

ANNUAL REPORT

YEAR 3

T 14 P

CUE MINERALS N.L.

**TPR
OR-0140**



CUE MINERALS N.L.

139002

TPR
OR-140

192 Macquarie Street,
Hobart .. TAS .. 7000.
Ph. 310122 Telex AA57019

13th January, 1983.

The Designated Authority,
Tasmanian Mines Department,
P.O. Box 56,
ROSNY PARK .. TAS .. 7018.

U of M	AD	CS	E.O.	D.S.M.E
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>		Registrar
Received	14 JAN 1983			E & IL
Answered				
DEPT. OF MINES				
REF. No. 308/83				

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Please file reports*

Dear Sir,

RE: Annual Report, Year 3, T14P.

This report relates to work carried out by Cue Minerals N.L. as Operator for the consortium which holds title to T14P for the period October 9, 1982 to January 8, 1983. This is the fourth quarterly report for the third permit year and therefore constitutes the Third Annual Report.

During the year 85 km of seismic data were gathered and processed. The data were located in the vicinity of the Paipan lead. This feature has been matured to prospect level and is ready for drilling. The total amount expended on exploration during the permit year to December 31, (excluding interpretation for December) was \$178,039 as follows:-

Seismic acquisition and processing	100,888
Administration and overhead	36,000
Geological and geophysical interpretation	38,202
Fees	210
Other	2,739
	<u>\$178,039</u>

This brings the total expenditure for the first three years to \$670,219.

With the exception of Pipipa -1 drilled in 1982 and Pelican -4 drilled in 1979, the last round of drilling in the basin was completed in 1973. Cue felt in 1981 that with virtually a decade since the last regional seismic survey, it would be necessary to shoot a high resolution regional grid in order to launch the new round of exploration. We feel that the regional 81 survey followed by the detailed 82 survey was the correct exploration approach and the main geological and geophysical interpretation efforts have been aimed at re-assessing the basin with a view to establishing encouraging targets.

Enclosed are two copies of the farmout package which summarises the results of these studies. The package was prepared in conjunction with T18P permit holders. We have related to you both verbally and in other reports during the year, the increased prospectivity of T14P as a result of (a) the gathering of 1981 and 82 seismic data and (b) the integration of geochemical and various geological data. As a result we feel that the Paipan prospect is located in a part of the basin which has many ingredients similar to Gippsland Basin, in particular the possibility of a mature Upper Cretaceous oil source.

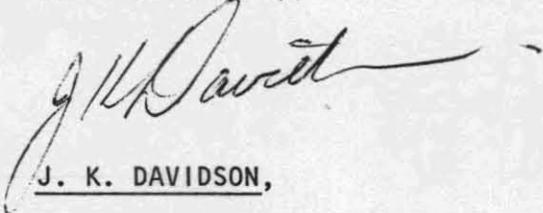
On March 26, 1982 we delivered a copy of the initial farmout package to your office. This package was sent to 35 of the worlds largest oil companies.

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Four companies showed sufficient interest by mid year to request copies of the BCS 81 seismic survey data for interpretation. These companies were Shell, Amoco, Cities Service and Aquitaine. At year end it appears that Shell, Cities Service and Aquitaine are showing less interest but Tricentrol, Esso and Highbay have recently requested, and have been sent, copies of the farmout package enclosed here. We feel this is significant as Esso and Highbay had earlier rejected the offer. The effects of the world wide reduction in exploration are being felt especially as we have gone to considerable effort to send updated interpretations to each interested party as our assessment continued. We are confident that one of the majors or a small group of them will farm in early 1983.

In order to get some insurance against a possible failure of the major companies our consultants, Petrecon, have engaged the services of Peter Lane a highly regarded geological consultant from Perth, in order that together, they can effectively transmit the technical merits of the permit to other companies. The main technical operations in the fourth permit year will be directed towards farmout.

Yours faithfully,



J. K. DAVIDSON,

for E. G. ALBERS
CHAIRMAN.