

Mythbusting Williams spruiks Victorian wildcats

Larus Energy's David Williams loves nothing more than to challenge orthodox beliefs. He and his team have spent the past few years defining an entirely new basin in Papua New Guinea with some massive buried anticlinal targets tens of kilometres long in a region long believed to be lacking in prospectivity.

Gippsland

When he took to the stage at the recent RIU Good Oil Conference he took his first shot at the belief that the southern flank of the Gippsland Basin is not prospective.

"Larus Energy is about coming to areas that people have looked at decades ago and coming back to them with a fresh mind, modern data and modern techniques, and unearthing what people have missed."

Larus has three contiguous Gippsland Basin blocks that have been the subject of intensive studies and new seismic over the past four years.

The junior now wants partners to help fund 3D seismic and three commitment wells in Vic/P63, Vic/P64 and T/46P over the next two years.

Williams says there is now a convincing argument that oil has migrated out of the

Kingfish source kitchen and out up to the Bassian Rise.

There are less than a handful of wells in and around the blocks, and as none found hydrocarbons the area was discounted, but Larus has poured over some 15,000 line kilometres of data within the 8,300 sq km areas and believes it can explain why the wells were dusters.

"The old adage was that if the hydrocarbons had gotten out to the southern flank they were long gone, that it was just one big sandy beach heading up to the Bassian Rise, and that it was a waste of time," Williams said.

"But the first thing that we have been able to demonstrate with this new data is that there are a number of hydrocarbon-related diagenetic zones (HRDZs), a seismic signature for where the hydrocarbons have been, and interestingly these appear down the edge of the Bassian Rise."

Larus also believes that it can prove that the highly productive Latrobe Formation does extend towards the rise.

"So, first myth busted. The hydrocarbons have migrated out here, and there is good seal, otherwise they wouldn't have got there. We don't see any real HRDZs to the



David Williams

north-east," he said.

He said the earlier wells' lack of shows could be explained by the lack of valid structures in those locations.

He said the Latrobe Formation was so porous that it does not leave the tell-tale shows.

"It's very similar to what happens in the Cooper Basin, and we can demonstrate it in wells around fields elsewhere in the basin which are on the migration pathway, but where oil didn't get trapped and didn't leave shows," he said.

"Second myth busted."

Inventory

Larus has mapped a large number of Top Latrobe and early Eocene prospects and leads, typically pinch-out plays and four-way dip closures, that should be capable of receiving charge.

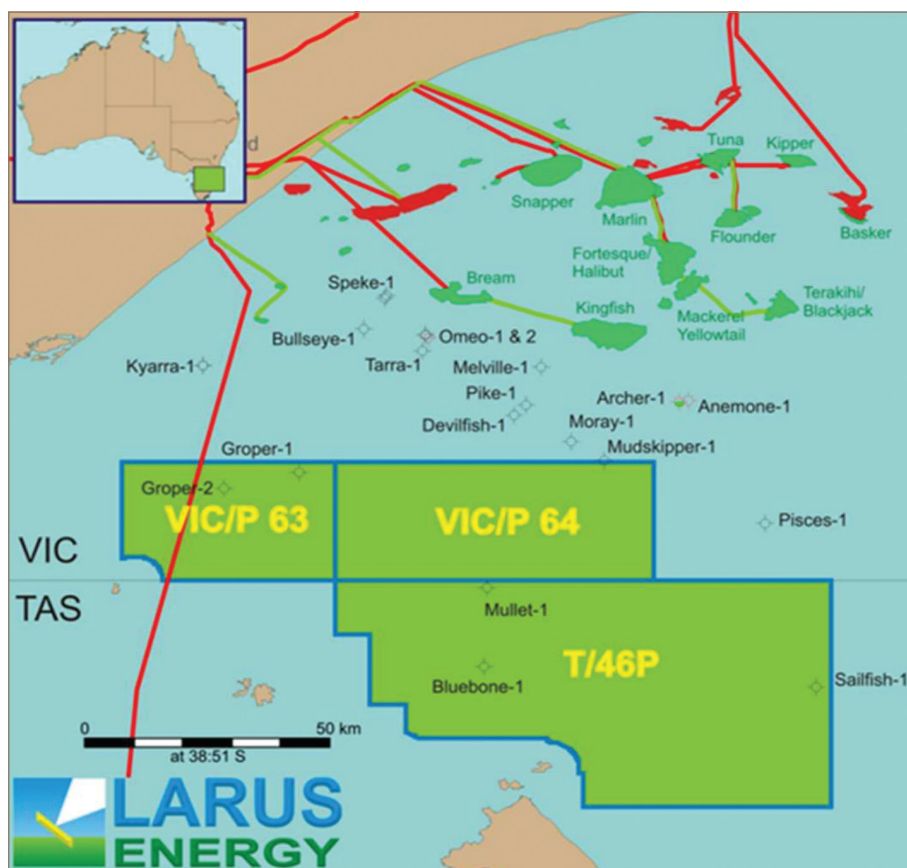
He said Vic/P63 has Top Latrobe prospects with unrisks potential of between 5-430 million barrels of oil-in-place, while Vic/P64 contains smaller prospects with potential of 40-50 mmbbl.

Across the border in Tasmania, further away from the source kitchen, he said T/46P has some very large structures ranging from 20-700 mmbbl of unrisks OIP potential.

Each of the targets is defined on 2D seismic, and while they are likely to shrink once they are refined with 3D seismic, there is still total potential in the billions of barrels.

All the leads can be drilled with a jack-up rig, with target depths ranging from 330m to 1,500m, so the wells should be relatively cheap.

In PNG Larus also unveiled the new Vekwala prospect. It is twice the size of the Sunday prospect and has potential for 14 trillion cubic feet and 180 mmbbl of condensate, but sits in only 15 metres of water.



Larus' three under-explored Gippsland Basin blocks.