



September 2009 Quarterly Production Report

Origin Energy Limited: Exploration and Production business report for the Quarter ended 30 September 2009

Summary Table

Comparative performance at a glance - Origin's total proportional interests			
Quarterly Comparison	Sept Quarter 2009	Jun Quarter 2009	Change %
Production (PJe)	25.4	25.2	1
Revenue (A\$m)	146.2	135.3	8
Corresponding Period Comparison	Sept Quarter 2009	Sept Quarter 2008	Change %
Production (PJe)	25.4	33.9	(25)
Revenue (A\$m)	146.2	198.1	(26)

Note: Information presented in the table above and throughout this report relates only to hydrocarbon exploration and production activities undertaken by Origin Energy Limited, its subsidiaries and the incorporated joint ventures in which it has interests. It includes Origin's proportional interest in production and revenue from its 50% interest in the Australia Pacific LNG Pty Limited (APLNG) incorporated joint venture. The report does not cover other business activities of Origin such as electricity generation or energy retailing.

Highlights

- Production for the September Quarter was in line with the June Quarter and Sales Revenue increased by 8% reflecting improved prices across all products.
- Coal seam gas development activity progressed well. Production attributable to APLNG was up 4% compared with the June Quarter and 28% compared with the September Quarter 2008 on a like-for-like basis (however CSG production attributable to Origin was lower than the September Quarter 2008 due to the 50% dilution of Origin's interest following the APLNG transaction). The Laird Point site on Curtis Island in the Port of Gladstone was secured for APLNG's proposed CSG to LNG plant.
- Mechanical completion of the onshore facilities of the Kupe Gas Project was achieved and the project was handed over from the construction team to the operations team. The project remains on target to open offshore wells and bring raw gas ashore in the December Quarter. The estimated cost of the project on completion has increased approximately 10%.
- Planning of drilling operations in the offshore Bass and Otway basins progressed during the Quarter with drilling operations commencing in October.
- Acquisition of ATP788P CSG exploration permit for \$660 million completed.

Quarterly Production and Sales: Production and Sales Volumes for the September Quarter 2009 were comparable to those of the June Quarter 2009. Sales revenue increased by 8% on the June 2009 Quarter to \$146 million, reflecting improved product prices.

Production, Sales Volumes and Revenue for the September Quarter 2009 were however significantly below those for the September Quarter in 2008 (by 25%, 20% and 26% respectively). This is largely due to the dilution effect of the APLNG transaction involving Origin's CSG interests in October 2008 and the prevailing lower international benchmark prices for oil, condensate and LPG when compared with the September Quarter 2008.

The gross production attributable to the APLNG joint venture from the tenements now held within the joint venture increased from 14.2 PJe in the September Quarter 2008 to 18.2 PJe in the September Quarter 2009, an increase of 28%.

Significant events and influences during the Quarter included:

- **Otway Gas Project:** The plant operational reliability during the Quarter exceeded 95% (average). The Victorian EPA granted an Operating Licence for the onshore production facility replacing the interim licence.
- **BassGas Project:** The project achieved an average 89% reliability over the Quarter with production marginally higher than in the previous Quarter.
- **Kupe Gas Project:** Mechanical completion of the onshore production station was achieved in mid October and the plant has been officially handed over from the project team to the operations team. The entire production system from reservoir to final product export is now complete and the project remains on target to open the offshore wells and bring raw gas ashore in the December Quarter 2009. This will commence final commissioning and the ramp-up of hydrocarbon production. As the project approaches completion it is expected that the gross capital cost will be approximately NZ \$1,330 million, around 10% higher than previously advised.

- **CSG:**

Origin's interest in existing CSG operations (with the exception of the recently acquired ATP 788P exploration assets) is held through APLNG in which Origin has a 50% interest.

- **Spring Gully Project:** All wells from Phase 5 of the development have now been drilled and completed. The Spring Gully gas plants achieved gross peak gas sales of 146 TJ/d during the Quarter, with 144 wells contributing to production. A further 13 wells remain to be brought on line to complete this phase of the project. Well productivity has exceeded expectations, and total project deliverability is expected to exceed the Phase 5 target of 150 TJ/d once these additional wells are online.
- **Talinga Project:** Commissioning of the first stage of the gas plant has commenced and the second stage is progressing rapidly. A further 22 development wells have been drilled, bringing the total to 38 wells and these wells are progressively being brought on line with sales of gas increasing.
- **Drilling Activities:**
 - **CSG:** During the Quarter, APLNG participated in 83 wells including 47 development wells (Talinga 22, Argyle/Lauren 18 and Fairview 7) and 36 exploration/appraisal wells (ten in operated areas including the first wells in the Galilee Basin and 26 in non-operated areas).
 - **Perth Basin:** The Redback South 1 well, sidetracked from the previously drilled Redback 1 well, encountered gas in the Wagina Sandstone. The well will be completed and production tested. A successful Jingemina 12 oil development well was also drilled and will be brought on line in the December 2009 Quarter.
 - **Cooper/Eromanga Basin:** Origin participated in 13 wells, including four oil appraisal wells (three cased and completed as future oil producers) and nine gas development wells (eight of which will be completed as potential gas producers).
 - **Offshore Drilling Program:** Planning of drilling operations progressed in permit T/18P in the offshore Bass Basin operated by Origin and in permit T/34P in the offshore Otway Basin operated by Woodside. The Bass Basin drilling program will use the Kan Tan IV semi-submersible drilling rig, while the T/34P program will use the Ocean Patriot semi-submersible drilling rig.

- **Seismic Surveys:**
 - **Surat Basin:** The Pathfinder 2D seismic survey (363 km) was completed.
 - **Lamu Basin - Kenya:** The Mbawa 3D offshore survey will be recorded in the L8 Block in December Quarter 2009.
 - **Song Hong Basin - Vietnam:** Tendering for the 2010 2D offshore survey in Block 121 has been completed.
- **Acquisitions/Divestments:**
 - **Acquisition of ATP788P:** The transaction with the Pangaea group of companies whereby Origin acquired the 100% CSG interests in exploration permit ATP 788P was completed on 7 August 2009. The consideration was \$660 million.

Post Report Date Events:

- The Trefoil 2 appraisal well in T/18P in the offshore Bass Basin commenced drilling on 6 October 2009.
- The Somerset 1 exploration well in T/34P in the offshore Otway Basin commenced drilling on 19 October 2009.

1. PRODUCTION, SALES AND REVENUE

In late October 2008 Origin completed a transaction with ConocoPhillips (COP) whereby that company acquired a 50% interest in an incorporated CSG to LNG joint venture known as APLNG. The upstream interests included in this incorporated joint venture include all the CSG exploration and production tenements previously held by Origin, together with its interests in conventional oil and gas tenements in the Denison Trough. Origin is the operator of all the upstream activities undertaken by APLNG.

In the tables below Origin's historical production from its CSG and Denison Trough assets to the end of October 2008 is included in the lines *Coal Seam Gas* and *Denison Trough* respectively. From November 2008 Origin's 50% proportional interest in production from those assets is reported in the line *APLNG (CSG and Denison Trough)*. A separate table (Table 1.3.3) is also provided which shows the aggregated production, sales and revenue across all products for Origin's proportional interest in APLNG.

1.1 Production by Product and Area (including 50% interest in APLNG)

Natural Gas and Ethane	Unit	This Quarter	Previous Quarter	Sept		YTD 2009/10	YTD 2008/09
				% Change	Quarter 2008		
Natural Gas	PJ						
Coal Seam Gas		-	-	-	13.0	-	13.0
Denison Trough		-	-	-	1.2	-	1.2
APLNG (CSG and Denison Trough)		9.1	8.7	4	-	9.1	-
SA Cooper & SWQ		4.1	4.2	(2)	4.9	4.1	4.9
Otway Basin (offshore)		5.1	4.9	4	5.4	5.1	5.4
Bass Basin		2.2	2.1	9	2.4	2.2	2.4
Surat Basin		0.0	0.2	(80)	0.8	0.0	0.8
Perth Basin		0.8	0.8	-	1.2	0.8	1.2
Taranaki Basin (onshore)		0.3	0.4	(4)	0.5	0.3	0.5
Otway Basin (onshore)		-	-	-	0.1	-	0.1
Ethane	PJ						
SA Cooper & SWQ		0.3	0.3	13	0.4	0.3	0.4
Total Production		21.9	21.6	1	29.9	21.9	29.9
Total Sales Volume		23.8	24.1	(1)	30.7	23.8	30.7
Total Sales Revenue	\$M	86.2	83.3	4	107.2	86.2	107.2
Average Gas Price	\$/GJ	3.62	3.46	5	3.49	3.62	3.49

Crude Oil	Unit	This Quarter	Previous Quarter	Sept		YTD 2009/10	YTD 2008/09
				% Change	Quarter 2008		
Crude Oil	kbbls						
SA Cooper & SWQ		94.3	104.9	(10)	105.6	94.3	105.6
Surat Basin		9.5	6.8	40	11.5	9.5	11.5
Perth Basin		53.5	61.0	(12)	94.1	53.5	94.1
Taranaki Basin (onshore)		26.0	27.1	(4)	25.9	26.0	25.9
Total Production		183.3	199.8	(8)	237.1	183.3	237.1
Total Sales Volume		316.3	353.3	(10)	352.2	316.3	352.2
Total Sales Revenue	\$M	28.2	27.8	1	42.9	28.2	42.9
Average Crude Price	\$/bbl	89.15	78.69	13	121.81	89.15	121.81

Condensate/Naphtha	Unit	This	Previous	Sept	YTD	YTD	
		Quarter	Quarter	% Change	2009/10	2008/09	
Condensate/Naphtha	kbbls						
Denison Trough		-	-	-	0.7	-	0.7
APLNG (Denison Trough)		0.5	0.3	52	-	0.5	-
SA Cooper & SWQ		57.8	52.1	11	77.0	57.8	77.0
Otway Basin (offshore)		46.8	52.0	(10)	58.3	46.8	58.3
Bass Basin		92.0	83.9	10	102.6	92.0	102.6
Surat Basin		7.8	9.7	(20)	11.1	7.8	11.1
Perth Basin		1.0	0.8	25	2.1	1.0	2.1
Taranaki Basin (onshore)		-	-	-	4.5	-	4.5
Otway Basin (onshore)		-	-	-	0.8	-	0.8
Total Production		205.9	198.8	4	257.1	205.9	257.1
Total Sales Volume		242.0	186.1	30	228.5	242.0	228.5
Total Sales Revenue	\$M	16.1	11.6	40	25.3	16.1	25.3
Average Condensate Price	\$/bbl	66.52	62.33	7	110.72	66.52	110.72

LPG	Unit	This	Previous	Sept	YTD	YTD	
		Quarter	Quarter	% Change	2009/10	2008/09	
LPG	Ktonnes						
SA Cooper & SWQ		8.0	8.7	(8)	9.8	8.0	9.8
Otway Basin (offshore)		5.8	6.3	(8)	6.5	5.8	6.5
Bass Basin		6.8	6.3	8	7.2	6.8	7.2
Surat Basin		1.7	2.2	(23)	2.0	1.7	2.0
Taranaki Basin (onshore)		0.5	0.4	14	0.6	0.5	0.6
Total Production		22.8	23.9	(5)	26.1	22.8	26.1
Total Sales Volume		23.0	26.5	(13)	24.0	23.0	24.0
Total Sales Revenue	\$M	15.7	12.7	23	22.7	15.7	22.7
Average LPG Price	\$/tonne	682.60	479.25	42	945.83	682.60	945.83

1.2 Production by Basin (including 50% of APLNG production)

Production by Basin (All products, PJe)	Unit	This	Previous	Sept	YTD	YTD	
		Quarter	Quarter	% Change	2009/10	2008/09	
Production by Basin	PJe						
Coal Seam Gas		-	-	-	13.0	-	13.0
Denison Trough		-	-	-	1.2	-	1.2
APLNG (CSG and Denison Trough)		9.1	8.7	4	-	9.1	-
SA Cooper & SWQ		5.7	5.8	(2)	6.8	5.7	6.8
Otway Basin (offshore)		5.7	5.5	4	6.0	5.7	6.0
Bass Basin		3.1	2.8	11	3.3	3.1	3.3
Surat Basin		0.2	0.4	(43)	1.0	0.2	1.0
Perth Basin		1.1	1.2	(8)	1.7	1.1	1.7
Taranaki Basin (onshore)		0.5	0.8	(31)	0.8	0.5	0.8
Otway Basin (onshore)		-	-	-	0.1	-	0.1
Total		25.4	25.2	1	33.9	25.4	33.9

1.3 Production, Sales Volumes and Revenue Summaries

1.3.1 Origin including 50% interest in APLNG

Total All Products	Unit	This Quarter	Previous Quarter	Change	Sept % Quarter 2008	YTD 2009/10	YTD 2008/09
Production (all products)	PJe	25.4	25.2	1	33.9	25.4	33.9
Sales (all products)	PJe	28.1	28.5	(1)	35.2	28.1	35.2
Total Revenue	\$M	146.2	135.3	8	198.1	146.2	198.1

1.3.2 Origin excluding 50% interest in APLNG

Total All Products	Unit	This Quarter	Previous Quarter	Change	Sept % Quarter 2008	YTD 2009/10	YTD 2008/09
Production (all products)	PJe	16.3	16.5	(1)	33.9	16.3	33.9
Sales (all products)	PJe	18.0	18.7	(4)	35.2	18.0	35.2
Total Sales Revenue	\$M	111.9	104.4	7	198.1	111.9	198.1

1.3.3 Origin's 50% interest in APLNG

Total All Products	Unit	This Quarter	Previous Quarter	Change	Sept % Quarter 2008	YTD 2009/10	YTD 2007/08
Production (all products)	PJe	9.1	8.7	4	-	9.1	-
Sales (all products)	PJe	10.1	9.8	3	-	10.1	-
Total Sales Revenue	\$M	34.3	30.9	11	-	34.3	-

1.4 Internal and External Purchase and Sales Summary

1.4.1 Internal and External Sales (Origin excluding 50% interest in APLNG)

Internal & External Sales Volumes	Unit	This Quarter	Previous Quarter	Change	Sept % Quarter 2008	YTD 2009/10	YTD 2008/09
Total Sales Volume	PJe						
Internal		8.9	7.3	21	16.9	8.9	11.2
External		9.1	11.3	(20)	18.3	9.1	24.0
Total		18.0	18.7	(4)	35.2	18.0	35.2

1.4.2 External Purchases

Product Purchases included in above sales	Unit	This Quarter	Previous Quarter	Change	Sept % Quarter 2008	YTD 2009/10	YTD 2008/09
Origin (excluding 50% interest in APLNG)	PJe	1.2	1.2	(1)	0.5	1.2	0.5
Origin's 50% interest in APLNG	PJe	1.4	0.9	54	-	1.4	-
Total	PJe	2.6	2.1	24	0.5	2.6	0.5

Note: Current Quarter production figures for some non-operated areas may include preliminary production data for the last month of the Quarter. Where actual production volumes only became available after the report date for that Quarter, previous Quarter figures have been amended to reflect this.

1.5 Production and Sales Summary

- **September Quarter 2009 compared with September Quarter 2008**

On a proportional interest basis, Total Production of 25.4 PJe was 8.5 PJe or 25% lower than the 33.9 PJe recorded in the September Quarter 2008.

The reduction was primarily attributable to the dilution of Origin's share of CSG production as a result of the APLNG transaction partially offset by the growth in CSG production within these areas (5.1 PJe in aggregate) and also reflected lower contributions from other projects (3.4 PJe in aggregate). This included lower gas demand and lower production of associated condensate and LPG from offshore projects in southern Australia, while lower reported production in the Surat Basin was due to gas being directed into storage. Oil production was lower due to natural field decline.

Sales Volumes of 28.1 PJe were 20% lower than the 35.2 PJe recorded in the September Quarter 2008 reflecting the lower production. Revenue of \$146.2 million was 26% lower than the \$198.1 million recorded in the September Quarter last year reflecting the lower Sales Volumes and the reduction in international prices for oil, condensate and LPG.

- **September Quarter 2009 compared with June Quarter 2009**

On a proportional interest basis, Total Production of 25.4 PJe was 0.2 PJe or 1% higher than the 25.2 PJe recorded in the June Quarter 2009.

Improved contributions from the Otway Gas and BassGas projects and continuing growth in CSG production was partially offset by lower contributions from Origin's other project areas.

Sales Volumes were approximately 1% lower at 28.1 PJe, compared with 28.5 PJe in the June 2009 Quarter, largely as a result of lower seasonal demand.

Despite the marginal decline in Sales Volumes, Revenue was 8% higher in the September Quarter 2009 reflecting improved product prices.

2. DEVELOPMENT

2.1 Coal Seam Gas (Interests held through APLNG)

All of Origin's producing interests in CSG are held through APLNG.

2.1.1 *Spring Gully*

The Spring Gully gas plants achieved gross peak gas sales of 146 TJ/d during the Quarter, with 144 wells contributing to production.

All wells from Phase 5 of the development have now been drilled and completed. Seven wells were brought online during the Quarter with a final 13 wells remaining to be brought online to complete this phase of the project. Well productivity has exceeded expectations, and total project deliverability is expected to exceed the Phase 5 target of 150 TJ/d once these additional wells are online.

Civil works at the Talooona gas plant as part of Phase 6 of the Spring Gully development were progressed. This phase, which includes the drilling of a further 31 wells and the construction of additional capacity at the Talooona gas plant, is designed to increase the overall Spring Gully capacity to 180 TJ/d.

2.1.2 *Fairview*

Production has increased significantly as the Phase 2 infrastructure expansion project has progressed. The phase has included the installation of additional gas and water gathering lines and the construction of a gas plant, a reverse osmosis plant and additional water disposal ponds and infrastructure. During the Quarter gross peak sales from the Fairview field have exceeded 120 TJ/d (averaging 115 TJ/d during September 2009).

Seven development wells were drilled in the Fairview field as part of an ongoing program designed to underwrite future production and reserves growth.

2.1.3 *Peat*

No significant activity during the Quarter.

2.1.4 *Talinga/Orana*

Construction of the Talinga gas plant and water handling facilities are well advanced. The first stage of the gas plant is now complete and commissioning has commenced. Construction of the second stage of the gas plant is progressing rapidly with compressor and cooler pads completed. Construction of the main brine pond is also complete. The plant will have a capacity of 90 TJ/d.

During the Quarter, 22 development wells were drilled. A further six development wells were brought online (nine to date) and sales from Talinga have now increased to 7 TJ/d. Well deliverability has been above expectation with facilities currently constraining the sales gas volumes. These constraints will be removed as the facilities are completed.

2.1.5 *Argyle/Kenya/Lauren/Bellevue*

A total of 18 development wells were drilled in the Lauren and Argyle fields during the Quarter as part of the ongoing development program for future production.

The Kenya sales gas plant was commissioned and contributed to a significant increase in gross peak gas sales to 53 TJ/d in the September Quarter 2009.

2.2 Cooper/Eromanga Basin (South Australia/Queensland)

During this Quarter, Origin participated in the drilling of seven gas development wells, six in South West Queensland and one in South Australia. One well was plugged and abandoned with the remaining wells cased and suspended as future producers.

2.3 Offshore Otway Basin (Victoria/Tasmania)

Gross natural gas production from the Otway Gas Project was 13 PJ for the Quarter, of which Origin lifted 5.1 PJ. Origin's lifted share of production at 39% exceeded its participating interest of 30.75% due to low gas offtake by another joint venture participant.

The Victorian EPA granted an Operating Licence for the onshore production facility replacing the previous interim licence.

The joint venture also approved a significant plant inlet compression project with construction activity due to commence in the next Quarter and with commissioning expected early in 2011. The project is expected to extend the production plateau by between 12 and 18 months.

2.4 Bass Basin (Tasmania)

The BassGas Project produced 5.3 PJ of sales gas (Origin share 2.2 PJ) during the Quarter. The offshore platform experienced issues with the dehydration unit and the storm chokes which constrained production for the Quarter.

A major scheduled maintenance project will commence for the BassGas facilities in late November 2009. This will result in the project being offline for up to 90 days over the summer period. Maintenance campaigns will be undertaken at the gas plant and on the Yolla platform. The shutdown will also enable production constraints on the Yolla 3 and 4 wells, which have existed since late 2008, to be addressed.

2.5 Taranaki Basin (New Zealand)

2.5.1 *Kupe*

Construction of the onshore production station near Hawera is finished and the entire production system from reservoir to final product export is now complete. The system is being progressively pre-commissioned and livened and the project remains on target to open the wells in the December Quarter 2009 thereby commencing final commissioning and the ramp-up of production from the Kupe field. Construction of the two light crude storage tanks and truck receiving facilities at the Omata Tank farm and the associated export pipeline and ship export facilities at Port Taranaki are also essentially complete. These facilities are now being commissioned ready to receive product once trucking of light crude from the production station commences.

As the project approaches completion it is expected that the gross capital cost will be approximately NZ \$1,330 million, around 10% higher than previously advised in August 2008. Expected revenues from the liquids rich project have also increased significantly since the project was approved in June 2006. Once online the Kupe Gas Project will produce 20 PJ of sales gas per annum and provide up to 90 kilotonnes of LPG and 1.7 million barrels of condensate per annum.

2.5.2 *Tariki/Ahuroa/Waihapa/Ngaere (TAWN) and Rimu/Kauri*

Work on the Ahuroa Gas Storage Project, which is being developed on behalf of Contact Energy, continued through this Quarter. Minimal volumes of gas were injected into the Ahuroa reservoir during the Quarter as a new injection compressor was installed and commissioned on site as part of Stage 1. Injection is expected to recommence early in the next Quarter using this new compressor. Drilling of three additional gas injection/production wells into the reservoir is also expected to commence early in the next Quarter as part of Stage 2.

A coiled tubing well clean-out programme commenced on the Kauri E2 well at the end of the Quarter. This will be followed by a clean-out of the Waihapa H1 well.

2.6 Surat Basin (Queensland)

The majority of the gas produced from Origin's Surat Basin fields continues to be re-injected to storage reservoirs after stripping of gas liquids.

2.7 Onshore Perth Basin (Western Australia)

2.7.1 *Beharra Springs*

Gas production during the Quarter averaged 10.6 TJ/d gross (7.1 TJ/d net to Origin). Production from Beharra Springs was 24% higher than the previous Quarter due to higher well production time and improved well deliverability.

2.7.2 *Hovea/Eremia/Xyris*

Natural decline of the Hovea and Eremia fields has seen the average gross oil production for the Quarter through the Hovea production facility decrease to approximately 770 bopd (385 bopd net to Origin).

Gross gas production from the Xyris plant declined to approximately 1.7 TJ/d, net to Origin.

2.7.3 *Jingemia*

Gross production during the Quarter from the Jingemia production facility averaged 406 bopd (around 200 bopd Origin share).

Jingemia 12, an oil development well, was drilled, cased and completed with the Weatherford Rig 826. Drilled to a depth of 2,709 metres, the well encountered an oil column of approximately 15 metres within the Dongara Sandstone. The well will be commissioned in the next Quarter.

3. EXPLORATION

3.1 Coal Seam Gas (Interests held through APLNG)

All of Origin's interests in CSG (with the exception of the recently acquired ATP 788P exploration assets) are held through APLNG.

3.1.1 *Surat Basin CSG*

Five production/DST wells and one pilot well were drilled in APLNG's operated Walloon permits during the Quarter.

All wells in the Pine Hills five well pilot have been completed and are expected to be brought online during the December Quarter 2009. Construction of pondage to service these pilot wells commenced during the Quarter and is also expected to be complete during the December Quarter 2009.

The Condabri four well pilot was commissioned during the Quarter and gas rates have steadily increased to approximately 0.8 TJ/d.

The single well pilots at Muggleton 5 and Wolleebee East 2 have been completed and are expected to be brought online during the next Quarter.

In APLNG's non-operated Walloon ATP 648P permit area, four pilot wells and two core holes were drilled during the Quarter. One additional production/DST well was also drilled in ATP 631P.

The Quinn Gully 2D seismic survey data, acquired in ATP 702P during the June Quarter 2009, has been fully processed and is awaiting interpretation.

The Pathfinder 2D seismic was completed with 198 km acquired during the Quarter for a total of 363 km. The survey, which was located over the ATP 606P and ATP 847P blocks, was the first Envirovibe survey conducted in Australia. The EnviroVibe is a low impact vibrator system with low source generated ground pressure, low vehicle generated ground pressure and sound limiting systems which result in a much smaller environmental footprint.

3.1.2 *Bowen Basin CSG*

There was no exploration activity in APLNG's operated permits in the Spring Gully field and associated areas during the Quarter.

Thirteen appraisal/pilot wells and four core holes, of which one will be completed as a monitoring well, were drilled in APLNG's non-operated Comet Ridge area (including the Fairview field) during the Quarter.

3.1.3 *Denison Trough CSG*

APLNG participated in the drilling of one core hole in ATP 337P and one core hole in the ATP 337P Mahalo Farmout Block during the Quarter.

3.1.4 *Galilee Basin CSG*

A core hole program commenced during the Quarter with two wells drilled in ATP 666P and two wells in ATP 667P.

3.2 Cooper/Eromanga Basin (South Australia/Queensland)

Origin participated in the drilling of four oil appraisal wells in South Australia during the Quarter. One well, Charo 4, was plugged and abandoned, with the remaining three wells, all in the Charo oil field, cased and suspended as future oil producers.

3.3 Offshore Otway Basin (Victoria/Tasmania)

A drilling slot on the Ocean Patriot semi-submersible drilling rig was secured to drill the exploration well Somerset 1 (previously called Razorback 1), in exploration permit T/34P.

Interpretation of the reprocessed Investigator 3D seismic survey data in VIC/P43 was ongoing during this Quarter.

An interpretation report for the Schomberg 3D (320 sq km) seismic survey in VIC/P43 has been completed.

3.4 Bass Basin (Tasmania)

Origin, on behalf of the T/18P joint venture, secured 70 days on the Kan Tan IV semi-submersible drilling rig schedule to drill two wells, namely the Trefoil 2 appraisal well and the Rockhopper 1 exploration well.

Assessment of the prospectivity of the T/44P permit was continued during the Quarter incorporating the results of the interpretation of the Silvereye 3D seismic survey. A drilling candidate will be selected during the December 2009 Quarter.

3.5 Taranaki Basin (New Zealand)

Following the completion of a regional re-interpretation of the TAWN area, a comprehensive reprocessing project has been initiated. The project will reprocess some 580 km of 2D and 90 sq km of 3D seismic data which will be used to assess the prospectivity of near-field areas.

Prospectivity of the Kupe permit, PML 38146, is being reviewed in light of the drilling results from the Kupe development wells and Momoho-1.

3.6 Surat Basin (Queensland)

A review of the greater Myall Creek area to identify remaining opportunities continued through the Quarter.

3.7 Onshore Perth Basin (Western Australia)

The drilling of the Apium North 1 gas exploration well was completed in the L1 production licence. Wireline log evaluation indicated no significant hydrocarbons in the primary target. The well was deepened to test the sandstones in the Irwin River Coal Measures. With no significant hydrocarbons at this deeper level, the well was subsequently plugged and abandoned.

The Redback South 1 gas exploration well (sidetracked from the cased and suspended Redback 1 well in L11) was commenced on 25 August 2009. The well was drilled to a depth of 3,934 metres with wireline logs indicating a new gas pool discovery in the Wagina Sandstone on the eastern side of the Beharra Springs fault. With the Wagina Sandstone reservoir development comparable with that in the nearby Beharra Springs gas field, the well was cased and suspended for further cased hole testing to determine the commercial significance of this gas discovery.

3.8 Bonaparte Basin, Western Australia/Northern Territory

New 3D field modelling, which incorporated the interpretation of the 940 sq km 3D seismic dataset acquired over the Petrel field, has resulted in an upgrade in the interpreted recoverable volumes of the field.

3.9 Offshore Northland Basin (New Zealand)

Processing and interpretation of the 153 km Piwakawaka 2D Marine Seismic Survey in PEP 38619 was completed.

Preparations for a drilling campaign in PEP 38619 continued. With delays in the commencement of Australian drilling campaign by the Kan Tan IV semi-submersible drilling rig, the PEP 38619 wells, Tarapunga-1 and Korimako-1, are now scheduled to be drilled early in the June Quarter 2010.

3.10 Offshore Canterbury Basin (New Zealand)

Processing of the 1,150 sq km Waka 3D Marine Seismic Survey in PEP 38262 and the 940 km Punt 2D Marine Seismic Survey in PEP 38264 was completed and interpretation has commenced.

3.11 Offshore Lamu Basin (Kenya)

Tendering for the Mbawa 3D survey in Block L8 was completed in this Quarter. Fugro was selected as the preferred supplier using the Geo-Barents. An environmental impact assessment on the survey was also completed and submitted to the relevant authorities for approval following meetings with all stakeholders. Currently, Origin is working with the Kenyan government to obtain the required statutory and other approvals prior to an expected commencement of the survey in late November 2009.

3.12 Song Hong Basin (Vietnam)

A 2010 work programme and budget has now been approved following meetings with PetroVietnam. Reprocessing of the existing 2D seismic grid has progressed with Fairfield in Ho Chi Minh City. Tendering for the 2D seismic survey to be conducted in 2010 has also been completed and final award is pending comments from the relevant authorities.

4. DRILLING ACTIVITY

4.1 Exploration/Appraisal

The tables below summarises the exploration and appraisal drilling undertaken during the Quarter:

Well	Basin/Area	Target	Origin effective Interest %	Well Status
Redback South 1	North Perth Basin	Gas	67.00	C&S, Gas
Charo 4	Cooper/Eromanga -SA	Oil	13.19	P&A
Charo 5	Cooper/Eromanga -SA	Oil	13.19	C&S, Oil
Charo 6	Cooper/Eromanga -SA	Oil	13.19	C&S, Oil
Charo 7	Cooper/Eromanga -SA	Oil	13.19	C&S, Oil
Combabula 4	Surat Basin - Qld	CSG	46.36	Prod/DST
Combabula 5	Surat Basin - Qld	CSG	46.36	Prod/DST
Combabula 7	Surat Basin - Qld	CSG	46.36	Prod/DST
Horse Creek 4	Surat Basin - Qld	CSG	46.36	Prod/DST
Lucky Gully 4	Surat Basin - Qld	CSG	46.36	Pilot
Meeleebee 4	Surat Basin - Qld	CSG	46.36	Prod/DST
David 5	Surat Basin - Qld	CSG	15.625	Pilot
David 6	Surat Basin - Qld	CSG	15.625	Core
Harry 5	Surat Basin - Qld	CSG	15.625	Pilot
Harry 6	Surat Basin - Qld	CSG	15.625	Core
Ruby Jo 3	Surat Basin - Qld	CSG	15.625	Pilot
Ruby Jo 4	Surat Basin - Qld	CSG	15.625	Pilot
Glenray 1	Surat Basin - Qld	CSG	9.048	Prod/DST
Fairview 417	Bowen Basin - Qld	CSG	11.965	Core
Fairview 418	Bowen Basin - Qld	CSG	11.965	Core
Fairview 419	Bowen Basin - Qld	CSG	11.965	Core
Castle Hill 2	Bowen Basin - Qld	CSG	11.925	Pilot
Castle Hill 3	Bowen Basin - Qld	CSG	11.925	Pilot
Castle Hill 4	Bowen Basin - Qld	CSG	11.925	Prod
Hardenly 3	Bowen Basin - Qld	CSG	11.925	Pilot
Lonesome South 1	Bowen Basin - Qld	CSG	11.965	Pilot
Springwater 2	Bowen Basin - Qld	CSG	11.965	Core
Springwater 3	Bowen Basin - Qld	CSG	11.965	Prod/DST
Sunnyholt 2	Bowen Basin - Qld	CSG	11.925	Pilot
Sunnyholt 3	Bowen Basin - Qld	CSG	11.925	Pilot
Sunnyholt 4	Bowen Basin - Qld	CSG	11.925	Pilot
Sunnyholt 5	Bowen Basin - Qld	CSG	11.925	Pilot
Tarcolla Station 1	Bowen Basin - Qld	CSG	11.965	Pilot
Yebna North 2	Bowen Basin - Qld	CSG	11.965	Pilot
Yebna North 3	Bowen Basin - Qld	CSG	11.965	Pilot
Scrubber Gully 1	Denison Trough - Qld	CSG	15.00	Core
Checkers 1	Denison Trough - Qld	CSG	25.00	Core
Pennycoed Creek 1	Galilee Basin - Qld	CSG	50.00	Core
Glue Pot Creek 1	Galilee Basin - Qld	CSG	50.00	Core
Pentland 1	Galilee Basin - Qld	CSG	50.00	Core
Bullock 1	Galilee Basin - Qld	CSG	50.00	Core

4.2 Development

The tables below summarises the development drilling undertaken during the Quarter:

Well	Basin/Area	Target	Origin effective Interest %	Well Status
Jingemia 12	North Perth Basin	Oil	49.189	C&C, Oil
Wackett 14	Cooper/Eromanga - SWQ	Gas	16.74	C&S, Gas
Wackett 15	Cooper/Eromanga - SWQ	Gas	16.74	C&S, Gas
Wackett 16	Cooper/Eromanga - SWQ	Gas	16.74	P&A
Okotoko West 2	Cooper/Eromanga - SWQ	Gas	16.74	C&S, Gas
Surlow 2	Cooper/Eromanga - SWQ	Gas	16.74	C&S, Gas
Psyche 6	Cooper/Eromanga - SWQ	Gas	16.74	C&S, Gas
Bobs Well 2	Cooper/Eromanga - SA	Gas	13.19	C&S, Gas
Talinga 30	Surat Basin-Qld	CSG	50.00	C&S
Talinga 31	Surat Basin-Qld	CSG	50.00	C&S
Talinga 35	Surat Basin-Qld	CSG	50.00	C&S
Talinga 60	Surat Basin-Qld	CSG	50.00	C&S
Talinga 61	Surat Basin-Qld	CSG	50.00	C&S
Talinga 62	Surat Basin-Qld	CSG	50.00	C&S
Talinga 63	Surat Basin-Qld	CSG	50.00	C&S
Talinga 67	Surat Basin-Qld	CSG	50.00	C&S
Talinga 68	Surat Basin-Qld	CSG	50.00	C&S
Talinga 69	Surat Basin-Qld	CSG	50.00	C&S
Talinga 72	Surat Basin-Qld	CSG	50.00	C&S
Talinga 73	Surat Basin-Qld	CSG	50.00	C&S
Talinga 74	Surat Basin-Qld	CSG	50.00	C&S
Talinga 75	Surat Basin-Qld	CSG	50.00	C&S
Talinga 76	Surat Basin-Qld	CSG	50.00	C&S
Talinga 77	Surat Basin-Qld	CSG	50.00	C&S
Talinga 78	Surat Basin-Qld	CSG	50.00	C&S
Talinga 79	Surat Basin-Qld	CSG	50.00	C&S
Talinga 80	Surat Basin-Qld	CSG	50.00	C&S
Talinga 81	Surat Basin-Qld	CSG	50.00	C&S
Talinga 82	Surat Basin-Qld	CSG	50.00	C&S
Talinga 122	Surat Basin-Qld	CSG	50.00	C&S
Fairview 163	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 168	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 257	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 258	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 270	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 276	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 283	Bowen Basin - Qld	CSG	11.965	C&S
Argyle 36	Surat Basin - Qld	CSG	20.313	C&S
Argyle 37	Surat Basin - Qld	CSG	20.313	C&S
Argyle 42	Surat Basin - Qld	CSG	20.313	C&S
Argyle 43	Surat Basin - Qld	CSG	20.313	C&S
Argyle 44	Surat Basin - Qld	CSG	20.313	C&S
Argyle 45	Surat Basin - Qld	CSG	20.313	C&S
Argyle 47	Surat Basin - Qld	CSG	20.313	C&S
Argyle 52	Surat Basin - Qld	CSG	20.313	C&S
Argyle 53	Surat Basin - Qld	CSG	20.313	C&S
Argyle 54	Surat Basin - Qld	CSG	20.313	C&S
Argyle 55	Surat Basin - Qld	CSG	20.313	C&S
Lauren 38	Surat Basin - Qld	CSG	20.313	C&S
Lauren 44	Surat Basin - Qld	CSG	20.313	C&S
Lauren 45	Surat Basin - Qld	CSG	20.313	C&S
Lauren 57	Surat Basin - Qld	CSG	20.313	C&S
Lauren 77	Surat Basin - Qld	CSG	20.313	C&S
Lauren 78	Surat Basin - Qld	CSG	20.313	C&S
Lauren 79	Surat Basin - Qld	CSG	20.313	C&S

5. ACQUISITIONS/DIVESTMENTS

During the Quarter:

- On 7 August 2009 Origin completed the transaction with the Pangaea group of companies whereby it acquired a 100% interest in the shallow CSG and a 25% interest in the deeper conventional plays of exploration permit ATP 788P for a total consideration of \$660 million.
- PL 180 (Codie/Lauren) was granted with effect from 1 May 2009. APLNG is on title with a 40.625% interest.
- PL 247 (Bellevue) was granted with effect from 30 June 2009. APLNG is on title with a 29.375% interest.
- Essential Petroleum Resources Limited did not exercise pre-emption rights in PRL13. The Origin interest in that permit will now be acquired by Adelaide Energy Limited.

6. EXPLORATION AND DEVELOPMENT EXPENDITURE

E & D Expenditure

Australian Operations

A\$'000	This Quarter	Previous Quarter	% Change	Sept Quarter 2008	YTD 2009/10	YTD 2008/09
Exploration/ Appraisal	7,417	4,671	59	16,247	7,417	16,247
Development/ Plant	25,463	43,830	(42)	131,759	25,463	131,759
Total	32,880	48,501	(32)	148,006	32,880	148,006

The above expenditure includes Origin's contribution to the exploration and development of its CSG interests up until completion of the APLNG transaction. Following completion of this transaction, ConocoPhillips are funding the capital expenditure within the APLNG joint venture up to A\$2.3 billion leading up to a final investment decision in the proposed LNG development. Origin has therefore not contributed to this stage of the extensive ongoing CSG capital expenditure program since completion of the APLNG transaction. This is the primary reason for capital expenditure in the September 2009 Quarter and YTD 2009/10 being lower than in the prior corresponding periods in 2008/2009.

E & D Expenditure

New Zealand Operations

NZ\$'000	This Quarter	Previous Quarter	% Change	Sept Quarter 2008	YTD 2009/10	YTD 2008/09
Exploration/ Appraisal	-	6,111	(100)	15,363	-	15,363
Development/ Plant	43,627	34,514	26	48,400	43,627	48,400
Total	43,627	40,625	7	63,763	43,627	63,763

Note: E&D Expenditure excludes acquisitions and corporate plant and equipment.

7. ORIGIN'S INTERESTS

7.1 Origin held interests in the following permits during the Quarter:

Basin/Project Area	Permits (Origin current interest) (* Denotes Operatorship)
Australia	
<i>Surat Basin (Qld)</i>	PL 14 (100%*); PLs 56 and 74 (69.0%*); PL 30 (75.0%*); PLs 21, 22, 27 and 64 (87.50%*); PLs 53, 174 and 227 (100%*); ATP 470P Redcap (90.0%*); ATP 470P Formosa Downs (42.7192%*); PL 71 (Production) (90.0%*); PL 71 (Exploration) (72.0%*); PL 70 (100%*) and PL 264(Application) (90%*); ATP 471P Weribone Pooling Area (50.64%*); ATP 336P and PLs 10W, 11W, 12W, 28, 69 and 89 (46.25%); PL 11W Snake Creek East 1 Exclusion Zone (25.0%); ATP 647P (Block 2656 only) (50.0%*); ATP 754P (50.0%*); ATP788P Deeps (25.0%*); and ATP471P Bainbilla (24.748%) (subject to completion).
<i>CSG (Qld)</i>	ATP788P Shallows (100.0%*)
<i>Onshore Otway Basin</i>	
- SA	PRL 13 (50.0%) (subject to transfer to Adelaide Energy Ltd)
- Victoria	PPLs 6 and 9 and PRL 1 (90.0%*); PPLs 4, 5, 7, 10 and 12 (100.0%*); PPL 2 (Ex. Iona) (100.0%*); PPL 8 (100.0%*)
<i>Offshore Otway Basin</i>	
- Victoria	VIC/L23 and VIC/P43 (30.75%); VIC/RL2(V) (100.0%*)
- Tasmania	T/L2, T/L3, T/30P and T/34P (30.75%)
<i>Bass Basin (Tasmania)</i>	T/L1 and T/RL1 (42.50%*); T/18P (39.0%*); and T/44P (60.0%*)
<i>Onshore Perth Basin (WA)</i>	EP 320 and L11 (67.0%*); L14 (49.189%*); and L1/L2 (excluding Dongara, Mondarra and Yardarino) (50.0%)
<i>Offshore Bonaparte (WA/NT)</i>	NT/RL1 and WA6R (5.0%)
<i>Cooper Basin</i>	
- Qld	SWQ Unit Subleases (16.7375%); Aquitaine A & B Blocks and associated PLs (25.0%); Aquitaine C Block and associated PLs (27.0%); and Wareena Block and associated PLs (10.0%)
- SA	SA Unit PPLs (13.19%); Patchawarra East Block PPLs (10.536%); Reg Sprigg West Unit (PPLs 194 and 211) (7.902%)
New Zealand	
Taranaki Basin	PMP 38151, PMP 38155, PML 38138, PML 38139, PML 38140 and PML 38141 (100%*) and PML 38140 (below base of Tikorangi Formation) and PML 38141 (below base of Tikorangi Formation) (50.0%*); PML 38146 (50.0%*) and PEP 38485 (33.333%)
Northlands Basin	PEP 38619 (100.0%*)
Canterbury Basin	PEP 38262 and 38264 (100.0%*)
Kenya	
Lamu Basin	L8 and L9 (75.0%*)
Vietnam	
Song Hong Basin	Block 121 (100.0%*)

7.2 APLNG held interests in the following permits during the Quarter:

APLNG (formerly known as Origin Energy CSG Limited) holds interests in the permits listed below. The interests denote Origin's effective interest in the permits - being 50% of the interest held by APLNG.

Basin/Project Area	Permits (Origin current effective interest) (* Denotes Operatorship)
Australia	
<i>Denison Trough (Qld)</i>	PLs 41, 42, 43, 44, 45, 54, 67, 173, 183 and 218 (25.0%*); ATP 337P (25.0%); ATP 337P Mahalo (15.0%); and ATP 553P (25.0%)
<i>Galilee Basin (Qld)</i>	ATPs 666P, 667P and 668P (50.0%*)
<i>CSG (Qld)</i>	
- <i>Spring Gully</i>	PLs 195 and 203 and ATP 592P (47.25%*); PL 204 (49.8625%*); and PL 200 (47.8552%*)
- <i>Fairview</i>	PLs 90, 91, 92, 99, 100, 232, 233, 234, 235 and 236 and ATP 526P (11.965%)
- <i>Peat</i>	PL 101 (50%*)
- <i>Argyle/Kenya/Lauren/Bellevue</i>	PLs 179, 180, 228, 229 and 263(A) and ATP 620P Shallows (20.3125%); ATP 610P Shallows and PL 247 (14.6875%); and ATP 648P Shallows, PL 257(A), PL 273(A), PL 274(A), PL 275(A) and PL 278(A) (15.625%)
- <i>Talinga/Orana</i>	PLs 209, 215, 226, 216(A), 225(A), 272(A) and 289(A) and ATP 692P (50%*)
- <i>Other(Bowen Basin)</i>	PLs 219 and 220 (50%*); ATP 653P and ATP 745P (11.925%); and ATP 804P (14.6491%)
- <i>Other (Surat Basin)</i>	ATP 606P and PL 297(A)(46.3581%*); ATP 631P (9.04825%); ATP 663P (50%*); ATP 702P, PLs 265(A), 266(A) and 267(A) (50.0%*); ATP 972P (46.3581%*) and ATP 973P (50.0%*) (ATP 847P has been split into ATPs 972P and 973P, subject to EA approval)

8. CONVERSION FACTORS AND ABBREVIATIONS

8.1 Conversion Factors

Crude oil	0.00583	PJ/kbbls
Condensate	0.00541	PJ/kbbls
LPG	0.0493	PJ/ktonnes
Ethane	0.0517	PJ/ktonnes

8.2 Abbreviations

APLNG	Australia Pacific LNG - a 50:50 incorporated Joint Venture between Origin Energy and ConocoPhillips
barrels	an international measure of oil production. 1 barrel = 159 litres
bopd	barrels of oil per day
bwpd	barrels of water per day
C&C	cased and completed
C&S	cased and suspended
CSG	coal seam gas
CTU	coiled tubing unit
DA	designated authority
EA	environmental authority
GJ	Gigajoule = 10^9 joules
joule	a measure of energy
Kbbls	Kilo barrels = 1,000 barrels
Ktonnes	Kilo tonnes = 1,000 tonnes
LNG	liquefied natural gas
LPG	liquid petroleum gas
mmscfd	million standard cubic feet per day
P&A	plugged and abandoned
P&S	plugged and suspended
PCA	potential commercial area
PSC	production sharing contract
PSDM	post stack depth migration (seismic processing)
PJ	petajoule = 10^{15} joules
PJe	petajoule equivalent, a measure used to express the volume of different petroleum products on the basis of the energy contained in the product
Spudding	to commence drilling a well
TD	total depth
TJ	terajoule = 10^{12} joules
TJ/d	terajoules per day
Water Inj	water injection well