



Australian Government
Department of Resources
Energy and Tourism

AUSTRALIAN PETROLEUM NEWS

SEPTEMBER 2009

West Atlas – Minister Ferguson Inspects Response to Oil Spill

On 29 August 2009, Resources and Energy Minister, Martin Ferguson joined staff from the Australian Maritime Safety Authority (AMSA) in conducting their daily aerial inspection of the Montara wellhead platform and West Atlas drilling rig.

Oil and gas has been leaking from one of the Montara wells since Friday 21 August.

Minister Ferguson praised the professional work of all those involved in the response effort which AMSA is leading. Minister Ferguson said: "The oil and gas industry, along with federal, state and territory agencies have lent their full support, including equipment, materials and human resources, to assist the response effort.

"The response effort has been rapid and safely conducted, and it is a tribute to all those who have been involved for many years in ensuring Australia's preparedness to handle an oil spill through the establishment of the industry's Australian Marine Oil Spill Centre and AMSA's National Plan to Combat Pollution of the Sea."

Dispersant spraying continues in an effort to accelerate the breakdown of the oil. Natural evaporation and weathering of the oil is also occurring under improving sea and weather conditions.

AMSA undertakes daily surveillance and monitoring flight over an observation area spanning about 25 nautical miles (nm) x 70 nm. Within this observation area the majority of ocean is unaffected, however within it there are patches of oil and sheen. The heaviest oil is still concentrated around the rig itself but to be cautious, AMSA aircraft are also applying dispersant to the outer areas of the slick.

The heavier concentrations of oil surround the rig out to a distance of 3 nautical miles. The nearest point to the Australian coast is in excess of 80 nautical miles.

The West Triton drilling rig was, on 2 September, approximately 825 nautical miles from the Montara oil field and the estimated time of arrival is the afternoon of Tuesday 8 September.

On 1 September 2009, water deluge equipment arrived in Darwin from Singapore and was loaded on two dynamically positioned vessels.

The Minister, like everyone else, wants the leaking well repaired as fast as possible, but it has to be done safely and with due diligence.

Minister Ferguson said: "We will not put lives, facilities or the environment at further risk."

PTTEP, the Montara field operator, is working on operational, safety and environment plans required to support the deluge operations and for drilling a relief well to stop the flow of oil and gas into the environment.

Geoscience Australia's petroleum engineers have advised the government that a jack-up drilling rig is the most appropriate type of rig to drill the relief well, which is why the West Triton is the preferred option.

It is essential that the leaking well be sealed both safely and quickly. Safety is our top priority because any mistakes could escalate the situation, causing more harm to the environment.

The National Offshore Petroleum Safety Authority and the NT Government are working closely with PTTEP to ensure all work plans are approved as required to protect the health and safety of people and the environment.

Nomination of Areas for the 2010 Offshore Acreage Release

As announced at the 2009 APPEA Conference, the Commonwealth and State/NT governments are calling for nominations from interested parties for vacant offshore areas to be considered for release in 2010.

Nominations are treated as "Commercial-in-Confidence", should be in writing, and be forwarded by **12 October 2009** to the relevant State/NT Department or the General Manager, Offshore Resources Branch, at the address at the end of this newsletter. Earlier nominations are welcomed as this will facilitate release area selection and finalisation.

While expressing interest does not guarantee inclusion in the release, all nominations are considered seriously and are subjected to a rigorous assessment and short listing.

In considering which areas to release, we look at whether there is a new geoscientific story or a new market development that might generate the interest of potential bidders. We also look at synergies with other industry activities such as drilling programs, speculative survey proposals, and the Geoscience Australia research agenda.

Industry will be advised of proposed short listed areas for release in the November/December issue of *Australian Petroleum News*.

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, 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 areas plus 2 special areas]	NT09-1 W09-1 to 5, 9 to 11 & 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, 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

Australian Petroleum Statistics

The June 2009 issue of *Australian Petroleum Statistics* (APS) is now available. It contains statistics on petroleum production, refining, consumption, stocks, imports and exports.

APS was previously only available by subscription. It is now published monthly here: <http://www.ret.gov.au/resources/fuels/aps/Pages/default.aspx>. This website also contains archived issues of APS.

Further information on APS can be obtained by contacting Ms Teresa Peczalski by Phone +61 2 6213 7797 or e-mail: psims@ret.gov.au

Call for Comments on Proposed Changes to the Data Management Regulations

A discussion paper proposing changes to the *Petroleum (Submerged Lands) (Data Management) Regulations 2004* is available for comment.

In 2008, policy approval was given for removal of the requirement for data management plans from the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) and the data management regulations. This necessitates the need to amend the data management regulations before activities commence on new petroleum or greenhouse gas acreage so that petroleum data continues to be collected, stored and submitted on a similar basis to now.

The amendment bill for the Act is currently in Parliament awaiting finalisation of the debate on it. Finalisation of the debate is expected to take place in September.

The paper sets out proposed changes to the regulations with a view to establishing a workable set of regulations by the end of this year. It is noted that it is still intended that data management regulations will form part of a larger consolidated set of regulations covering wells, data, pipelines, datum, resource management and administrative matters covering a range of fees and transfers and dealings. The Department of Resources, Energy and Tourism is working on having a consultation draft of consolidated regulations out for review before the end of this year.

Please note that this set of amendments includes a number of amendments to include data generated by greenhouse gas storage and injection activities.

Comments on the proposed amendments are invited by **COB 21 September 2009** so that a consultation draft can be circulated in early November with the regulations to come into force by the end of 2009.

A copy of the paper may be obtained by contacting Mr Malcolm Jamieson, on telephone +61 2 6213 7334 or e-mail Malcolm.Jamieson@ret.gov.au

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If you or your colleagues would like to receive future annual Offshore Petroleum Exploration Acreage Releases on CD-ROM and be notified when new editions of this Newsletter are issued, simply forward your address, phone/fax and e-mail details to the e-mail address below.

There is no charge for this service or the CD-ROM. This distribution list is not used for purposes other than notifying registered parties of relevant petroleum issues, as indicated above.

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