

PEL 72

Onshore Otway Basin

South Australia

Annual Report

For the Period

26 March 2000 to 25 March 2001

Permit Year 4, Term 1

Prepared by:

Origin Energy Resources Ltd

June 2001

Contents

1. Introduction.....	3
2. Administration.....	3
3. Exploration Activity	4
3.1 DRILLING	4
3.2 SEISMIC DATA ACQUISITION	4
3.3 GEOLOGICAL AND GEOPHYSICAL STUDIES.....	4
3.4 REPORTS/DATA SUBMITTED	4
4. Environmental Compliance	4
5. Future Work Objectives and Program	4
6. Expenditure Statement	4

1. Introduction

Petroleum Exploration Licence No 72 ("PEL 72") is located in the onshore portion of the Otway Basin, South Australia. This report covers the work performed by Origin Energy Resources Ltd as Operator of the PEL72 Joint Venture over the period 26 March 2000 to 25 March 2001. This period being the fourth year of the first term.

PEL 72 is in good standing with all required work commitments exceeded.

2. Administration

The working interests in the permit are as follows:

Origin Energy Resources Ltd	75% (Operator)
Essential Petroleum Resources Ltd	25%

Boral Energy Resources Ltd changed its name in February 2000 to Origin Energy Resources Ltd, following the de-merger of Boral Energy from Boral Ltd in February 2000.

The fourth year work commitment for PEL 72 was the drilling of one exploration well at an estimated cost of \$600,000. On 7 March 2001, the licence conditions were varied to combine the fourth and fifth year commitments to be the drilling of one well and data review at a total estimated cost of \$650,000. This variation was requested by the Joint Venture to accommodate the drilling of the McNamara Park 1 well that was delayed due to rig unavailability.

McNamara Park 1 eventually spudded on 25 May 2001, and was plugged and abandoned with no shows on 5 June 2001.

Farmout of 7.5% equity to Lakes Oil NL and 5% equity to Victorian Petroleum NL was registered prior to spudding McNamara Park 1. Formal Farmin Agreements are being processed and then the Minister will be asked to register this transaction. Following completion of these procedures equities in the permit will be:

	%
Origin Energy Resources Ltd	62.5 (Operator)
Essential Petroleum Resources Ltd	25.0
Lakes Oil NL	7.5
Victorian Petroleum Ltd	5.0

3. Exploration Activity

3.1 DRILLING

No exploration drilling was undertaken during the reporting period. Planning for the drilling of McNamara Park 1 was undertaken.

3.2 SEISMIC DATA ACQUISITION

No seismic acquisition was undertaken during the reporting period.

3.3 GEOLOGICAL AND GEOPHYSICAL STUDIES

Geological and Geophysical studies have focused on refining the location of the Year 4 commitment well, McNamara Park 1. This work has included final prospect mapping using data from the 1999 Mt McIntyre Seismic Survey. Prospect risking and economic studies have also been completed and a revised well proposal document for McNamara Park 1 has been prepared.

3.4 REPORTS/DATA SUBMITTED

The McNamara Park 1 well proposal and the McNamara Park 1 drilling program have been submitted to PIRSA.

4. Environmental Compliance

No environmental incidents were reported during the Permit year.

An Environmental Impact Report and Statement of Environmental Objectives for the drilling of the McNamara Park 1 exploration well were prepared and forwarded to PIRSA on 5 March 2001.

5. Future Work Objectives and Program

During Permit Year 5 it is planned to drill and evaluate the results of McNamara Park 1. In particular the results will be used to assess the remaining prospects in PEL 72. It is therefore expected that the geological and geophysical studies will focus on a prospectivity review of the permit aimed at making a decision regarding renewal of the end of Year 5.

6. Expenditure Statement

An Expenditure Statement for PEL 72 Joint Venture during the period from 26 March 2000 to 25 March 2001 is attached.

Not available for
public inspection
as per Regulation
33(5)

**PEL 72 ONSHORE OTWAY BASIN,
SOUTH AUSTRALIA**

PERMIT YEAR FOUR

26 MARCH 2000 TO 25 MARCH 2001

STATEMENT OF EXPENDITURE