

**Petroleum Exploration License 186**

**Annual Report**

**Permit Year 2**

**28 Jan 2006 – 27 Jan 2007**

**Neo Oil Pty Limited**

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## **1. Introduction**

PEL 186 was granted to Neo Oil Pty Ltd (“Neo”) on 28<sup>th</sup> January 2005, covering an area of 1421 square kilometres.

Neo’s work programme commitment for the second year was geological and geophysical studies, including a gravity survey (Table 1). The objective was to improve the geological understanding of the bedrock and basin architecture in order to identify high potential trap sites for hydrocarbons.

**TABLE 1 Proposed Work Programmes for PEL 186**

<b>Year of Term of Licence</b>	<b>Minimum Work Requirements</b>
<b>One</b>	Gravity survey; Geological and Geophysical studies
<b>Two</b>	Gravity survey; Geological and Geophysical studies
<b>Three</b>	30 km 2D Seismic; Data Review
<b>Four</b>	One Well
<b>Five</b>	One Well

## **2. Work Completed**

In accordance with the proposed work programme, Neo has compiled a data base of geophysical and borehole data for PEL 186.

The gravity survey was undertaken in January, February and April 2007. A detailed gravity survey was carried out on 14 lines at 400m east west line spacing and 200m north south station spacing. Some 300 gravity stations were read in total.

The gravity data was provided to Stewart Geophysical Consultants Pty Ltd, who is in the process of merging the new data with last years gravity data.

### **3. Reporting Against Requirements of the Petroleum Act 2000**

**(a) Summary of regulated activities conducted under the licence during the year**  
Neo oil did embark on a Gravity Survey activity under the Petroleum Act 2000 in PEL 186 during this period.

**(b) Report for the year on compliance with the Act, these regulations, the licence and any relevant statement of environmental objectives**

The only non-compliance, involved not submitting the annual report within 2 months after the end of the licence year as required by Regulation 33.

**(c) Actions to rectify non-compliance with obligations imposed by the Act, these regulations or the licence, and to minimise the likelihood of the recurrence of any such non-compliance**

The licensee has reviewed the Petroleum Act and Regulations and in future will furnish the Annual Report in the prescribed time period and will include the required information as specified in Regulation 33.

**(d) A summary of any management system audits undertaken during the relevant licence year, including information on any failure or deficiency identified by the audit and any corrective action that has, or will be, taken.**

No management system audits were undertaken.

**(e) List all reports and data relevant to the operation of the Act during the relevant licence year**

**Data Submission**

For PEL 186

Annual Report Year 2

Robe Gravity Survey Report

**(f) Report of incidents reportable to the Minister under the Act and regulations**

None reported

**(g) Report on any reasonably foreseeable threats that reasonably present, or may present, a hazard to facilities or activities under the licence, and a report on any corrective action that has, or will be, taken.**

No threats identified

**(h) Operations proposed for the ensuing year**

During year 3 it is proposed to merge current gravity data with existing data and integrate with available seismic data. We will also be attempting to joint venture the lease with other oil explorers in order to carry out seismic work as specified in the work program.

Expenditure for the second year of PEL 186 is listed in Table 2.



#### 4. Expenditure for Year 2

**TABLE 2 Expenditure for Year 2 of PEL 186**

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April 2007

#### **EXPENDITURE AND ACTIVITIES REPORT FOR PEL 186**

**For twelve months ending : 27 January 2006**

**Operator : Neo Oil Pty Ltd**

<b><u>Summary of Activities</u></b>	<b><u>Expenditure</u></b>
Research of open file reports	
Computer data base GIS compilation	Commercial in
Acquisition of gravity data (200 stations)	Confidence
Consultants Report and data interpretation	
Reporting, admin., office support, communications, logistics	
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<b>TOTAL EXPENDITURE FOR THE PERIOD:</b>	
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