

Central Petroleum Limited - Interview with Managing Director

28.10.2014 | [ABN Newswire](#)

Brisbane, Australia (ABN Newswire) - [Central Petroleum Ltd.](#) (ASX:CTP) (OTCMKTS:CPTLF) has undergone a very substantial transformation over the last 12 months or so. The following is a transcript of a Company Interview with Managing Director Richard Cottee.

Company Interview question:

Can you explain what you have achieved?

Managing Director, Richard Cottee

A lot has been achieved in the last 12 months. Primarily we have gone from an explorer to a producer in both oil and gas. Production at the Surprise Oil Field has stabilised at around 180 BOPD and Palm Valley's gas production continues steadily. Drilling at Mt Kitty proved the Southern Amadeus is gas prone. The development of the Dingo Gas Field and associated pipelines remain on time and on budget.

Company Interview question:

Can you summarise Central Petroleum's main assets after you acquired Magellan Petroleum's Palm Valley and Dingo gas field assets earlier this year?

Managing Director, Richard Cottee

Our main assets in a production sense remain Surprise Oil Field, Palm Valley Gas Field (>200 km²) and Dingo Gas Field in the Amadeus Basin and an attractive acreage position. Earlier this year Central was awarded PL6 for the Surprise Oil Field Development, with production commencing in March. Following the Magellan acquisition, Central's 100% owned Dingo, Palm Valley and Ooraminna fields have exploration opportunities that could triple available gas.

Company Interview question:

Why do you believe that Australia's domestic gas market is facing a supply shortfall in the next 5 years?

Managing Director, Richard Cottee

Since 2009, the domestic gas market was roughly 700PJ annually and in that year another 6 trains of LNG exports were announced, roughly adding 1400PJ annually. The full impact of this threefold increase in Eastern seaboard demand will be felt from 2017-2018. In addition to their own production, LNG exporters will purchase gas from third party domestic gas producers for a substantial portion of their requirements. In the meantime exploration moratoriums were implemented in NSW and Victoria.

Even without the supply shortage in 2017, gas was predicted at \$5-7/GJ by 2016. Given that most of this supply shortfall can't be substituted by electricity (renewable or otherwise) and the magnitude of the shortfall, the supply/demand imbalance will continue for at least a decade unless new gas supply can be accessed from other sources such as the Northern Territory.

Company Interview question:

How can Central benefit from the expected gas supply shortfall?

Managing Director, Richard Cottee

Central has a very substantial position in the proven conventional gas province in the Amadeus Basin around Alice Springs. Any development with regards to a potential pipeline connecting the Northern Territory to the Eastern Seaboard market would further strengthen Central's capacity to alleviate the shortfall. We believe there is a golden opportunity for the Northern Territory to be a key supplier of domestic east coast markets.

Company Interview question:

What competitive advantages does Central have to be a major supplier of gas to East Coast markets?

Managing Director, Richard Cottee

The prime advantage is speed to market as we are targeting around 200PJ from our acreage including the Palm Valley and Dingo region where there is existing infrastructure. The pipeline would also facilitate the easy and incremental development of our gas field.

Company Interview question:

You are targeting 200 PJ of exploration and appraisal opportunities. Can you outline the proposed activities - and timelines - to commercialise these opportunities?

Managing Director, Richard Cottee

Roughly half of the 200PJ should come from reserve upgrades of the existing Palm Valley and Dingo fields. The timing is dependent on the reserves certifier being sufficiently confident of the construction of an interconnect pipeline to take the gas to market. The balance should come from opportunities within these production and Ooraminna retention licences; untested zones or step-outs. Exploration in licences surrounding this infrastructure will be further stimulated by an expanded market.

Company Interview question:

Can you explain how you plan to increase oil reserves?

Managing Director, Richard Cottee

Depending on production performance at Surprise West and no further substantial softening of oil prices, we expect to be drilling Surprise East next year. In the meantime we are integrating recently acquired gravity data with seismic data to delineate future prospects.

Company Interview question:

What are the current levels of company-wide production and what production trend do you expect in the future?

Managing Director, Richard Cottee

Currently we are producing around 180BOPD of crude from Surprise and around 90,000GJ per month from Palm Valley. When Dingo comes on stream around May next year this gas production should double.

Company Interview question:

It seems as though Central Petroleum plays 'well above its weight' in terms of the activity and number/size of assets it is looking to advance. Can you explain how you can fund all these activities - i.e. what's your approach to funding your various growth options such as using cash, cash flow, farm-outs, equity or debt?

Managing Director, Richard Cottee

Our Santos joint venture is a free-carry and we are exposed to around 20% of the costs of the Southern Georgina Joint Venture which is presently fully funded. Like with QGC in the early days, the gas activities will be funded by a mixture of purchaser finance and farm-outs. Debt will play its part on development.

Company Interview question:

How successful has it been so far in introducing joint venture partners into your projects such as Santos and Total? What are the planned activities?

Managing Director, Richard Cottee

Both joint ventures have been very successful. Santos has elected to proceed to Stage 2 in the Southern Amadeus. In the Southern Georgina we are coring at Gaudi-1 this year with Whiteley planned for next year. With over 100m of coring completed all of the gas canisters are desorbing which is positive and encouraging.

Company Interview question:

In summary, what are the main events for shareholders to look forward to over the next several months?

Managing Director, Richard Cottee

The main event to watch is the Northern Territory interconnect pipeline progress and associated sales activity surrounding that pipeline. The results of the desorption testing at Gaudi-1, and the resultant activities arising out of those tests are also major milestones. The commissioning of Dingo Gas Fields and the reserve certifications of both Palm Valley and Dingo are worth watching. Further activity as the result of Mt Kitty drilling and possibly the drilling of Surprise East are also obvious highlights.

Central certainly has been very active over the last year and we have many more activities to focus on into 2015 to continue to add value to the Company.

Company Interview

Thanks Richard.

About Central Petroleum Limited:

[Central Petroleum Ltd.](#) (ASX:CTP) (OTCMKTS:CPTLF) is an ASX listed junior exploration and production company operating the largest holding of prospective onshore acreage in Australia totalling over 270,000 km², c.70 million acres. This acreage includes permits already awarded and acreage under application with 250,000 km² under the Petroleum Acts and 20,000 km² under the Mining Acts mainly in the Northern Territory with smaller holdings in Western Australia, South Australia and Queensland.

Contact:

[Central Petroleum Ltd.](#)

T: +61 (0)7 3181 3800

F: +61 (0)7 3181 3855

www.centralpetroleum.com.au

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/184911--Central-Petroleum-Limited---Interview-with-Managing-Director.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).