Excerpts from
RDTL National Petroleum Authority (ANP) Annual Reports relating to Reliance’s block in Timor-Leste


4.2.2. Contract Area S06-06
Contract Area : 2,384KmSq
Operator : Reliance E&P DMCC
Partners : Oil India Limited (OIL) and India Oil Company (IOC)

Exploration
Work undertaken within the PSC by Reliance and Joint Venture Partners Indian Oil Corporation (12.5%) and Oil India (12.5%) comprised an infill 2D seismic survey (320 line kilometres) and a 3D seismic survey over an area of 1300 square kilometers. These surveys were approved by the ANP and processing and interpretation of this data is due to be completed in early 2009 with the view of generating prospective drill targets. S06-06 has a work commitment of 1 well, scheduled to be drilled by the end of 2009. The ANP continues to actively monitor progress made by Reliance in obtaining a suitable deep water rig for the 2009 drill program.

Health and Safety
In September 2008 ANP conducted a vessel inspection on Viking II at Dili Port just prior to the vessel sailing to block S06-06 for their 3D seismic survey.
8.2 Reliance Exploration & Production – DMCC (REPDMCC)

Reliance is an India based company, participating in Block-K PSC through its wholly owned subsidiary REP DMCC (75% share) as Operator along with its Joint Venture partners Indian Oil Corporation Limited (12.5% share) and Oil India Limited (12.5% share).

Exploration

Work undertaken by Reliance in the Initial Period of the PSC included:
(a) reprocessing and interpretation of existing 2D seismic data (440 line kilometers),
(b) acquisition, processing and interpretation of new 2D seismic survey (325 line kilometers), and
(c) acquisition, processing and interpretation of new 3D seismic survey (1300km²) with the aim of assessing prospectively of the Block and identifying suitable prospects for drilling.

Reliance relinquished 25% of the PSC area at the end of Initial Period, and currently is in the Second Period of the PSC. Reliance had requested for an extension in the exploration period due to lack of availability of suitable deep water drilling rig in the market. The extension request was accepted and Reliance will be preparing for drilling in 2010. The drilling activity is planned to be conducted with the semi-submersible drilling rig, Blackford Dolphin or any other equivalent rig.

Figure 20 Map showing PSC block S06-06
Health & Safety

Due to the unavailability of deep water drilling rigs on the world market, Reliance was not able to perform its drilling activities planned for 2009. Hence there were no HSE requirements to be fulfilled.

However, Reliance was informed that they will be required to submit the Safety Case for the intended drilling rig to be used for any drilling activities in 2010. The safety case will need to be submitted to the ANP, 90 days prior to commencement of drilling activity. The Safety Case will be assessed for approval.

Commercial

As requested by Reliance Exploration and Production DMCC (REP-DMCC) ANP approved the assignment of interest in the PSC S-06-06 in favor of Oil India Corporation (OIC) and Indian Oil Limited (OIL) (Letter P/ANP/S/.08.0037, of 15 October 2008). As a result, the participating interest hold by REP-DMCC, OIC and OIL in the PSC S-06-06 became respectively 75%, 12.5% and 12.5%.

8.3 Environment Assessment

Based on the current portfolio of the Secretary of State for Environment, it has been decided that the ANP will not be the responsible entity for reviewing and approving environment related documents for oil & gas activities within TLEA and onshore Timor- Leste. Hence, oil companies will be requested to approach the Secretary of State for Environment to obtain the requirements needed to proceed with any oil & gas projects.

Local Content

Local content program under PSC S06-06 was not executed by the end of 2009. None the less all parties; SERN, ANP, and REP DMCC agreed that the commitment will be utilized to purchase geological mapping equipment for the ongoing geological mapping project which is managed under the office of SERN. It is expected that the purchase of the equipment will take place in 2010.