

**PEL 88**

**COOPER/EROMANGA BASIN  
South Australia**

**ANNUAL REPORT  
Permit Year 1**

**16 November 2001 to 15 November 2002**

**COOPER ENERGY**

## **Contents**

- 1. Introduction**
- 2. Guaranteed Program versus Actual Work**
- 3. Permit Activity**
- 4. Expenditure Statement**

## **Introduction**

Petroleum Exploration Licence (PEL) 88 is a large permit, covering some 4,987 sq km of the northern SA portion of the Cooper/Eromanga Basins. The southern portion of the permit includes part of the northern extension of the Patchawarra Trough.

The permit was granted on 16 November 2001 and the first permit year of the initial five year term therefore expired on 15 November 2002.

Further to a Heads of Agreement dated 8 June 2001, Cooper Energy NL subsequently entered into a Farmin Agreement, (“Agreement”), with the licensee, Liberty Petroleum Corporation (“Liberty”) dated 1 November 2002. This Agreement, which has been lodged for approval and registration by PIRSA, provides for Cooper Energy earning a 40% interest in PEL 88 and being the Operator for the farmin and subsequent joint venture work programs.

Accordingly, this report, which details the work performed during the first licence year, is being submitted by Cooper Energy in accordance with the requirements of Section 33 of the Petroleum Regulations 2000.

### **1. Guaranteed Program versus Actual Work**

The first permit year provides for Geological and Geophysical studies, which has been more than satisfied through the acquisition of 44 km of seismic and the associated geological and geophysical studies. Cooper Energy will earn its 40% interest following the drilling of one well in the permit and is funding all the costs associated with the determination of a drilling location and the drilling of the well.

### **2. Permit Activity**

#### **2.1 Summary of Regulated Activities**

A total of 44 km of seismic data were acquired during August 2002 over three previously mapped structural leads in the expectation that at least one drilling location would result. The seismic operation was conducted by Stuart Petroleum as an extension to its program in adjoining permit PEL 90 (in which Cooper Energy is also earning an interest).

At the time of preparation of this report, a location considered mature for drilling had not been identified, though three structural culminations are evident, one probably requiring additional seismic, another being a relatively recent structure and the third requiring the incorporation of additional data, subject to reprocessing.

#### **2.2 Regulatory Compliance**

Cooper Energy, as Operator of PEL 88, has complied with all relevant conditions under the Petroleum Act 2000 and its Regulations.

### 2.3 Data Submission

The Farmin Agreement dated 1 November 2002 has been submitted for approval and registration.

Reports summarising the acquisition, processing and interpretation of the 44 km seismic program are yet to be received and will be submitted following receipt.

### 2.4 Proposed Operations

One exploration well (nominally "Eucalyptus 1") is planned for drilling before the end of the second calendar quarter 2003. The final location is subject to the incorporation of further seismic data to be reprocessed during January/February 2003.

## 3. Expenditure Statement

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