

# Oil & Gas **VIEWPOINT**

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## Champion-1 ready for winning performance

### PERTH

Plans to drill the Champion-1 exploration well in the offshore Carnarvon Basin, Western Australia, later this year are moving ahead.

Perth-based Victoria Petroleum has recently entered into two farmin agreements.

The first will see the UK's Black Rock Oil & Gas earn a 15% equity in exploration permit EP 325 and also an option to earn a 15% equity in the adjacent EP 41 Part 1 Block by participating in the drilling of the Exmouth Gulf well.

As well, Strike Oil will earn a 40% equity in EP 325 and also an option to earn a 40% equity in EP 41 Part 1 Block by operating and participating in the drilling of Champion-1.

The well is planned to be drilled in November 2004 to a total depth of 2,050 metres to test the Champion Prospect, a seismically defined anticlinal structure interpreted to have the potential to contain up to 27 million barrels of recoverable oil, if oil is present.

The Champion Prospect is 12 kilometres south of the Rivoli Gas Field discovery.

The target Birdrong Sandstone, a prolific oil producer in the Carnarvon Basin, is expected to be drilled at a depth of 1,950 metres.

Under the terms of the farmin agreement with Black Rock, VicPet

will have a 3.75% free carried interest through the drilling and testing of Champion-1.

Under the terms of the farmin agreement with Strike Oil, VicPet will have a 10% free carried interest to a total well cost capped at A\$3 million and in the event of the parties agreeing to test a hydrocarbon discovery, the testing of Champion-1 to a total additional cost capped at A\$2 million.

VicPet's Managing Director, John Kopcheff (*pictured*), said the company welcomed Black Rock and Strike Oil into the permit.


"The presence of the Rivoli Gas Field discovery in the Permit provides favourable evidence for the potential presence of gas and oil within other prospects within the permit such as the Champion Prospect," Kopcheff said.

"Victoria Petroleum considers the Champion Prospect to be a robust structure and arguably the last undrilled four way dip closed structure in the Carnarvon Basin close into shore and in the shallow water depth of 18 metres.



"The Champion Prospect has longed been considered by Victoria Petroleum to have significant oil bearing potential."

Interests in the Champion Prospect and EP 325 including the Rivoli Gas Field will be:

Strike Oil N.L.	40%
Victoria Petroleum N.L.	35%
Black Rock Oil & Gas PLC	15%
Sun Resources N.L.	10% 

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