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The Cliff Head Oil Field, Offshore Perth Basin, Western Australia: The Lonely Crude that Needed a Cuddle

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From its discovery in December 2001 to first oil production in May 2006, the history of the Cliff Head Oil Field has been one of surprises: some good, some bad. This mix of fortunes ranged from a key appraisal well being dry and a significant capital cost blow-out to first oil production being achieved two months ahead of record oil prices and an early reservoir performance which exceeded base case expectations.

Along the way, the development achieved several notable "firsts" for the Australian oil industry – although at times the Joint Venture might have preferred to have had a development that was less pioneering and more routine.

Field development necessitated a carefully thought-out plan tailored to address various specific challenges. These included a remote location, an onerous government and environmental framework, a sensitive local fishing industry, the nature of the reservoir and the oil it contains together with a global service and contracting industry that was beginning to boom and therefore had little interest in a modest-sized new field development in the offshore Perth Basin.

Apart from the geological and engineering aspects of the development that required resolution, the interface between ROC, as operator, and a very large and regionally important crayfish industry, could also have posed significant challenges. However, after more than six years working alongside each other, sharing the ocean's resources, ROC and local crayfishermen readily acknowledge that none of the envisaged challenges developed into problems of any significance. Similarly, a myriad of potential environmental issues, plus a

demanding government approval process, were dealt with expediently and constructively. As a result, the time from Final Investment Decision to first oil was less than 14 months – which is believed to be a record for a full oilfield development offshore Australia.

The longer term success of the 15 MMBO Cliff Head Development will depend upon many factors, not least of which are future field performance and oil price. However, the development has already demonstrated what can be achieved when a Joint Venture, composed mainly of small Australian oil companies, mixes a great deal of determination with a large does of lateral thought in order to achieve a clear collective goal – just as serendipity stepped in to provide further assistance in the form of a strong oil price!