Acreage

Commonwealth Resources Minister, the Honourable Martin Ferguson AM MP, announced the release of 31 new offshore petroleum exploration areas and 2 special areas in Commonwealth waters at the APPEA conference in Darwin on 1 June 2009.

The release of these offshore petroleum exploration areas is a crucial component of the Australian Government's strategy to encourage a strong and competitive petroleum sector in Australia.

The 2009 release areas are located across five basins off the Northern Territory, Western Australian, South Australian and Victorian coastlines. The release also includes 2 special release areas that are known to contain hydrocarbons. These special areas are located over the Turtle and Barnett discoveries in Western Australia and Northern Territory offshore areas. Six of the 2009 release areas have been selected as Designated Frontier Areas, which are eligible for the extended frontier exploration incentive of 150% uplift for Petroleum Resource Rent Tax.

Bids for 18 of the new areas and the 2 special release areas close on 3 December 2009, with bids for the remaining 13 areas closing on 29 April 2010. All bids are assessed under the work program bidding system and will be awarded for an initial term of six years.

These released areas cover a full range of water depths, range from frontier to mature in exploration status and offer opportunities for exploration companies of all sizes.

Government initiatives, such as the provisions of high quality pre-competitive data by Geoscience Australia and the improved speculative seismic data acquisition policy aim to make exploration in Australia more attractive.

Further information on the 2009 acreage release is available at www.ret.gov.au/petexp. Copies of the CD-ROM release package can be requested from the Department by emailing petroleum.exploration@ret.gov.au

Award of 16 New Offshore Exploration Permits

Sixteen new offshore petroleum exploration permits in the Western Australia and Territory of Ashmore and Cartier Islands offshore areas have been granted. The minimum guaranteed work program commitments for the awarded permits are valued at \$250 million.

These new permits result from the first round of the 2008 Acreage Release that closed on 9 October 2008. 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 are 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>
AC/P46	Bonaparte	AC08-4	3 Mar 09	Tata Petrodyne Ltd
AC/P47	Bonaparte	AC08-1	3 Mar 09	Bengal Energy Ltd
AC/P48	Browse	AC08-8	16 Mar 09	Woodside Energy Ltd Mitsui E&P Australia Pty Ltd
AC/P49	Bonaparte	AC08-2	21 April 09	Silver Wave Energy Pte Ltd
AC/P50	Bonaparte	AC08-5	21 April 09	Silver Wave Energy Pte Ltd
AC/P51	Bonaparte	AC08-6	21 April 09	Silver Wave Energy Pte Ltd
AC/P52	Browse	AC08-7	26 May 09	Finder Exploration Pty Ltd
WA-425-P	Browse	W08-8	3 April 09	Hunt Oil Company SK Energy Co Ltd
WA-426-P	Carnarvon	W08-17	3 April 09	Apache Northwest Pty Ltd
WA-427-P	Carnarvon	W08-16	3 April 09	Apache Northwest Pty Ltd Kufpec Australia Pty Ltd
WA-428-P	Carnarvon	W08-19	3 April 09	Woodside Energy Ltd Mitsui E&P Australia Pty Ltd
WA-429-P	Browse	W08-9	3 April 09	Woodside Energy Ltd Mitsui E&P Australia Pty Ltd
WA-430-P	Carnarvon	W08-20	3 April 09	Woodside Energy Ltd Mitsui E&P Australia Pty Ltd
WA-431-P	Browse	W08-10	8 April 09	Hunt Oil Company SK Energy Co Ltd
WA-432-P	Browse	W08-7	29 April 09	Woodside Energy Ltd Mitsui E&P Australia Pty Ltd
WA-433-P	Carnarvon	W08-18	28 May 09	Woodside Energy Ltd Mitsui E&P Australia Pty Ltd

AC/P46 (released as AC08-4) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to *Tata Petrodyne Ltd.* The company proposed a guaranteed work program of a new 300km 2D seismic survey, a new 300km² 3D seismic survey and geotechnical studies to an estimated value of A\$4.8 million. The secondary work program consists of a CSEM survey, one exploration well and geotechnical studies to an estimated value of A\$16.3 million. There were no other bids for this area.

AC/P47 (released as AC08-1) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to *Bengal Energy Ltd.* The company proposed a guaranteed work program of 985km of 2D seismic reprocessing, a new 750km² 3D seismic survey and geotechnical studies to an estimated value of A\$11 million. The secondary work program consists of one exploration well and geotechnical studies to an estimated value of A\$28 million. There was one other bid for this area.

AC/P48 (released as AC08-8) in the Browse Basin in the Territory of Ashmore and Cartier Islands has been awarded to *Woodside Energy Ltd (Operator) and Mitsui E&P Australia Pty Limited.* The company proposed a guaranteed work program of 600km of 2D seismic reprocessing, 1098km² of 3D seismic reprocessing, a new 505km² 3D seismic survey and geotechnical studies to an estimated value of A\$9.6 million. The secondary work program consists of one exploration well and geotechnical studies to an estimated value of A\$42.4 million. There were four other bids for this area.

AC/P49 (released as AC08-2) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to *Silver Wave Energy Pte Ltd.* The company proposed a guaranteed work program of 500km of 2D seismic reprocessing, the licensing of existing multi-client 2D seismic data, a new 1000km 2D seismic survey and geotechnical studies to an estimated value of A\$6.7 million. The secondary work program consists of one exploration well and geotechnical studies to an estimated value of A\$33 million. There were no other bids for this area.

AC/P50 (released as AC08-5) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to *Silver Wave Energy Pte Ltd.* The company proposed a guaranteed work program of 1000km of 2D seismic reprocessing, 250km² of 3D seismic reprocessing, a new 200km² 3D seismic survey and geotechnical studies to an estimated value of A\$10.5 million. The secondary work program consists of one exploration well and geotechnical studies to an estimated value of A\$33 million. There was one other bid for this area.

AC/P51 (released as AC08-6) in the Bonaparte Basin in the Territory of Ashmore and Cartier Islands has been awarded to *Silver Wave Energy Pte Ltd.* The company proposed a guaranteed work program of 1000km of 2D seismic reprocessing, 250km² of 3D seismic reprocessing, a new 1000km 2D seismic survey and geotechnical studies to an estimated value of A\$7.4 million. The secondary work program consists of a new 1000km 2D seismic survey, one exploration well and geotechnical studies to an estimated value of A\$35.2 million. There was one other bid for this area.

AC/P52 (released as AC08-7) 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 licensing 800km² of 3D seismic reprocessed data, a new 320km² 3D seismic survey and geotechnical studies to an estimated value of A\$4.5 million. The secondary work program consists of one exploration well and geotechnical studies to an estimated value of A\$35.3 million. There were four other bids for this area.

WA-425-P (released as W08-8) in the Browse Basin off Western Australia has been awarded to *Hunt Oil Company (Operator) and SK Energy Co., Ltd*. The company proposed a guaranteed work program of purchasing 640km of reprocessed 2D seismic data, 2675km of 2D seismic reprocessing, a new 400km 2D seismic survey, a new 744km² 3D seismic survey, and its reprocessing, and geotechnical studies to an estimated value of A\$19.5 million. The secondary term consists of two exploration wells and geotechnical studies to an estimated value of A\$62 million. There was one other bid for this area.

WA-426-P (released as W08-17) in the Carnarvon Basin off Western Australia has been awarded to *Apache Northwest Pty Ltd*. The company proposed a guaranteed work program of a new 162km² 3D seismic survey and geotechnical studies to an estimated value of A\$2.3 million. The secondary program consists of one exploration well and geotechnical studies with an estimated value of A\$30 million. There was one other bid for this area.

WA-427-P (released as W08-16) in the Carnarvon Basin off Western Australia has been awarded to *Apache Northwest Pty Ltd (Operator) and Kufpec Australia Pty Ltd*. The company proposed a guaranteed work program of a new 162km² 3D seismic survey and geotechnical studies to an estimated value of A\$2.7 million. The secondary program consists of one exploration well and geotechnical studies to an estimated value of A\$30.4 million. There was one other bid for the area.

WA-428-P (released as W08-19) in the Carnarvon Basin off Western Australia has been awarded to *Woodside Energy Ltd (Operator) and Mitsui E&P Australia Pty Limited*. The company proposed a guaranteed work program of 100km of 2D seismic reprocessing, a new 240km² 3D seismic survey, a CSEM survey and geotechnical studies to an estimated value of A\$5.3 million. The secondary program consists of one exploration well and geotechnical studies to an estimated value of A\$30.6 million. There were two other bids for this area.

WA-429-P (released as W08-9) in the Browse Basin off Western Australia has been awarded to *Woodside Energy Ltd (Operator) and Mitsui E&P Australia Pty Limited*. The company proposed a guaranteed work program of 1505km of 2D seismic reprocessing, a new 125km² 3D seismic survey and geotechnical studies to an estimated value of A\$3 million. The secondary term consists of a new 250km² 3D seismic survey and geotechnical studies to an estimated value of A\$5.9 million. There were no other bids for this area.

WA-430-P (released as W08-20) in the Carnarvon Basin off Western Australia has been awarded to *Woodside Energy Ltd (Operator) and Mitsui E&P Australia Pty Limited*. The company proposed a guaranteed work program of 175km of 2D seismic reprocessing, a new 560km² 3D seismic survey, a CSEM survey and two exploration wells to an estimated value of A\$71.5 million. The secondary program consists of 280km² of 3D seismic reprocessing, one exploration well and geotechnical studies to an estimated value of A\$30.4 million. There were three other bids for this area.

WA-431-P (released as W08-10) in the Browse Basin off Western Australia has been awarded to *Hunt Oil Company (Operator) and SK Energy Co., Ltd*. The company proposed a guaranteed work program of the purchase of 1099km of reprocessed 2D seismic data, 850km of 2D seismic reprocessing, a new 300km 2D seismic survey and geotechnical studies to an estimated value of A\$0.7 million. The secondary program consists of one exploration well, a new 500km² 3D seismic survey and geotechnical studies to an estimated value of A\$54.2 million. There were two other bids for this area.

WA-432-P (released as W08-7) in the Browse Basin off Western Australia has been awarded to *Woodside Energy Ltd (Operator) and Mitsui E&P Australia Pty Limited*. The company proposed a guaranteed work program of 1505km of 2D seismic reprocessing, purchase of 140km² of 3D seismic data, a new 305km² 3D seismic survey to an estimated value of A\$6.9 million. The secondary program consists of geotechnical studies and one exploration well to an estimated value of A\$30.6 million. There were two other bids for this area.

WA-433-P (released as W08-18) in the Carnarvon Basin off Western Australia has been awarded to *Woodside Energy Ltd (Operator) and Mitsui E&P Australia Pty Limited*. The company proposed a guaranteed work program of 350km of 2D seismic reprocessing, a new 880km² 3D seismic survey, a CSEM survey and one exploration well to an estimated value of A\$47.9 million. The secondary program consists of 440km² 3D reprocessing, one exploration well and geotechnical studies to an estimated value of A\$30.5 million. There were four other bids for this area.

Re-release of 2008 Areas

Eight areas did not receive bids in the second bidding round of the 2008 Acreage Release that closed on 9 April 2009 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:

NT08 – 3
W08 – 1 to 3, 5 & 13
W08 – 23 to 24

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.

Summary of Areas Currently Available for Bidding

Release/round	Areas	Bid Closing Date
2009 Acreage Release, first closing round [18 principal release areas plus 2 special areas]	NT09-1; W09-1 to 5, W09-9 to 11, W09-12 to 16 V09-1 to 3 S09-7 NT09-Special W09-Special	Thursday, 3 December 2009
Re-release of 2008 areas (from second closing round) [8 areas]	NT08-3 W08-1 to 3, 5 & 13 W08-23 to 24	Thursday, 3 December 2009

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

Promotion of Australian Offshore Acreage

Representatives from RET and Geoscience Australia will be available at the Australian Petroleum Production and Exploration Association Ltd. (APPEA) Conference to discuss policy and technical aspects of both the principal and special 2009 Australian offshore acreage releases.

APPEA Conference Darwin, NT, Australia 31 May- 3 June 2008

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

Also in June and July, a delegation from RET and Geoscience Australia will visit Malaysia, Singapore, India, South Korea, China, Taiwan and Japan. Cities visited will include Kuala Lumpur, Malaysia (4 June), Singapore (5 June), Mumbai, India (8-9 June) and New Delhi, India (10-12 June).

Additionally, the delegation also intend to visit Seoul, South Korea (22 June), Beijing, China (23-24 June), Taiwan (25-26 June) and Tokyo, Japan (29 June - 2 July).

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

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

NOPSA Board Appointments Announced

On 11 March 2009, three new members were appointed to the National Offshore Petroleum Safety Authority (NOPSA) Board. The appointments are for terms of three years, as recommended by the Ministerial Council on Mineral and Petroleum Resources.

The new appointments are:

- Dr Lynne Chester (senior research fellow, John Curtin Institute of Public Policy)
- Dr Michael Ollis (retired vice president, BHP Billiton Petroleum)
- Mr Anthony Pooley (former Head of Safety, Environment and Risk, Newcrest Mining Ltd).

The new members bring additional expertise to the Board, specifically through their knowledge of the offshore petroleum industry and expertise in major hazards, regulation and public policy development. Their skills complement existing members' expertise and enhance the policy advisory role of the Board.

The NOPSA Board is an important element that assists the Government and NOPSA in working with Australia's offshore petroleum industry to meet world's best practice in the areas of occupational health and safety.

The Board is scheduled to meet on 2 June 2009. For further information on the Board and NOPSA visit www.nopsa.gov.au.

Australian Petroleum Statistics

The March 2009 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

Archived issues are now also available electronically.

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