

Empire's Bite Of The Apple Isle To Be Drilled

US-based exploration, production and mining company, Empire Energy Corporation, through its wholly owned subsidiary Great South Land Minerals (GSLM), has announced its intention to pursue the next phase in the onshore search for oil and gas in the Tasmania Basin.

Empire's Tasmanian license area covers more than 15,000 km², about 23% of the state, making it among the largest frontier basin leases in the free world controlled by a single entity.

Tasmanian Minister for Energy and Resources, David Llewellyn, has been advised that the company intends to submit the necessary applications to commence a drilling program

in July this year, initially involving three wells at Bracknell, Tunbridge and Bellevue.

The proposed drilling program would involve up to eight wells over the next year to test the petroleum systems of the onshore Tasmania Basin.

The wells will build on a database of seismic, gravity, magnetic, geochemical and geophysical data to determine the potential of prospective resources, estimated at 67 to 145 MMbbl of oil and 347 to 799 Bcf of gas, which would be worth \$7 to \$15 B at today's prices.

The drilling program, costing \$31 MM, is believed to be one of the first significant onshore exploration efforts for oil and gas in Tasmania, with the Tasmanian Government

standing to reap 12 % of the well-head value of any oil or gas discovered in royalties.

Although Tasmania lies immediately south of the oil-rich Bass Strait, royalties from offshore production go to the commonwealth.

Llewellyn said the state would dearly love to export natural gas to the mainland after an extended period of having to import energy using the Basslink undersea cable.

"Rising oil costs and diminishing world reserves makes the Tasmanian exploration very important. A commercial oil or gas discovery would benefit our economy enormously and assist in meeting Tasmania's and Australia's future energy needs", he said. ■