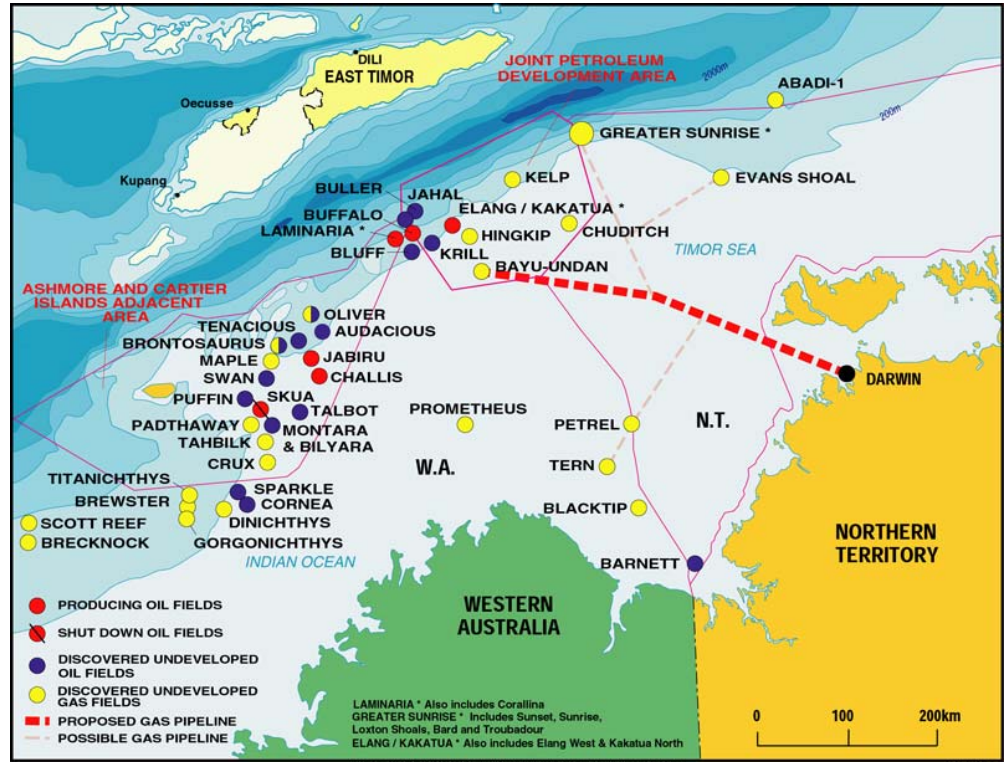


Oil & Gas

ELANG KAKATUA OILFIELDS



Timor Sea Oil & Gas fields

LOCATION

The Elang Kakatua oilfields are located in Joint Petroleum Development Area permit 91-12.

Elang is 500 km north-west of Darwin. Kakatua is 12 km from Elang-1. Kakatua North is about 2 km north of Kakatua -1.

PARTICIPANTS

Joint venture participants in the 91-12 permit area include:

<i>ConocoPhillips (operator)</i>	42.417%
<i>Santos (JPDA 91-12) Pty Ltd</i>	21.425%
<i>Inpex Sahul Ltd</i>	21.209%
<i>Petroz (Timor Sea) Pty Ltd</i>	13.371%
<i>Emet Pty Ltd</i>	1.577%

On 14 April 1999, it was announced that BHP Petroleum had sold its interests in JPDA permit 91-12 to ConocoPhillips.

HISTORY

Elang was discovered in February 1994 and Kakatua was December the same year. Kakatua North was discovered in January 1997. In February 1997, the Joint Authority administering the JPDA approved plans to jointly develop the fields.

PRODUCTION

Production started in July 1998, the first oil production within the Zone of Cooperation (now known as the Joint Petroleum Development Area).

The target production rate of 32,500 barrels of oil per day (5,167 cubic metres) was initially exceeded before production began a natural decline.

In early 2000, a sidetrack well from the Elang-1 was drilled and a workover of Elang-2 was completed. Production at combined rates of more 20,000 barrels (3,180 cubic metres) of oil per day was subsequently achieved. This remedial work is expected to extend field life through 2003.

The Elang, Kakatua and Kakatua North fields are currently producing around 5,500 barrels per day. Cumulative production through October 2002 was approximately 25.5 million barrels of light, low sulphur crude oil.

As at October 2002 reserve estimates are 29 million barrels.

PROJECT

The fields have been developed using four subsea completion wells connected to a floating production, storage and offloading facility, the *Modec Venture 1*.

The *Modec Venture 1* is the former *Skua Venture*, which sold to Modec Inc of Japan and leased back to project participants. It is moored near the Elang field.

Storage capacity is 950,000 barrels (151,000 cubic metres) of oil. Crude is exported by shuttle tankers. Initial overall capital investment by the participants was about A\$140 million, not including recent drilling and workover investments.

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