

### ENVIRONMENT AND COMMUNICATIONS REFERENCES COMMITTEE

22 October 2021

The Hon Keith Pitt MP Minister for Resources and Water PO Box 6022 House of Representatives Canberra ACT 2600

Dear Minister Pitt

## Oil and gas exploration and production in the Beetaloo Basin

Thank you for your letter dated 15 October 2021.

In considering your response, the committee notes that some of its questions were not fully answered. To be clear, the committee requests that you address each of the following questions separately and in turn:

- 1. Can you please advise the committee whether Empire Energy or any of its staff verbally communicated with you or your office in relation to the eligibility criteria and application process for the grant program prior to 18 March 2021?
- 2. Did you or your office receive a copy, have knowledge of or participate in an email exchange between the Minister for Energy and Emissions Reduction and Empire Energy dated 14 January 2021 (FOI Disclosure Log 21-013-68011m, p. 6, attached)?
  - In this respect, the committee draws your attention to Senate Procedural Resolution 51 which clearly indicates that the fact that a freedom of information request for information has been or could be refused under the FOI Act is not a legitimate basis for declining to provide documents or answer questions.
- 3. Can you advise whether you or your office discussed with Minister Taylor or his office communications between them and Empire in relation to the grant program? Please provide the committee with a copy of any written documentation evidencing that discussion?
- 4. FOI Disclosure Document 68003 (<u>attached</u>) appears to show correspondence to or from Empire Energy on 6 January 2021. Please provide a copy of this unredacted email, again noting Procedural Resolution 51.
- 5. Have you and Minister Taylor, or your respective offices, discussed applications and applicants for funding under the grant program?

6.	In relation to the identification of requested documents, please see Order for Production
	of Documents No. 1209 at p. 114, which refers to Attachment A (BCDP Funding Matrix)
	and Attachment B (Disclosure of Interests), and at p. 115, which refers to 'all Attachments
	[that] form the minutes of the Beetaloo Cooperative Drilling Program Committee meeting
	held on 24 May 2021'.

The committee would appreciate your response to its questions by 3 November 2021.

Yours sincerely

Senator Sarah Hanson-Young **Chair** 



### The Hon Keith Pitt MP

#### Minister for Resources and Water

Senator Sarah Hanson-Young Chair Environment and Communications References Committee Parliament House Canberra ACT 2600

Dear Senator,

Further to your letter dated 22 October 2021 requesting additional information to oil and gas exploration and production in the Beetaloo Basin, I provide the following response.

I have provided relevant answers to questions raised in your letter via my response to the Senate Order for the Production of Documents No 1262 (the Order) moved by Senator Hanson-Young and agreed by the Senate on 22 November 2021, seeking documents related to the inquiry into oil and gas exploration and production in the Beetaloo Basin.

Please find attached the relevant documentation to the Order.

I apologise for the format of the Attachments A and B. These original documents were designed within the Grant Hub format, which does not translate to a printable version cleanly.

Yours sincerely,

Keith Pitt

25/11/2021

#### SENATE ORDER FOR THE PROUDCTION OF DOCUMENTS NO 1262

In relation to your request for additional documents to those provided in OPD1209, you have identified recently which documents you now seek.

I attach the Beetaloo Cooperative Drilling Program Funding Matrix which was noted as Attachment A in the documents previously supplied to you.

I also attach the Disclosure of Interests which was noted as Attachment B in the documents previously supplied to you.

Please note that I am making a claim of Public Interest Immunity over the redacted materials in the documents referred to as 'Attachment A Beetaloo – Funding Tracking Sheet – Scoring Matrix' and 'Attachment B DOI – List of Application – Beetaloo May 2021' on the grounds that release of this information has the potential to damage the commercial interests of applicants to the Beetaloo Cooperative Drilling Program and their suppliers. This information is not publicly available and relates to the commercial intentions of the affected parties. It has the potential to impact on the ability of affected parties to effectively plan activities and negotiate fairly with suppliers.

In relation to other items, I would like to re-state as I have done on numerous occasions that neither I, nor my office, had meetings with Empire Energy.

I confirm that neither I nor my office, has held meetings with Minister Taylor or his office, to discuss the Beetaloo Cooperative Drilling Program.

I re-state that I as Minister for Resources and Water am the only decision maker in relation to approving grant agreements under the Beetaloo Cooperative Drilling Program, after taking into account the application assessment made by an assessment committee of experts.



# Beetaloo Available funding

	2021-22	2022-23	Total	3
Allocated by Committee	\$ 8,722,581	\$ 13,083,872	\$21,806,453	
Remaining Funds	\$ 11,277,419	\$ 16,916,128	\$28,193,547	
Programme Funds	\$ 20,000,000	\$ 30,000,000	\$50,000,000	ta

## Beetaloo Cooperative Drilling Program

Develop		Declara Title	During I	Count W	In the second		FY Split based on Sp 2021-22	0.00	Grant Amount Sought	6	Court Amount	Order	Assessme	nt Panel	City of an 2	Criterion 3	la	Committee comments in relation to the matters set out in Part 8 of program guidelines
Beetaloo Reference	Applicant Name	Project Title	Project Location	Grant %	Project Expendi	liture	2021-22	2022-23	Grant Amount Sought	Supported ?	Grant Amount Supported	Order	ivierit Pas	s Criterion 1	Criterion 2	A COLOR OF SERVICE STORY	Assessment against criteria	Comments
BCDP000001 BCDP000002	IMPERIAL OIL & GAS PTY LIMITED  IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-2 Horizontal Well  Empire Beetaloo Acceleration Program - Carpentaria-3 Horizontal Well  Empire Beetaloo Acceleration Program -	NT	2	25 \$ 27,96	69,489.00	2,925,632.40	4,388,448.60 4,195,423.20	\$ 6,992,372	Yes	7,314,081.00 6,992,372.00	0 2	Yes	Satisfactory	Satisfactory  Satisfactory	Satisfactory	Satisfactory	The assessment committee determined responses against all assessment criteria are satisfactory. It was agreed that the project provides value with relevant money, noting a cost check will be conducted during contract negotiation. The committee confirmed the overall objectives of the grant opportunity have been met, however the horizontal drilling from Carpentaria 2 should not be supported (unless it is also done in Carpentaria Carp 1 (condition Precedent)) as it doesn't meet the additionality test at 5.1 in guidelines.  The assessment committee determined responses against all assessment criteria are satisfactory. It was agreed that the project provides value with relevant money, noting a cost check will be conducted during contract negotiation. The committee confirmed the overall objectives of the grant opportunity have been met.  The assessment committee determined responses against all assessment criteria are satisfactory. It was agreed that the project provides value with relevant money, noting a cost check will be conducted during contract negotiation. The committee confirmed the overall objectives of the grant opportunity have been met, provided 3-D seismic activity for Carpentaria 4 is removed from the total grant amount recommended as it is outside the scope of the guidelines. The committee agreed that for mobilisation costs are more reasonable instead of \$
BCDP000003	IMPERIAL OIL & GAS PTY LIMITED	Carpentaria-4 and 3D Seismic	NT			69,489.00	3,000,000.00	4,500,000.00	The state of the s	Yes	7,500,000.0		Yes	Satisfactory	Satisfactory	Satisfactory		·
				Grant \$	\$92	2,595,303	\$8,722,581	\$13,083,872	\$21,806,453		\$ 21,806,45	3						

Beetaloo Reference	Applicant Name	Project Name	Project Cost	Grant Amount Sought	Grant %	Criterion 1	Criterion 2	Criterion 3	Assessment	Comments
									against criteria	
BCDP000001	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-2	\$29,256,325	\$7,314,081	25.00	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1:
		Horizontal Well		20 10		102			200	C2:
										C3:
BCDP000002	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-3	\$27,969,489	\$6,992,372	25.00	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1:
10.00 (2.00)		Horizontal Well								C2:
										C3:
BCDP000003	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-4	\$35,369,489	\$7,500,000	21.20	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1:
		and 3D Seismic		00 to 02		90.1			388	C2:
										C3:

**Total Applocations** 

3

Beetaloo Reference	Applicant Name	Project Name	Project Cost	Grant Amount Sought	Grant %	Criterion 1	Criterion 2	Criterion 3	Assessment against criteria	Comments
BCDP000001	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-2 Horizontal Well	\$29,256,325	\$7,314,081	25.00	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1: C2: C3:
BCDP000002	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-3 Horizontal Well	\$27,969,489	\$6,992,372	25.00	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1: C2: C3:
BCDP000003	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-4 and 3D Seismic	\$35,369,489	\$7,500,000	21.20	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1: C2: C3:

**Total Applocations** 

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Beetaloo Reference	Applicant Name	Project Name	Project Cost	Grant Amount Sought	Grant %	Criterion 1	Criterion 2	Criterion 3	Assessment against criteria	Comments
BCDP000001	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-2 Horizontal Well	\$29,256,325	\$7,314,081	25.00	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1: C2: C3:
BCDP000002	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-3 Horizontal Well	\$27,969,489	\$6,992,372	25.00	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1: C2: C3:
BCDP000003	IMPERIAL OIL & GAS PTY LIMITED	Empire Beetaloo Acceleration Program - Carpentaria-4 and 3D Seismic	\$35,369,489	\$7,500,000	21.20	Satisfactory	Satisfactory	Satisfactory	Satisfactory	C1: C2: C3:

**Total Applocations** 

3

Summary briefing data - Mini	ister briefings		
Beetaloo Reference	Applicant Name	Project Name	Project Expenditure
			•
			\$0
Attachment A			

Total Investment

Applicant Organisation

Grant amount supported

Project Description

		\$0	\$0
Attachment B			
Applicant Organisation	Grant amount supported	Total Investment	Project Description
	L		<b>l</b>

\$0

\$0

ant Amount Sought	Applicant Location	State	Electorate	Primary Contact Ph	one E	mail	Ranking
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## location

Applicant Location	State	Merit Ranking
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Project Location	State	Merit Ranking	Electorates
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Beetaloo Reference	Applicant Name	Project Name	Proposed start date	Proposed end date





Directors	Reason fo Conflict	Decision
WARBURTON, JOHN UNDERWOOD, ALEXANDER OSCAR ESPIE		
WARBURTON, JOHN UNDERWOOD, ALEXANDER OSCAR ESPIE		
WARBURTON, JOHN UNDERWOOD, ALEXANDER OSCAR ESPIE		
ELLIOTT, PATRICK JAMES DYMOCK RIDDLE, JOEL		
CHANDRA, DANIEL BARRETT, FREDRICK		
STONEBURNER, RICHARD KELTY DIAMANT, ANN MARY		
SIEGEL, DAVID NEIL		

ELLIOTT, PATRICK JAMES DYMOCK RIDDLE, JOEL CHANDRA, DANIEL BARRETT, FREDRICK STONEBURNER, RICHARD KELTY DIAMANT, ANN MARY SIEGEL, DAVID NEIL

ELLIOTT, PATRICK JAMES DYMOCK RIDDLE, JOEL CHANDRA, DANIEL BARRETT, FREDRICK STONEBURNER, RICHARD KELTY DIAMANT, ANN MARY SIEGEL, DAVID NEIL