

Australia's Oil and Gas: Moments In Time

During a recent conversation with Strike Oil's Don Poynton, Don put forward the notion of *PESA News* reflecting on some of the significant milestones that helped form Australia's petroleum industry.

Typical of Don, not only had he given the idea some thought, but he had already started putting a calendar of significant events and dates together. Without too much persuasion, Don produced a copy of the calendar and then proceeded to list some on the individuals that *PESA News* should interview, ensuring their memories are recorded, before it is too late.

Subsequently, the new section of *PESA News*, Australia's Oil and Gas: Moments in Time, is set to commence in this edition, just in time to celebrate what is perhaps Australia's most significant 'discovery', Rough Range, 50 years ago in December 1953.

The discovery, which was heralded as the most significant development of the 20th century, turned out to be somewhat of a fizzer. However, what it did was to focus attention on Western Australia's potential resources and, as a result, set the state on the road to becoming the country's most significant resources producer.

As to the calendar, as you will see, it contains a detailed history of Australia's petroleum

milestones, 50, 40 and 30 years ago. However, if you can think of any events missing, then let us know and we will add them.

It is the intention to cover at least one event in each edition of *PESA News* during 2004—the event itself as well as interviews with those who were actually present—and can remember what happened. Maybe you would like to recall your memories of a particular event and tell us what significance it holds for you?

In this edition, the Rough Range oil discovery is our first focus of attention. Phil Playford opens the article, and in doing so highlights how little we knew about oil and gas in those days. Following this, Murray Johnstone and Jim Parry help us to understand what it was like at the well site, some 1300 km from the comparative sophistication of Perth.

Following on from Rough Range, we turn our attention to Gidgealpa-2, Australia's first commercial gas discovery, 40 years ago. ■



Learmonth, near Rough Range, December 1953: WAPET staff listening to radio reports of the oil discovery.

HAPPENING 50, 40, 30 YEARS AGO

50 years ago (December 1953–January 1954): Rough Range-1 was not the only well drilling at this time. AAO spudded **Hospital Hill-4** at Roma in the Surat Basin on January 14 1954 in an attempt to find more gas at Australia's first producing gas field (albeit for only 10 days in 1906); Winneills Pty Ltd is recorded as drilling a scout bore **Normanby-1** southwest of Ipswich in the Surat Basin to test for the source of an oily scum seen in a nearby creek; and some time in late 1953 Murilla Oil Co suspended its **Boyanda-1** well 50 km south of today's Peat field in the Surat Basin, after deepening a well that it had located by diving and had been intermittently drilling since 1935!

40 years ago (December 1963–January 1964): Exoil's third well in the Amadeus Basin, **Mereenie-1**, was spudded on December 2 1963 but had to be abandoned for operational reasons early in the new year—blankets and shredded camp mattresses apparently proving inadequate to stem a blow out. However this was not before the well produced gas at the rate of 136,000 m³ per day (4.8 MMcf per day) and revealed indications of possible liquids, from the Ordovician Pacoota Sandstone.

The subsequent appraisal wells established several benchmarks. **East Mereenie-1** flowed gas at almost 700,000 m³ per day (19.9 MMcf per day) which still ranks as one of the highest test rates recorded onshore in the country—the well is still producing, **East Mereenie-2** was the first well in Australia to be successfully drilled with air, while **West Mereenie-2** was the first well in Australia to be successfully drilled using natural gas as the circulating medium.

Despite a 332 m gas column and a 98 m oil leg, the remoteness of the field, lack of markets and a prolonged dispute over Aboriginal land rights held up development until 1984. The Mereenie oil and gas field and the nearby Palm Valley gas field were the first petroleum leases and potential developments in Australia to be the subject of Aboriginal land rights claims and negotiations.

The remaining reserves after 20 years of production are 200 Bcf of gas and 5.7 MMbbl of oil and condensate. Oil production in 2001/02 averaged 1270 bopd and sales gas production about 35 MMcfpd with a further 12 MMcfpd reinjected for pressure maintenance.

Other significant wells drilled or drilling during this period included Delhi's **Gidgealpa-2** gas discovery well (see story on page 28), Union Oil's **Myall Creek-1** (40 years later the field is now being developed by Origin) and AAR was pushing down development wells at Bony Creek and Richmond gas fields in the Surat Basin.

30 years ago (December 1973–January 1974): this was a pretty lean time with all 12 exploration wells being P&A without a discovery despite there being just as many offshore rigs operating as we have today—*Big John*, *Glomar Conception*, *Glomar Tasman* (I remember a great Christmas dinner) and *Ocean Digger*.

Exploration was being pushed into unfashionable areas; the Queensland Mines Department was busy drilling **Jericho-2** as a stratigraphic well to define the western edge of the Drummond Basin and Continental Oil Co of Australia was shooting seismic in the Bremer Basin offshore from Esperance in Western Australia.