

## SECTION B

**MINIMUM GUARANTEED DRY HOLE AND SECONDARY WORK PROGRAM  
PROPOSED FOR EACH OF THE SIX YEARS  
OF THE FIRST TERM OF THE PERMIT**

YEAR WORK PROGRAM	INDICATIVE EXPENDITURE (\$ million)
1 1 Well (Pipipa Deep)	6.5
500 km Seismic Acquisition and Processing	0.6
1000 km Seismic Reprocessing	0.1
Environmental, Geological and Geophysical Studies	0.3
TOTAL	7.5
2 250 km Seismic Acquisition and Processing	0.3
Geological, Geophysical and Gas Marketing Studies	0.2
TOTAL	0.5
3 **1 Well (Penguin/Pipipa North/Pelican Area)	7.0
Geological and Geophysical Review	0.2
TOTAL	7.2
4 3D Seismic Acquisition	1.0
5 1 Well	7.0
6 1 Well	7.0
TOTAL	15.0

\*\* Although we do not discount the possibility of finding oil in T91-2, present evidence strongly suggests that this permit is gas-prone. At this point of time, this bidding consortium can give a firm commitment to drill a well in Year 3, but if unfavourable gas market developments occur in the region in Year 1, Year 2 or Year 3, then it may prove commercially nonsensical to drill this well. Consequently, the nominated Year 3 well is contingent upon favourable Tasmanian, Bass Basin gas market developments in Year 1, Year 2 or Year 3.

If the bid is not acceptable in this form then we wish to amend the Year 3 work program to read:

YEAR WORK PROGRAM	INDICATIVE EXPENDITURE (\$ million)
3 Geological and Geophysical Review	0.2