

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Budget Senate Estimates

1 June 2010

Question: BR4
Topic: Exploration of geological basins
Proof Hansard Page: E32

Senator Bushby asked:

Senator BUSHBY-What percentage of prospective geological basins have been explored?

Dr Foster-I would have to take that on notice.

Senator BUSHBY-What percentage are under exploration licence?

Dr Foster-Approximately 17 to 20 per cent of the offshore areas are under licence.

Senator BUSHBY-So 80 per cent of the prospective geological areas are not even under licence and nevertheless are being explored?

Dr Foster-Yes.

Senator BUSHBY-How much of the 20 per cent would be actively explored?

Dr Foster-All of it, because they are under permit.

Senator BUSHBY-And they are required to be under that permit?

Dr Foster-Yes.

Senator BUSHBY-In your opinion is it likely that the prospective areas could deliver more known reserves of oil and gas capable of economic extraction if they were properly explored?

Dr Foster-Yes.

Senator BUSHBY-Are there any prospective areas that have not been explored at all? I take it from your earlier answer, that that would be the 80 per cent. There may have been pre-existing-

Dr Foster-Yes, there are areas that have been looked at in the past. There are areas that need to be relooked at.

Senator BUSHBY-Are there any prospective areas that have not been explored at all? I take it from your earlier answer, that that would be the 80 per cent. There may have been pre-existing-

Dr Foster-Yes, there are areas that have been looked at in the past. There are areas that need to be relooked at.

Senator BUSHBY- Would it be roughly equivalent to the 80 per cent? The prospective areas that have never been explored would be less than 80 per cent?

Dr Foster- I think it would be best to take that question on notice.

Answer:

In the report "*Discovering Australia's Future Petroleum Resources: The strategic geoscience information role of government*", Dr Trevor Powell states that Australia has over 50 sedimentary basins of which only 12 are producing oil or gas. In the report it is estimated that, by area, less than a quarter of Australia's onshore and offshore basins have received exploration activity.

Reference:

http://www.appea.com.au/images/stories/pdfs_docs_xls//NewsMedia/APPEAMediaReleases/powell_precompetitive_geoscience_paper_i_jan08.pdf