
Monetising oil and gas from remote resources and providing energy security for the region and Australia

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Abstract

The predicted shortfall of natural gas resources that was so talked about till the mid 2000's has all but disappeared. The reason for this disappearance is the realisation that the world, and indeed Australia, has vast amounts of un-conventional natural gas as shale-gas and coal seam methane (CSM). As well as gas, Australia has very great potential to be a major producer of unconventional oil, oil derived firstly from tight sandstones/siltstones utilising new fracking technologies. In fact, unconventional oil derived from these lithologies and into the more distant future oil derived from gas and coal, has the serious potential of pushing the 'peak oil scenario' very far into that the distant future.

Energy security is important to Australia. Having large and economically recoverable resources of raw fossil fuels must be complemented with realistic logistics on how to move those resources from remote locations, and thence processing options (refining and blending) to produce fuels that meet user specifications.

Australia, and indeed Queensland, has world class resources of CSM, gas that is presently being developed for both export as LNG and as a fuel for power generation for replacing coal in the energy mix. Queensland and the Northern Territory have the potential for very substantial shale-gas and unconventional

oil resources, with many of these being under lease or application to Central Petroleum (CP). CP has potential unconventional and conventional oil, gas, coal and helium resources that could provide energy security for the Australian nation.

The development, mining and processing of minerals including rare earths, phosphate, copper and gold, and base metals, as are found in the extended Mt. Isa minerals province and in many parts of the Northern Territory, all require energy. In Queensland the CP shale oil/gas prospects are in good proximity to the Ballera to Mt. Isa gas pipeline that feeds Mt. Isa with gas for power generation plus gas for smelting purposes. In the Northern Territory, CP's potential oil and gas lies in exploration permit and exploration permit applications in the Amadeus, Wiso, S. Georgina and Pedirka basins.

Unconventional hydrocarbons have enormous potential in many countries around the world including parts of Europe, the US, China and India, some of our major trading partners. This has the potential to result in significantly lower energy cost bases in these countries. To maintain/attain competitiveness with our trading partners it is very important Australia achieve progress in the exploitation of unconventional hydrocarbons which will in turn help maintain the nation's energy sector and underwrite the health of the entire economy, as well as safe guarding our energy security.

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