



*Pex would like to wish all subscribers a very Merry Christmas & happy New Year .*

*We hope 2007 is a healthy and prosperous one for you.*



*Please note that the office will be closed over the Christmas/New Year period from Dec 21 to Jan 8.*

*The Pex Staff*

**Look out next year for our newest product– Pex Central!**

We are currently fine-tuning the newest addition to our product list, Pex Central; a multi-faceted, on-line oil & gas exploration activity database providing comprehensive details about current, future and historical exploration and appraisal activity undertaken in Australia, New Zealand & PNG. While it's taken us longer than we anticipated to develop Pex Central, we are pleased we will be able to bring readers this exciting new product in the first quarter of next year.

**Please note our publication dates for first issues in 2007.**

- mPex Daily: Jan 8**
- Drilling Report: Jan 11**
- Oil & Gas Radar: Jan 12**
- Who's Drilling: Jan 12**
- REnergy: Jan 17**
- StockAnalysis: Jan 17**
- Pex Monthly: Feb 1**





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## TERMS AND CONDITIONS

**For your reference, the following is a guideline to the frequency of editions published over the year for each publication as per our terms & conditions.**

Oil & Gas Radar – Published weekly on Friday (except if the Friday is a public holiday, in which case the issue will be published on the Thursday). 48 issues per year including four editions of Oil & Gas Radar quarterly

Who's Drilling – Published weekly on Friday (except if the Friday is a public holiday, in which case the issue will be published on the Thursday). \*Minimum 48 issues per year

Drilling Report – Published weekly on Thurs (except if the Thursday is a public holiday, in which case the issue will be published on the Wednesday). \*Minimum 48 issues per year

Pex Monthly – Published monthly on the first of every month (except where this falls on a weekend or a public holiday, in which case the issue will be published on the next business day). 11 issues per year, report not published in Jan.

mPex Daily – Published daily (except public holidays). \*Minimum 229 issues per year

Quarterly Report Analysis (QRA) – Published quarterly, around nine days after the end of the report submission period. Four issues per year

REnergy – Published fortnightly. Minimum 24 issues per year.

\*Number of issues per year takes into account the annual leave entitlements for the editors. Subscribers frequently get more issues than the stated minimum amount





## DECEMBER'S PUBLICATION HIGHLIGHTS

### **OIL & GAS RADAR (formerly the Lipscombe Report)**

**Published weekly**

**Annual subscription \$2350 (email)**

Beach lining up Otway Basin VIC-P-46 well as part of Ensco-100 jackup rig club program of seven operators led by Apache & coordinated by Australian Drilling Associates

Extended drilling time & testing at ConocoPhillips' Barossa-1 in NT-P-69 [also Santos 40%] points to another regional gas discovery & could affect partners' future rig requirements

Shell's Prelude-1 in WA-371-P, spudded by new-to-the-coast floater Ocean Epoch last Monday, only 4km from closest point of bordering permit - Inpex's WA-285-P containing giant Ichthys Browse Basin gasfield which is mapped as continuing into WA-371-P; Shell planning to drill 12 wells between November & April 2008, each taking 16-37 days to depths between 2400-5000m

Nexus Energy starts Federal environmental process for Crux gas-liquids recycling project in Vulcan Sub-basin AC-P-23, processing gas on FPSO to separate condensate for sale with gas re-injected for future use; estimated recoverable reserves of 48mil bbl condensate liquids over 15-year project life

Chevron looking to contract deepwater rig for 18-36 months' work starting in 2008, possibly in rig-share arrangement with Woodside which next month is taking highest capacity rig on coast, Jack Bates (9144m drilling depth in 1645m water), to Gulf of Mexico for two years starting March 2007 after 120-day mobilisation

ConocoPhillips/Karoon assessing rig options to drill one well in each of Browse Basin WA-314-P & WA-315-P, committed by February next year; meetings with rig contractors continuing later this month

### **PEX MONTHLY**

**Published monthly**

**Annual subscription \$325 (email)**

#### **Beach, Bass Strait put hands up for Ensco-100 slots**

Further details of Ensco-100's rig share program, led by Apache & coordinated by Australian Drilling Associates, emerge with Beach lining up an Otway Basin VIC-P-46 well as part of a farmin deal; in March the company increased its position from 17.5% to 50% & operating. The uncontracted 320km<sup>2</sup> Bernoulli 3D seismic survey has been scheduled to firm up the prospect of the same name; one of several - including Kepler, Halley, Normandy & 1TCF potential Fermat - identified by previous operator Essential.

#### **Multinational lifting local players big & small**

ConocoPhillips' success has already lifted Santos up on the back of big Bonaparte Basin discoveries, and its quiet entry into other Australian acreage looks set to give a leg up to other Aussie companies. In October Karoon Gas farmed in ConocoPhillips for 60% of Browse Basin WA-314-P & WA-315-P in a staged deal which will see the multinational; pay US\$6.9mil to reimburse Karoon's seismic costs for 1200km<sup>2</sup> 3D & 800km<sup>2</sup> 2D in the permits, fund 80% of two wells plus testing estimated to cost between US\$60-80mil, and



## **MPEX DAILY**

Published daily

Annual subscription \$660 (email)

### **Santos locked out in cold as AGL cruises in on QGC**

The tapping noise accompanying today's major announcement by QGC is the sound of the final nail being driven into the coffin for Santos' ambitious takeover bid for QGC – an emerging force in the CSG landscape – with the company releasing details of a new strategic alliance between itself and major integrated energy provider AGL. Ever on the lookout for new opportunities to integrate with and expand its current business, and having recently lost out on its bid for Sun Retail to Origin, AGL has now set its sights on a slice of QGC, inadvertently thwarting Santos' bid in the process.

### **Mosaic follows Federal Labor's lead and re-shuffles front bench**

Mosaic has been doing some head hunting to get its board to the point which the company feels has the right mix of industry experience and general business advisory nous, appointing an accountant and a lawyer to the management team. Accountant Peter Barrow steps in to a non executive role, bringing current board experience across a range of industries including hospitality, plus his knowledge of resources accounting, having been associated with the auditing committee of Cluff Resources.

### **Unlike planet, Woodside wants its Pluto to remain on list**

It is full steam ahead for Woodside in regards to plans for the fast-tracked development of its 100% owned Pluto LNG project in WA-350-P, with the company approving the spending of A\$1.4bil in project spending, conditional on a final investment decision being made in the affirmative mid next year. The new spending allocation by Woodside comes despite major uncertainties on an environmental level, which has been reported in the media as possibly putting the Pluto project "in doubt".

### **Arc gets operational practice in Canning ahead of the real deal**

Arc is so confident about the success chances of its upcoming Canning Basin exploration program, that it will embark on a dry run to trial its production operations skills in the region by acquiring 100% of a small scale producing asset that, according to Managing Director Eric Streitberg, will "give us excellent experience for when we bring onstream discoveries made in the forthcoming drilling program." Arc will spend \$2.8mil, which will hardly make a dent in its current \$55.9mil war chest, to acquire 100% of EP-129, L-6 (containing the producing Blina oilfield), L-8 (Sundown/West Terrace) and PL-7, plus application area 7/05-6 from TSX-listed Golden Dynasty. The deal is considered to be done and dusted, with just the usual formalities including shareholder approval.

### **Hope for gas production as partners move to test Sugarloaf**

Adelphi and fellow listed partners Eureka and Aurora have been sufficiently encouraged by the information seen to date at the ultra deep Sugarloaf-1 well on the Texas Gulf Coast to justify throwing extra funds to the tune of US\$2mil into the kitty for further evaluation procedures. Open hole logs over a 1189m interval from 5182m to the total depth of 6371m indicates that a 27.4m gas saturated interval in the primary Hosston target could possibly be capable of sustaining production after frac stimulation.



## WHO'S DRILLING

Published weekly

Annual subscription \$1035 (email)

ConocoPhillip's Barossa-1 flowed gas at a rate of approximately 30.1MMcfd through a 56/64" choke, with a condensate rate of 7-9bbls per MMcfd of raw gas. The well was plugged and abandoned as a gas discovery.

LWD logs at Arc's Eremia-6 indicated the well intersected a 23m oil column with an oil-water contact approximately the same as the original field oil-water contact.

DST-2, over the interval 1640-1856m, at Interoil's Elk-1 flowed 21.7MMcfd through a 2-1/2" drill string on a 60/64" choke.

At Mosaic's Churchie West-1, a flow test conducted over the interval 2135-2185m through a 1" choke recorded a stabilised gas flow of approximately 3.5MMcfd.

## REENERGY

Published fortnightly

Annual subscription \$315 (email)

### **Gorgon could catch carbon dioxide in monstrous proportions**

- Another Low Emission Technology Demonstration Fund winner has been announced, the Gorgon carbon dioxide capture and storage project in Western Australia
- The Federal Government has pledged \$60mil 'to support the world's largest carbon dioxide capture and storage project'
- Work has already started on the project, which plans to capture carbon dioxide from the proposed Gorgon gasfield and inject it deep underground

### **Community wind farm proposal for Mount Barker, WA**

- Perth-based Skyfarming Pty Ltd is planning a small wind project at Mount Barker in WA, 55km inland of the south coastal centre Albany
- Due to its inland location, the turbines will need to be on higher, 75m towers than equivalent coastal projects
- The planned site is just west of Albany Highway on the closest hill to the Mt Barker sub station 3km away, & on the opposite side of the highway to views of the Stirling and Porongurup Ranges

### **Sydney desalination plant approved – with emissions conditions attached**

- The Kurnell Desalination Plant in Sydney has received state government development approval with certain conditions, some relating to greenhouse gas generation
- Sydney Water Corporation must submit 'a strategic plan for the management, minimisation and offset of greenhouse gas generation associated with electricity supply to the desalination plant'

### **Blacktown to be lit up by Solar City program**

- Blacktown in western Sydney was selected as New South Wales' first and Australia's third Solar City under the Federal Government's \$75mil Solar Cities program
- Blacktown City's bid is made up of a consortium led by BP Solar, and including ANZ Banking Group, Integral Energy, Landcom, Big Switch Projects & Blacktown City Council
- The consortium will receive up to \$15mil through the Solar Cities initiative and expects to leverage an additional \$22mil from industry and other partners



## **STOCKANALYSIS HIGHLIGHTS**

**Published weekly**

**Annual subscription \$349 (email/online login)**

StockAnalysis has been closely following some high profile drilling activity in the USA during November, most notably Adelphi, Antares, Golden Gate, Golden State, Entek as well as a slate of others, while keeping a watchful eye on Roc Oil's corporate and exploration action ahead of its high profile Angolan exploration in April 2007. Not all the news has been good with dusters, as usual, more prevalent than discovery, but the underlying theme in the oil patch remains optimism about a future high and rising price for oil and gas. Last month my recommended hard rock exploration companies began to perform strongly as they moved feasibility studies forward and put off-take and finance agreements in place. This has seen Mirabela Nickel and Albidon Ltd move up strongly, while new picks, Exco and Havilah have also traded strongly on a string of positive exploration and joint venture announcements.

Subscriber numbers are rising and I visited both Sydney and Adelaide during the month to meet with companies and subscribers. I would like to take this opportunity to wish all PEX and StockAnalysis subscribers a very happy Christmas and a safe and prosperous New Year.



**PUBLISHING CALENDAR DECEMBER 2006 AND JANUARY 2007**

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SAT	SUN
Dec 4 mpex daily	5 mpex daily	6 mpex daily StockAnalysis	7 mpex daily drilling report	8 mpex daily who's drilling Oil & gas radar	9	10
11 mpex daily REnergy	12 mpex daily	13 mpex daily StockAnalysis	14 mpex daily who's drilling drilling report	15 mpex daily Oil & gas radar	16	17
18 mpex daily	19 mpex daily	20 mpex daily StockAnalysis REnergy who's drilling	21	22	23	24
Office Closed due to Christmas and New Year						
25	26	27	28	29	30	31
Holiday Season						
1 Jan	2	3	4	5	6	7
8 mpex daily	9 mpex daily	10 mpex daily	11 mpex daily drilling report	12 mpex daily who's drilling Oil & gas radar	13	14
15 mpex daily	16 mpex daily	17 mpex daily StockAnalysis REnergy	18 mpex daily drilling report	19 mpex daily who's drilling Oil & gas radar	20	21
22 mpex daily	23 mpex daily	24 mpex daily StockAnalysis	25 mpex daily drilling report who's drilling Oil & gas radar	26 AUSTRALIA DAY	27	28
29 mpex daily	30 mpex daily	31 mpex daily StockAnalysis REnergy	1 Feb mpex daily drilling report Pex monthly	2 mpex daily who's drilling Oil & gas radar	3	4
<b>- OFFICE IS CLOSED FROM DECEMBER 21, 2006 TO JANUARY 8, 2007-</b>						