



September 2010 Quarterly Production Report

Origin Energy Limited: Exploration and Production business report for the Quarter ended 30 September 2010

Comparative performance at a glance - Origin's total proportional interests			
Prior Corresponding Period Comparison	Sept Quarter 2010	Sept Quarter 2009	Change %
Production (PJe)	37.1	25.5	45
Revenue (A\$m)	230	151	52
Previous Quarter Comparison	Sept Quarter 2010	June Quarter 2010	Change %
Production (PJe)	37.1	30.5	22
Revenue (A\$m)	230	203	13

Note: Information presented in the table above and throughout this report relates only to hydrocarbon exploration and production activities undertaken by Origin Energy Limited (Origin), its subsidiaries and the incorporated joint ventures in which it has interests. The report does not cover other business activities of Origin such as electricity generation or energy retailing.

Highlights

- Record Quarter production of 37.1 PJe, up 45% on the September Quarter 2009 and 22% higher than in the June Quarter.
- Record Quarter revenues at \$230 million, up 52% on the September Quarter 2009 and 13% higher than in the June Quarter.
- Gas production from Australia Pacific LNG was 25% higher than in the previous Quarter as supply commenced to Rio Tinto Alumina and supply to the Darling Downs Power Station increased.
- Strong production performance and higher seasonal demand in the Otway and Kupe projects led to increases of 26% and 31% respectively compared with the previous Quarter.

Quarterly Production and Sales:

Significant contributors to the September 2010 on September 2009 result were the Kupe Project which commenced production in December 2009; the increased share of the Otway Gas Project production following the acquisition of Woodside's interest; and a 40% increase in Australia Pacific LNG's production. Sales volumes and revenues both increased by 52% compared with the September Quarter 2009.

Compared with the June Quarter 2010, sales volumes and revenues were 19% and 13% higher respectively at 43.5 PJe and \$230 million. All projects, except the Perth Basin, produced at or above levels recorded in the previous Quarter.

Significant events and influences during the Quarter included:

- **Australia Pacific LNG:**
 - Production during the Quarter achieved rates in excess of 300 TJ/d.
 - Responses on submissions on the Environmental Impact Statement (EIS) were finalised and meetings were held with government agencies ahead of the Coordinator-General's report on the EIS.
 - FEED studies were well advanced ahead of a Final Investment Decision.

- **Kupe Gas Project:** The plant has operated at a high level of reliability and has recorded strong performance, up 31% on the previous Quarter at 5.1 PJe (Origin share).
- **Otway Gas Project:** Origin assumed the operatorship on 1 July 2010. Gas production of 13.4 PJ (100% Joint Venture) was up 20% compared with the previous Quarter.
- **BassGas Project:** Production for the Quarter was restricted to the Yolla 4 well only. Wire line work to retrieve the isolation plug on Yolla 3 began in September.
- **Cooper Basin:** Although the wet weather and flooding events in the March Quarter 2010 have continued to impact on activity levels, production is recovering to previous levels, up 15% compared with the previous Quarter. Production was down 14% compared with the comparable period in 2009/2010.
- **Perth Basin:** Redback 2 was flow-tested at approximately 5 mmscfd. This well will be tied in to the Beharra Springs gas facility in October. Origin signed a new contract for the sale of up to 25 PJ of gas over approximately 5 years to a subsidiary of AWE Limited, for onsale to the Western Australian energy retailer Synergy.
- **International:** The acquisition of an approximate 1,100 sq km 3D survey has commenced in Block 121, offshore Vietnam.
- **Drilling Activities:**
 - **Australia Pacific LNG:** Australia Pacific LNG participated in 65 wells including 12 development wells and 53 exploration/appraisal wells.
 - **Cooper Basin:** Floods continued to restrict activity with only two gas development wells drilled (both cased and suspended for future gas production).
 - **Perth Basin:** Wolf 1 was drilled to test the downdip extent of the Redback South 1 gas accumulation. The well has been cased and suspended for subsequent testing.
 - **Vinh Chau Graben (Vietnam):** A second farm-in well was drilled in the Vinh Chau Graben under the agreement with Salamander Energy. The well, Tom Hum Xanh 1X, which was drilled in the offshore Block 31, was plugged and abandoned.

Post Report Date Events:

- **Australia Pacific LNG :** The company advised relevant landowners, Western Downs Regional council and the Queensland government that traces of BTEX compounds had been found in fluid samples taken from eight exploration CSG wells located in the Surat Basin, west of Miles. Each of the wells had previously been hydraulically fracture stimulated. Australia Pacific LNG is undertaking further comprehensive testing aimed at determining the source of the BTEX. All waters are contained within lines ponds and there is no indication that license conditions have been breached. Australia Pacific LNG will recommence the fracture stimulation of exploration wells upon a satisfactory resolution.
- **Northland Basin:** Korimako 1, the first of two exploration wells to be drilled in the offshore PEP 38619 permit, spudded late on 18 October. The well is expected to take approximately three weeks to complete. The exploration well Kokako 1 will follow Korimako 1.

1. PRODUCTION, SALES AND REVENUE

In the tables below, Origin's 50% proportional interest in production from assets held by Australia Pacific LNG Pty Ltd, a 50:50 joint venture between ConocoPhillips and Origin Energy, 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 Australia Pacific LNG.

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

Natural Gas and Ethane	Unit	This Quarter	Previous Quarter	% Change	Sept Quarter 2009	YTD 2010/11	YTD 2009/10
Natural Gas	PJ						
APLNG (CSG and Denison Trough)		12.7	10.2	25	9.1	12.7	9.1
SA Cooper & SWQ		3.7	3.2	15	4.3	3.7	4.3
Otway Basin (offshore)		9.0	7.2	25	5.1	9.0	5.1
Bass Basin		2.0	1.8	11	2.3	2.0	2.3
Surat Basin		0.5	0.4	15	0.1	0.5	0.1
Perth Basin		0.3	0.4	(25)	0.8	0.3	0.8
Taranaki Basin (onshore)		0.2	0.2	0	0.3	0.2	0.3
Taranaki Basin (offshore)		2.8	2.2	27	-	2.8	-
Ethane	PJ						
SA Cooper & SWQ		0.2	0.2	21	0.3	0.2	0.3
Total Production		31.4	25.8	22	22.3	31.4	22.3
Total Sales Volume		37.2	30.9	20	24.1	37.2	24.1
Total Sales Revenue	\$M	139.4	117.1	19	88.1	139.4	88.1
Average Gas Price	\$/GJ	3.74	3.79	(1)	3.65	3.74	3.65

Crude Oil	Unit	This Quarter	Previous Quarter	% Change	Sept Quarter 2009	YTD 2010/11	YTD 2009/10
Crude Oil	kbbbls						
SA Cooper & SWQ		63.0	57.8	9	93.3	63.0	93.3
Surat Basin		8.6	7.9	9	9.5	8.6	9.5
Perth Basin		28.9	34.6	(16)	53.5	28.9	53.5
Taranaki Basin (onshore)		27.6	18.6	48	26.0	27.6	26.0
Total Production		128.1	118.9	8	182.3	128.1	182.3
Total Sales Volume		266.3	284.7	(6)	342.3	266.3	342.3
Total Sales Revenue	\$M	23.2	24.9	(7)	30.4	23.2	30.4
Average Crude Price	\$/bbl	87.02	87.50	(1)	88.68	87.02	88.68

Condensate/Naphtha	Unit	This Quarter	Previous Quarter	% Change	Sept Quarter 2009	YTD 2010/11	YTD 2009/10
Condensate/Naphtha	kbbls						
APLNG (Denison Trough)		0.4	0.4	9	0.4	0.4	0.4
SA Cooper & SWQ		60.7	48.9	24	58.5	60.7	58.5
Otway Basin (offshore)		103.4	83.2	24	46.8	103.4	46.8
Bass Basin		72.8	65.0	12	92.0	72.8	92.0
Surat Basin		6.5	6.0	7	8.9	6.5	8.9
Perth Basin		0.4	0.5	(20)	1.0	0.4	1.0
Taranaki Basin (onshore)		-	-	-	-	-	-
Taranaki Basin (offshore)		294.4	227.8	29	-	294.4	-
Total Production		538.6	431.8	25	207.6	538.6	207.6
Total Sales Volume		507.2	473.3	7	242.0	507.2	242.0
Total Sales Revenue	\$M	40.0	39.8	1	16.1	40.0	16.1
Average Condensate Price	\$/bbl	78.92	84.09	(6)	66.70	78.92	66.70

LPG	Unit	This Quarter	Previous Quarter	% Change	Sept Quarter 2009	YTD 2010/11	YTD 2009/10
LPG	Kt						
SA Cooper & SWQ		7.6	6.8	11	9.1	7.6	9.1
Otway Basin (offshore)		12.0	8.7	38	5.8	12.0	5.8
Bass Basin		5.6	3.0	87	6.8	5.6	6.8
Surat Basin		1.2	1.3	(9)	1.7	1.2	1.7
Taranaki Basin (onshore)		0.3	0.4	(25)	0.5	0.3	0.5
Taranaki Basin (offshore)		12.0	9.3	29	-	12.0	-
Total Production		38.7	29.5	31	23.9	38.7	23.9
Total Sales Volume		39.8	28.5	39	23.5	39.8	23.5
Total Sales Revenue	\$M	27.1	21.5	26	16.0	27.1	16.0
Average LPG Price	\$/t	682.80	754.40	(9)	682.02	682.80	682.02

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

Production by Basin (All products, PJe)	Unit	This Quarter	Previous Quarter	% Change	Sept Quarter 2009	YTD 2010/11	YTD 2009/10
Production by Basin	PJe						
APLNG (CSG and Denison Trough)		12.7	10.3	23	9.1	12.7	9.1
SA Cooper & SWQ		5.0	4.4	15	5.8	5.0	5.8
Otway Basin (offshore)		10.2	8.1	26	5.6	10.2	5.6
Bass Basin		2.6	2.3	13	3.1	2.6	3.1
Surat Basin		0.6	0.6	12	0.3	0.6	0.3
Perth Basin		0.5	0.6	(17)	1.1	0.5	1.1
Taranaki Basin (onshore)		0.4	0.3	33	0.5	0.4	0.5
Taranaki Basin (offshore)		5.1	3.9	31	-	5.1	-
Total		37.1	30.5	22	25.5	37.1	25.5

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 2009	YTD 2010/11	YTD 2009/10
Production (all products)	PJe	37.1	30.5	22	25.5	37.1	25.5
Sales (all products)	PJe	43.5	36.5	19	28.6	43.5	28.6
Total Revenue	\$M	229.7	203.4	13	150.7	229.7	150.7

1.3.2 Origin excluding 50% interest in APLNG

Total All Products	Unit	This Quarter	Previous Quarter	% Change	Sept Quarter 2009	YTD 2010/11	YTD 2009/10
Production (all products)	PJe	24.4	20.2	21	16.4	24.4	16.4
Sales (all products)	PJe	28.8	24.5	18	18.5	28.8	18.5
Total Sales Revenue	\$M	183.2	162.9	12	116.4	183.2	116.4

1.3.3 Origin's 50% interest in APLNG

Total All Products	Unit	This Quarter	Previous Quarter	% Change	Sept Quarter 2009	YTD 2010/11	YTD 2009/10
Production (all products)	PJe	12.7	10.3	23	9.1	12.7	9.1
Sales (all products)	PJe	14.6	12.0	22	10.1	14.6	10.1
Total Sales Revenue	\$M	46.5	40.5	15	34.3	46.5	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 2009	YTD 2010/11	YTD 2009/10
Total Sales Volume	PJe						
Internal		15.6	12.3	27	8.9	15.6	8.9
External		13.3	12.2	9	9.6	13.3	9.6
Total		28.8	24.5	18	18.5	28.8	18.5

1.4.2 External Purchases

Product Purchases included in above sales	Unit	This Quarter	Previous Quarter	% Change	Sept Quarter 2009	YTD 2010/11	YTD 2009/10
Origin (excluding 50% interest in APLNG)	PJe	3.5	3.6	(3)	1.2	3.5	1.2
Origin's 50% interest in APLNG	PJe	1.9	1.8	1	0.9	1.9	0.9
Total	PJe	5.4	5.4	0	2.1	5.4	2.1

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 2010 compared with September Quarter 2009

The September Quarter 2010 production of 37.1 PJe was up by 45% on the comparable period in 2009. The main contributors to this significant increase in production were the Kupe Project coming on stream in December 2009; the increased share of the Otway Gas Project following the acquisition of Woodside's interest; and continuing growth in CSG production. These were partially offset by falls in Cooper Basin production, as the area recovered from flooding events earlier in 2010, and in BassGas and Perth Basin production.

Sales volumes were 52% higher than in the comparable period in 2009 reflecting the greater production and higher product purchases on-sold.

Sales revenues also increased by 52% reflecting the higher sales volumes.

September Quarter 2010 compared with June Quarter 2010

The September Quarter production of 37.1 PJe was up by 22% compared with the June Quarter. All project areas, except the Perth Basin, contributed to this improved production performance, most notably the Kupe Project (up 31% to 5.1 PJe), Otway Gas Project (up 26% to 10.2 PJe) and CSG and Denison Trough (up 23% to 12.7 PJe).

Sales volumes reflected the increased production volumes in registering a 19% increase. With liquids prices generally lower, sales revenues increased by 13%.

2. DEVELOPMENT

2.1 Coal Seam Gas (Interests held through Australia Pacific LNG)

During the Quarter, Australia Pacific LNG's production achieved rates in excess of 300 TJ/d and averaged 276 TJ/d. Rio Tinto Alumina commenced taking contracted gas on 6 July 2010 and ramped up its take during the Quarter. The Darling Downs Power Station also commenced commercial operations in July, increasing its demand for gas compared with the previous Quarter.

Responses to submissions received on Australia Pacific LNG's Environmental Impact Statement (EIS) were finalised and meetings held with government agencies (State and Commonwealth). The Commonwealth approval process will enter into its final stages after receipt of the Coordinator-General's report.

FEED studies have continued in conjunction with the Early Works contractors.

A licence to discharge water from the Talinga Water Treatment plant to the Condamine River was granted in September.

2.1.1 *Spring Gully*

The Spring Gully gas plants achieved gross peak gas sales of 151 TJ/d (averaging 139 TJ/d) during the Quarter with 153 wells contributing to production.

The Phase 6 development of the Spring Gully field which is designed to increase the overall Spring Gully capacity to 180 TJ/d has been significantly progressed. Construction and commissioning of a new export gas pipeline was completed. Additional compression has been brought on line and all associated gas plants have been commissioned and are operational. Development drilling is now scheduled to commence in the March Quarter 2011.

2.1.2 Fairview

Six development wells were drilled in the non-operated Fairview field during the Quarter. The field has achieved gross peak sales of 131 TJ/d (Australia Pacific LNG share 31 TJ/d).

2.1.3 Peat

Surface upgrades on four Peat wells were completed successfully. Peat average production was 10.5 TJ/d for the Quarter.

2.1.4 Talinga/Orana

The Talinga gas sales plant is fully commissioned with sales gas exported directly to the Wallumbilla pipeline. The Talinga gas plant has a sales capacity of 90 TJ/d which will be fully utilised once the remaining development wells are tied in. Peak gas sales reached 85 TJ/d and averaged 67 TJ/d for the Quarter. A reverse osmosis water treatment plant capable of processing 20 megalitres of water per day was commissioned in September. Following an extensive process of testing and verification of water quality, a licence to discharge treated water to the Condamine River was granted in September.

A further 8 development wells were brought online during the Quarter bringing the total wells on line to 64. With the drilling of a further 5 development wells, a total of 81 wells of the 98 well program have been drilled to date.

2.1.5 Argyle/Kenya/Lauren/Bellevue

One development well was drilled in the non-operated ATP 620P fields during the Quarter. The Kenya sales gas plant achieved average sales of around 47 TJ/d (Australia Pacific LNG share 19 TJ/d).

During the Quarter, Australia Pacific LNG notified QGC that it had elected to buy back into and participate in the initial development of PL 247 (Bellevue) under arrangements agreed in 2008. Australia Pacific LNG will be required to back-pay its share of expenditure as if it had been a participant in the initial development from its commencement. Australia Pacific LNG will be entitled to its share of gas produced, such gas to be taken in accordance with gas banking provisions under the arrangements with QGC.

2.2 Denison Trough (Conventional) (Interests held through Australia Pacific LNG)

The Springvale field is back online and dewatering using foam injection has been successful in the Merivale field. Average production was 24 TJ/d for the Quarter.

2.3 Cooper/Eromanga Basin (South Australia/Queensland)

During the Quarter, only two gas development wells were drilled in South Australia. Both wells were cased and suspended as future gas producers. Severe wet weather and localised flooding continues to hamper development activities in the Cooper Basin.

2.4 Offshore Otway Basin (Victoria/Tasmania)

Origin assumed operatorship of the project on 1 July 2010. Gross natural gas production from the Otway Gas Project was 13.4 PJ up from 10.8 PJ in the previous Quarter. Maintenance issues impacted production in July and August but high demand in September was serviced by more stable plant operation.

The wettest winter in 20 years in the Otway region has impacted construction activity of the inlet compression project and more wet weather is expected during the Spring.

Consequently, the project start is now expected in the June Quarter 2011. The civil works and installation of major equipment have been completed.

2.5 Bass Basin (Tasmania)

Production was limited to Yolla 4 at an average of 50.5 TJ/d. The Yolla 3 well remained offline and wire line work to remove the plug began in late September and is continuing.

A revised execution strategy is being developed for the restructured Yolla Mid-Life Enhancement (MLE) project plan involving reassessment of the optimal sequencing and timing of the project's key components. The three major aspects of the MLE strategy are: drilling of the Yolla 5 and 6 wells, installation of living quarters and associated upgraded safety systems on the offshore Yolla "A" platform and the addition of compression. The living quarters/upgraded safety systems and compression/pumping phases of construction will be consolidated into a single offshore campaign; and a range of options for drilling the Yolla 5 and 6 wells are being investigated.

As a consequence of this reassessment it is most likely that a significant shut-down of the offshore production facilities previously foreshadowed in the current financial year will be deferred to the financial year ending 30 June 2012.

Engineering work in support of the consolidated accommodation and compression modules is progressing and all major equipment packages have been ordered. Negotiations for the charter of the primary construction vessel have been completed and a vessel secured.

2.6 Taranaki Basin (New Zealand)

2.6.1 *Kupe Gas Project*

The Kupe field is producing as expected and the production station is maintaining a high level of plant availability (99%).

High gas nominations during the Winter decreased later in the Quarter as energy demand dropped in the North Island with the onset of milder weather conditions. Three tanker liftings of Kupe light crude from Port Taranaki were completed during the Quarter.

A programmed shutdown over 25 days for maintenance and a regulatory plant integrity inspection is scheduled for the December Quarter 2010. The planned shutdown is not expected to impact on the joint venture contracted annual volumes of gas of around 20 PJ/annum.

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

Production of oil and gas from the onshore fields was maintained at similar levels to the previous Quarter.

Work on the Ahuroa Gas Storage project, being developed on behalf of Contact Energy, continued during the Quarter. The Ahuroa 4 and 5 wells (drilled and completed during the March Quarter 2010) were perforated and tested.

2.7 Surat Basin (Queensland)

The majority of the gas produced from Origin's Surat Basin fields continues to be sold to Origin's Retail business for re-injection into storage reservoirs after stripping of gas liquids.

2.8 Onshore Perth Basin (Western Australia)

The current low gas market demand and production constraints impacted gas sales during the period.

Origin signed a new contract for the sale of up to 25 PJ of gas over approximately 5 years to a subsidiary of AWE Limited, for onsale to the Western Australian energy retailer Synergy. The agreement is subject to the confirmation of gas reserves by November 2010. The contract was due to commence in August 2010 but was delayed due to production complications at Redback South 1.

Redback 2 was successfully completed by the end of September and flowed at approximately 5 mmscfd. Following installation of a 200m pipeline, Redback 2 will be commissioned in October.

Gas production for the Corybas well continues to produce above forecast and a workover in October is expected to extend its production life.

The Jingemia and Hovea oil fields continued to experience natural production decline. Failure of a downhole pump in Jingemia 8 will be addressed by October. The Hovea 8 well was shut-in for the majority of the Quarter and a workover was completed in September to restore production.

3. EXPLORATION

3.1 Coal Seam Gas (Interests held through Australia Pacific LNG)

3.1.1 *Surat Basin CSG (Walloons)*

Wet weather has impacted both drilling and construction operations during the Quarter.

Twenty seven exploration/appraisal wells were drilled in Australia Pacific LNG's operated Walloons permits during the Quarter continuing the process of maturing reserves across the Walloons project area. The program consisted of 5 pilot wells, 15 production/DST wells and 7 core wells.

In addition to the drilling, Australia Pacific LNG's pilot production testing program continued throughout the Quarter within several of the operated Walloons permits.

Fracture stimulation activities were performed on a number of wells to evaluate production enhancement in low permeability areas. None of these wells have yet been put on production.

In Australia Pacific LNG's non-operated Walloons ATP 648P permit area, 14 pilot wells were drilled.

Planning continued on 2D and 3D seismic acquisition programs across a number of permits in the Walloons project area.

3.1.2 *Bowen Basin CSG*

One observation monitor well, Spring Gully 125 Obs, was drilled in the APLNG's operated permit, PL 204, during the Quarter.

In APLNG's non-operated Comet Ridge permits, 5 exploration/appraisal core holes and 3 production pilot wells were drilled.

3.1.3 *Denison Trough CSG*

The drilling and production testing of a multi-well pilot commenced in August with the drilling of two pilot wells, Kiaora West 3 and Kiaora West 4.

3.1.4 *Galilee Basin CSG*

Desorption and coal analysis work continued on cores obtained during previous drilling activity.

3.2 CSG - Interests held directly by Origin (ATP 788P) - Ironbark

The program of drilling and production testing across the permit continued during the Quarter with the drilling of one core hole, Duke-25.

3.3 Cooper/Eromanga Basin (South Australia/Queensland)

No drilling or seismic exploration activities were undertaken during the Quarter. The 2010 SWQ seismic program is delayed until November due to wet weather.

3.4 Offshore Otway Basin (Victoria/Tasmania)

Planning commenced for the acquisition of two 3D seismic surveys within T/30P and VIC/P43. The surveys are scheduled to be acquired in January 2011.

3.5 Bass Basin (Tasmania)

Post well analysis on Trefoil 2, Rockhopper 1 and Rockhopper 1/ST1 continued in the Quarter designed to establish the commercial significance of the field discoveries made in T/18P.

Planning commenced for acquisition of a 3D seismic survey within T/18P at the time of the Otway surveys.

The Silvereve 1 gas exploration well in T/44P is scheduled for drilling during the December Quarter 2010 or early in 2011 using the Kan Tan IV semi-submersible drilling rig.

3.6 Taranaki Basin (New Zealand)

The seismic reprocessing project designed to evaluate near-field opportunities across the TAWN fields is nearing completion.

In PML 38146 (Kupe) review of the prospectivity continues.

3.7 Surat Basin (Queensland)

Evaluation of the Greater Myall Creek field area continues focussing on reserves estimation and identification of possible drilling locations.

Planning of a work program for ATP754P was progressed.

3.8 Onshore Perth Basin (Western Australia)

Wolf 1 was drilled during the Quarter to investigate the extent of the Redback South 1 gas accumulation. The well encountered 4 metres of the Wagina Sandstone Zone A interval, which appears to be tighter than it is in Redback South 1. The well has been cased and suspended prior to testing in the December Quarter 2010.

3.9 Bonaparte Basin, Western Australia/Northern Territory

No significant activity to report.

3.10 Offshore Northland Basin (New Zealand)

The drilling campaign involving two wells in PEP38619, namely Korimako 1 and Kokako 1, using the Kan Tan IV semi-submersible drilling rig, is now scheduled for October 2010.

3.11 Offshore Canterbury Basin (New Zealand)

The Operator, Anadarko, has applied for a 5 year extension to PEP 38262.

3.12 Offshore Lamu Basin (Kenya)

Processing of the Mbawa 3D marine survey data, which was acquired in December 2009, has been completed and interpretation commenced. PSDM processing of the data set continues and should be completed during the December 2010 Quarter.

3.13 Block 121 - Song Hong Basin (Vietnam)

Processing of the 2D seismic survey, acquired in May 2010, has been completed and interpretation commenced. Acquisition of a 3D seismic survey of approximately 1100 sq km commenced in late September and is expected to be completed by end October / early November.

3.14 Vinh Chau Graben (Vietnam)

The 31-THX-1X (Tom Hum Xanh) well, the second farm-in well to be drilled in the Vinh Chau Graben region under a farm-in agreement with Salamander Energy, was drilled in Block 31 in July to a total depth of 2,103m TVDSS without encountering significant hydrocarbons in the target reservoir sections. The well was subsequently plugged and abandoned.

3.15 Khorat Basin (Thailand and Lao PDR)

Testing was undertaken of Bang Nouan-1, a farm-in well completed in May 2010 under a farm-in agreement with Salamander Energy, to assess the significance of gas encountered in the Triassic Kuchanarai sands. No significant flow of hydrocarbons was observed and the well has been plugged and abandoned.

Planning is in progress for the drilling of two wells in Block L15/50 (Thailand). It is anticipated that the first of these two wells, to be drilled under a farm-in agreement with Salamander Energy, will be spudded in the December Quarter 2010 or early in 2011.

4. DRILLING ACTIVITY

4.1 Exploration/Appraisal

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

Exploration/Appraisal Wells	Basin/Area	Target	Origin effective Interest %	Well Status
Wolf 1	Perth Basin - WA	Gas	67.00	C&S, Gas
Bang Nouan 1	Khorat Plateau - Lao PDR	Gas	30.00	P&A
31-THX-1X	Vinh Chau Graben - Vietnam	Oil	25.00	P&A
Duke 25	Surat Basin - Qld	CSG	50.00	Core
Carinya 6	Surat Basin - Qld	CSG	50.00	DST
Carinya 8	Surat Basin - Qld	CSG	50.00	DST
Carinya South 2	Surat Basin - Qld	CSG	50.00	DST
Combabula 23	Surat Basin - Qld	CSG	46.36	Core
Combabula 24	Surat Basin - Qld	CSG	46.36	Core
Condabri 14	Surat Basin - Qld	CSG	50.00	Core
Condabri 15	Surat Basin - Qld	CSG	50.00	Pilot
Condabri 17J	Surat Basin - Qld	CSG	50.00	Pilot
Condabri 18	Surat Basin - Qld	CSG	50.00	Pilot
Condabri 19	Surat Basin - Qld	CSG	50.00	Pilot
Dalwogan 5	Surat Basin - Qld	CSG	50.00	DST
Dalwogan 6	Surat Basin - Qld	CSG	50.00	DST
Dalwogan 7	Surat Basin - Qld	CSG	50.00	DST
Dalwogan 8	Surat Basin - Qld	CSG	50.00	DST
Horse Creek 12	Surat Basin - Qld	CSG	46.36	DST
Horse Creek 13	Surat Basin - Qld	CSG	46.36	DST
Kainama 10	Surat Basin - Qld	CSG	50.00	DST
Kainama 7	Surat Basin - Qld	CSG	50.00	Core
Kainama 8	Surat Basin - Qld	CSG	50.00	DST
Lucky Gully 9	Surat Basin - Qld	CSG	46.36	Pilot
Meeleebee 3	Surat Basin - Qld	CSG	46.36	DST
Meeleebee 6	Surat Basin - Qld	CSG	46.36	DST
Reedy Creek 4	Surat Basin - Qld	CSG	46.36	DST
Reedy Creek 9	Surat Basin - Qld	CSG	46.36	Core
Woleebee East 3	Surat Basin - Qld	CSG	50.00	DST
Wygi Creek 1	Surat Basin - Qld	CSG	50.00	Core
Zig Zag 2	Surat Basin - Qld	CSG	50.00	Core
Broadwater 10	Surat Basin - Qld	CSG	15.625	Pilot
Broadwater 11	Surat Basin - Qld	CSG	15.625	Pilot
Broadwater 12	Surat Basin - Qld	CSG	15.625	Pilot
Broadwater 13	Surat Basin - Qld	CSG	15.625	Pilot
Broadwater 8	Surat Basin - Qld	CSG	15.625	Pilot
Broadwater 9	Surat Basin - Qld	CSG	15.625	Pilot
Glendower 10	Surat Basin - Qld	CSG	15.625	Pilot
Glendower 11	Surat Basin - Qld	CSG	15.625	Pilot
Glendower 12	Surat Basin - Qld	CSG	15.625	Pilot
Glendower 9	Surat Basin - Qld	CSG	15.625	Pilot
Jordan 8	Surat Basin - Qld	CSG	15.625	Pilot
Kenya East 6	Surat Basin - Qld	CSG	15.625	Pilot
RubyJo 11	Surat Basin - Qld	CSG	15.625	Pilot
RubyJo 12	Surat Basin - Qld	CSG	15.625	Pilot
Spring Gully 125 Obs	Bowen Basin - Qld	CSG	49.86	Monitor
Bottle Tree 1	Bowen Basin - Qld	CSG	11.925	Core
Bungawarra 2	Bowen Basin - Qld	CSG	11.965	Pilot
Bungawarra 3	Bowen Basin - Qld	CSG	11.965	Pilot
Linga Longa 1	Bowen Basin - Qld	CSG	11.925	Core

Exploration/Appraisal Wells	Basin/Area	Target	Origin effective Interest %	Well Status
Moonah 1	Bowen Basin - Qld	CSG	11.965	Core
Mount Kingsley 1	Bowen Basin - Qld	CSG	11.925	Pilot
Springwater 6	Bowen Basin - Qld	CSG	11.965	Core
Strathblane Creek 1	Bowen Basin - Qld	CSG	11.965	Core
Kia Ora West-3	Bowen Basin - Qld	CSG	25.00	Pilot
Kia Ora West-4	Bowen Basin - Qld	CSG	25.00	Pilot

4.2 Development

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

Development Wells	Basin/Area	Target	Origin effective Interest %	Well Status
Coonatie 19	Cooper/Eromanga - SA	Gas	10.536	C&S, Gas
Coonatie 20	Cooper/Eromanga - SA	Gas	10.536	C&S, Gas
Talinga 110	Surat Basin - Qld	CSG	50.00	C&S
Talinga 111	Surat Basin - Qld	CSG	50.00	C&S
Talinga 113	Surat Basin - Qld	CSG	50.00	C&S
Talinga 114	Surat Basin - Qld	CSG	50.00	C&S
Talinga 115	Surat Basin - Qld	CSG	50.00	C&S
Lauren 66M	Surat Basin - Qld	CSG	20.3125	C&S
Fairview 338	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 338 DW1	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 501	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 503	Bowen Basin - Qld	CSG	11.965	P&A
Fairview 505	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 507	Bowen Basin - Qld	CSG	11.965	C&S

5. ACQUISITIONS/DIVESTMENTS

During the Quarter:

- APLNG has lodged applications for 20 petroleum leases in ATP 606P (8 numbered PLA 403 to 408, PLA 412 and PLA 413), in ATP 592P (6 numbered PLA 414 to 419) and in ATP 663P (6 numbered PLA 434 to 439). In addition six applications were lodged for potential commercial areas in ATP 592P (5 applications) and in ATP 663P (1 application).
- Santos withdrew previously submitted applications, namely PLA 395 and PLA 396 (ex ATP 653P), and replaced them with PLA 420 and PLA 421 respectively over the same application areas.

6. EXPLORATION AND DEVELOPMENT EXPENDITURE

E & D Expenditure Australian Operations

A\$'000	This Quarter	Previous Quarter	% Change	Sep Quarter 2009	YTD 2010/11	YTD 2009/10
Exploration/ Appraisal Development/ Plant	17,751	31,275	(43)	6,946	17,751	6,946
	41,427	32,311	28	25,463	41,427	25,463
Total	59,178	63,586	(7)	32,409	59,178	32,409

ConocoPhillips is funding capital expenditure within the Australia Pacific LNG joint venture up to a cumulative total of A\$2.3 billion leading up to a final investment decision for the proposed LNG development. As such Origin has not incurred any capital expenditure in relation to APLNG.

E & D Expenditure New Zealand Operations

NZ\$'000	This Quarter	Previous Quarter	% Change	Sep Quarter 2009	YTD 2010/11	YTD 2009/10
Exploration/ Appraisal Development/ Plant	4,117	4,192	(2)	-	4,117	-
	4,188	25,899	(84)	43,627	4,188	43,627
Total	8,305	30,091	(72)	43,627	8,305	43,627

E & D Expenditure International

A\$'000	This Quarter	Previous Quarter	% Change	Sep Quarter 2009	YTD 2010/11	YTD 2009/10
Exploration/ Appraisal Development/ Plant	9,554	29,531	(93)	471	3,661	471
	-	-	-	-	-	-
Total	9,554	29,531	(93)	471	3,661	471

includes all expenditure incurred on permits outside Australia and New Zealand, including Origin's interests in Kenya and South East Asia. Note: E&D Expenditure excludes acquisitions.

7. ORIGIN'S INTERESTS

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

Basin/Project Area	Permits (Origin current beneficial interest) (* Denotes Operatorship)
Australia	
<i>Surat Basin (Qld)</i>	PL 14 (100%*); PLs 56 and 74 (69%*); PL 30 (75%*); PLs 21, 22, 27 and 64 (87.5%*); PLs 53, 174 and 227 (100%*); ATP 470P Redcap (90%*); ATP 470P Formosa Downs (42.7192%*); PL 71 (Production) (90%*); PL 71 (Exploration) (72%*); PL 70 (100%*) and PL 264 (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%); ATP 647P (Block 2656 only) (50%*); ATP 754P (50%*); ATP788P Deeps (25%*); and ATP471P Bainbilla (24.748%)
<i>CSG (Qld)</i>	ATP788P Shallows (100%*)
<i>Onshore Otway Basin</i>	
- <i>Victoria</i>	PPLs 6 and 9 and PRL 1 (90%*); PPLs 4, 5, 7, 10 and 12 (100%*); PPL 2 (Ex. Iona) (100%*); PPL 8 (100%*)
<i>Offshore Otway Basin</i>	
- <i>Victoria</i>	VIC/L23 and VIC/P43 (67.23%*); VIC/RL2(V) (100%*)
- <i>Tasmania</i>	T/L2, T/L3 and T/30P (67.23%*); T/34P (82.3%*)
<i>Bass Basin (Tasmania)</i>	T/L1 and T/RL1 (42.5%*); T/18P (39.0%*); and T/44P (60%*)
<i>Onshore Perth Basin (WA)</i>	EP 320 and L11 (67%*); L14 (49.189%*); and L1/L2 (excluding Dongara, Mondarra and Yardarino) (50%)
<i>Offshore Bonaparte (WA/NT)</i>	NT/RL1 and WA6R (5%)
<i>Cooper Basin</i>	
- <i>Qld</i>	SWQ Unit Subleases (16.7375%); Aquitaine A & B Blocks and associated PLs (25%); Aquitaine C Block and associated PLs (27%); and Wareena Block and associated PLs (10%)
- <i>SA</i>	SA Unit PPLs (13.19%); Patchawarra East Block PPLs (10.536%); Reg Sprigg West Unit (PPLs 194 and 211) (7.902%)
New Zealand	
<i>Taranaki Basin</i>	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%*); PML 38146 (50%*) and PEP 38485 (33.33%)
<i>Northlands Basin</i>	PEP 38619 (100%*)
<i>Canterbury Basin</i>	PEP 38262 (subject to farm-in agreement with Anadarko) and PEP 38264 (50%*)
Kenya	
<i>Lamu Basin</i>	L8 (75%*)
Vietnam	
<i>Song Hong Basin</i>	Block 121 (100%*)
<i>Vinh Chau Graben</i>	Block 31 (25%) and Block DBSCL-01 (25%) (subject to farm-in agreement with Salamander)
Thailand	
<i>Khorat Plateau</i>	L15/50 and L26/50 (40%) (subject to farm-in agreement with Salamander)
Laos	
<i>Khorat Plateau</i>	Savannahket PSC (30%) (subject to farm-in agreement with Salamander)

7.2 Australia Pacific LNG held interests in the following permits during the Quarter:

Australia Pacific LNG holds interests in the permits listed below. The interests denote Origin's effective interest in the permits - being 50% of the interest held by Australia Pacific LNG.

Basin/Project Area	Permits (Origin current effective beneficial interest) (* Denotes Operatorship)
Australia	
<i>Denison Trough (Qld)</i>	PLs 41, 42, 43, 44, 45, 54, 67, 173, 183 and 218 (25%*); ATP 337P (25%); ATP 337P Mahalo (15%); and ATP 553P (25%)
<i>Galilee Basin (Qld)</i>	ATPs 666P, 667P and 668P (50%*)
<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 and 229 and ATP 620P Shallows (20.3125%); PL 247 and ATP610 Shallows (14.6875%); and ATP 648P Shallows (15.625%)
- <i>Talinga/Orana</i>	PLs 209, 215 and 226 and ATP 692P (50%*)
- <i>Other(Bowen Basin)</i>	PLs 219 and 220 (50%*); ATPs 653P and 745P (11.925%); and ATP 804P (14.6491%)
- <i>Other (Surat Basin)</i>	ATP 606P (46.3581%*); ATP 631P (9.04825%); ATP 663P (50%*); ATP 702P (50%*); ATP 972P (46.3581%*) and ATP 973P (50%*) (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/kbbbls
Condensate	0.00541	PJ/kbbbls
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
BTEX	benzene, toluene, ethylbenzene, xylene
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
Kbbbls	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
SWQ	South West Queensland
TD	total depth
TJ	terajoule = 10^{12} joules
TJ/d	terajoules per day
Water Inj	water injection well