



Cool change for Great Artesian

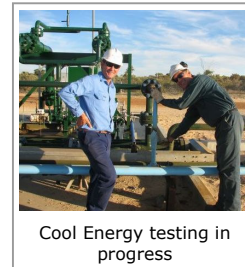
Monday, 30 July 2007

GREAT Artesian Oil and Gas has teamed with Cool Energy to look into constructing a CryoCell gas processing plant at its Cooper Basin gas fields that would produce sales gas, LPG and condensate, as well as capture and store carbon dioxide.

"We are excited that this could offer the potential to commercialise our existing gas discoveries and to create value from existing and future carbon credits in a carbon-aware market," Great Artesian's managing director Andy Carroll said on Friday.

The two companies envisage the plant would be capable of treating 20 million cubic feet of gas per day.

It would also be the first facility to use pioneering greenhouse gas reduction technology developed by Cool Energy and proven in tests and field trials over the past two years at Arc Energy's Xyris Gas Field in the Perth Basin.



Cool Energy testing in progress

Early laboratory work was done at WA's Curtin University of Technology over several years, some of which was backed by Shell who later became a shareholder in Cool Energy. Woodside Petroleum has also been involved in the field trials.

Great Artesian is the operator of the PEL 106 permit area of the Cooper Basin, South Australia, containing eight wet gas discoveries.

Andy Carroll says the two companies have signed a cooperative agreement to study the project's feasibility.

For Great Artesian and our partners in the gas fields, the incentive is to commercialise our existing gas discoveries and establish infrastructure appropriate for future discoveries, Carroll said.

"We will continue to discuss synergies and other options with other oil and gas companies in the area."

The potential project would involve production wells, a gathering system to feed gas and condensate into a central facility, processing the gas by dehydration, capture and sequestering of CO₂, followed by separation of condensate and LPG, before sales gas compression and transmission via the main gas pipelines to Adelaide and Sydney.

Following the completion of the large Spinel 3D and other recent seismic surveys and the reprocessing the Paranta 3D seismic survey, a multi-well exploration program will start in PEL 106 in September-October.

Great Artesian could participate in up to eight exploration wells drilled in the next nine months.

Managing director of Cool Energy, Jessie Inman, said her company is excited about the potential for its proprietary CryoCell gas processing technology to be used in the Cooper Basin.

"It not only has the potential to unlock previously uneconomic gas reserves, but ultimately will give natural gas very strong 'green' credentials in a decarbonised energy future," she said.

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