



# PEL 100

## COOPER/EROMANGA BASINS South Australia

### ANNUAL REPORT Permit Year 1

6 March 2003 to 5 March 2004

#### Contents

1. Introduction
2. Guaranteed Program versus Actual work
3. Permit Activity
4. Data Submission
5. Regulatory Compliance
6. Expenditure Statement

#### 1 Introduction

Petroleum Exploration Licence (PEL) 100 was granted on 6 March 2003 and hence, the first permit year of the initial five year term expired on 5 March 2004.

On the basis of a Heads of Agreement, dated 26 September 2001, Cooper Energy subsequently entered into a Farmin Agreement, ("Agreement"), with the licensee, Liberty Petroleum Corporation ("Liberty") dated 23 June 2003. This Agreement, provides for Cooper Energy earning a maximum 43.33% interest in PEL 100 and being the Operator for the farmin and subsequent joint venture work programs.

Cooper Energy has subsequently entered into a separate farmin agreement with Traditional Oil Exploration NL, dated 26 December 2003. This agreement provides for a body corporate of Traditional Oil, (Enterprise Energy NL), earning a 15% participating interest from Cooper Energy by funding part of the cost of drilling the first well in the Permit, being the earning well for Cooper Energy under its Agreement with Liberty.

All Agreements have been approved and registered by PIRSA

This report, which details the work performed during the first Permit year, is being submitted by Cooper Energy, as Operator, in accordance with the requirements of Section 33 of the Petroleum Regulations 2000

## 2. Guaranteed Program versus Actual Work

The initial Conditions of the Licence for the first two years provided for unspecified seismic acquisition and interpretation of existing seismic lines in the first Permit year and the drilling of one exploration well in the second Permit year. This work program has been agreed, by variation dated 11 February 2004, to be fulfilled in total by the end of the second Permit year, ie by 5 March 2005.

## 3 Permit Activity

### 3.1 Geological and Geophysical Studies

Work during the first Permit year involved seismic interpretation of existing data and subsequent preparation for the drilling of an exploration well, to be named Acacia Grove 1.

Seismic interpretation work was carried out by Mr R Whyte, consultant, on behalf of the company, utilising *LANDMARK* and open file *SEGY* data obtained from PIRSA. Geological input was provided by P Vytopil of Cooper Energy. Mr Whyte's final report, following the reprocessing of one seismic line over the Walkillie structure has recently been received and is being submitted to PIRSA with this Annual Report.

One result of this work was to identify that the Walkillie 1 well, drilled in 1984 on a fairly loose seismic grid, was down dip of the crest of the anticline on which it was drilled by about 13 metres. The Acacia Grove 1 well is to be drilled on the crest of the Walkillie structure to evaluate the potential of the Poolowanna and Tinchoo Formations, the main producing horizons in the Telopea and Keleary Fields to the immediate north, to contain oil.

### 3.2 Drilling Preparation

The Acacia Grove location, (initially named Coolibah), was subject to work area clearance under the Native Title Ancillary Agreement during June 2003. The area was examined by an archaeologist and six representatives of the Yandruwandha/Yawarrawarrka Native Title Claimant Group and cleared for the proposed construction of an access track and a drilling operation. The report, prepared by S Freeman, the cultural heritage consultant, was submitted to PIRSA as part of the Drilling Application.

A Drilling Application was submitted to PIRSA on 5 November 2003, which included the above clearance report, but which omitted the SEO and detail on the drilling contractor for the well, as both of these aspects had not been finalised at that time.

On 9 December, the SEO, in the form of a report by Fatchen Environmental Pty Ltd entitled "Environmental Risks and Compliance Proposed Petroleum Exploration Drilling and Initial Production Testing by Cooper Energy NL at Acacia Grove 1, PEL 100, Cooper Basin" was submitted to PIRSA.

On 24 February 2004, PIRSA advised Cooper Energy of its approval to drill and complete Acacia Grove 1 conditional upon :

1. in the event of success, a site specific Completion Program being submitted;
2. site specific emergency response details being provided; and
3. copy of the agenda for the proposed pre spud meeting being provided.

On 26 February 2004, Cooper Energy submitted additional data to PIRSA, which addressed conditions 1 and 2 above, and gave firm details of the proposed drilling contractor and timing of the operation. A Bridging Document was included which specifically dealt with Part 4, Section 16 (2) of the Petroleum Regulations and the interrelationship between the systems and procedures of the lead contractor, in particular, and Cooper Energy's management systems. The pre spud agenda, being the third of the above conditions for drilling, was provided to PIRSA on 18 March 2004.

#### 4 Data Submission

The following summarises the documents submitted over the period 6 March 2003 to 5 March 2004:

Acacia Grove 1:

- Bridging Document
- Drilling Application
- Drilling Program
- Environmental Risks and Compliance
- Work Area Clearance
- Completion Program

Health, Safety & Environmental Management Manual (updated copy submitted 26 February 2004).

Final Seismic Interpretation Report (submitted with this report)

#### 5 Regulatory Compliance

In relation to Regulation 33 (2), Cooper Energy advises, using the same sub-headings as the Regulations, as follows:

- (a) No regulated activities involving seismic or drilling field operations were conducted during the year, but a work area clearance and environmental study were commissioned in preparation for the drilling of the Acacia Grove 1 well;
- (b) A report on compliance with the Act and its Regulations has not therefore been prepared, however, Cooper Energy believes it is in compliance with the Act and the Licence;
- (c) N/A;
- (d) No audits were undertaken during the first Permit year;
- (e) See item 4 above;
- (f) N/A;
- (g) N/A;
- (h) During the second Permit year, the Acacia Grove 1 well will be drilled to a projected total depth of 2750 metres. It is also intended to acquire some 133 km of new seismic, the planning for which is in progress;
- (i) N/A
- (j) N/A
- (k) N/A

## 6 Expenditure Statement

Commercial in confidence

A J Wright  
Director of Operations  
Cooper Energy NL