

MinterEllison

16 February 2021

BY EMAIL ONLY

Ms Connie Wu
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Dear Ms Wu

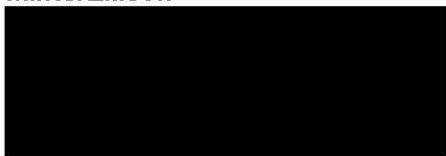
Vintage Energy Ltd, Metgasco Ltd and Bridgeport (Cooper Basin) Pty Ltd for authorisation AA1000538-1 – response to request for further information

1. Vintage Energy Ltd, Metgasco Ltd and Bridgeport (Cooper Basin) Pty Ltd (collectively, the **Applicants**) have applied to the Australian Competition and Consumer Commission (**ACCC**) for authorisation to jointly market and give effect to supply agreements with customers with common terms and conditions (including price) for gas developed from the new Vali gas field in the Queensland Cooper/Eromanga Basin (the **Proposed Conduct**).
2. The Applicants seek authorisation for a period of 5 years to give effect to supply agreements with customers which may have gas supply terms of up to 15 years.
3. On 29 January 2021, the ACCC granted interim authorisation to the Applicants to negotiate and enter into:
 - (a) long term gas supply agreements with customers (conditional on final authorisation being granted); and
 - (b) binding short term gas supply agreements with customers for interruptible supply of gas (until 31 December 2021),(the **ACCC Interim Authorisation Decision**).
4. We refer to the email from the ACCC dated 28 January 2021, in which the ACCC set out a request for further information in relation to the Applicants' application to jointly market and sell gas developed from the Vali field.
5. The purpose of this letter is to respond to the ACCC's request for further information, which is set out in the **Annexure** to this letter.
6. The Annexure to this letter contains certain information which is confidential to the Applicants. The Applicants consider that disclosure of this information would have an unreasonable and detrimental effect on the Applicants in respect of their commercial and financial affairs. This confidential information has been highlighted in the Annexure in **red highlighting**. The Applicants request that the ACCC treat the highlighted information as strictly confidential (subject to its usual confidentiality provisos) and that it be redacted from this document prior to publication on the ACCC's public register.

Please let us know if the ACCC has any questions.

Yours faithfully

MinterEllison



Lisa Jarrett
Partner

Contact: Lisa Jarrett T: [Redacted]

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Annexure – Response to request for further information

1. ACCC request for further information

- 1.1 The ACCC has requested clarification as to whether the application for authorisation of the Proposed Conduct only relates to gas from the Patchawarra Formation, or whether it also includes gas from other formations within the Vali field.
- 1.2 If the authorisation application for the Proposed Conduct will cover other formations, the ACCC has requested that the Applicants provide the following information:
- (a) how much gas resources are likely to be found at each of these formations; and
 - (b) what the Vali joint venture's timeline is in terms of developing these resources and producing gas for sale.

2. Response to request for further information

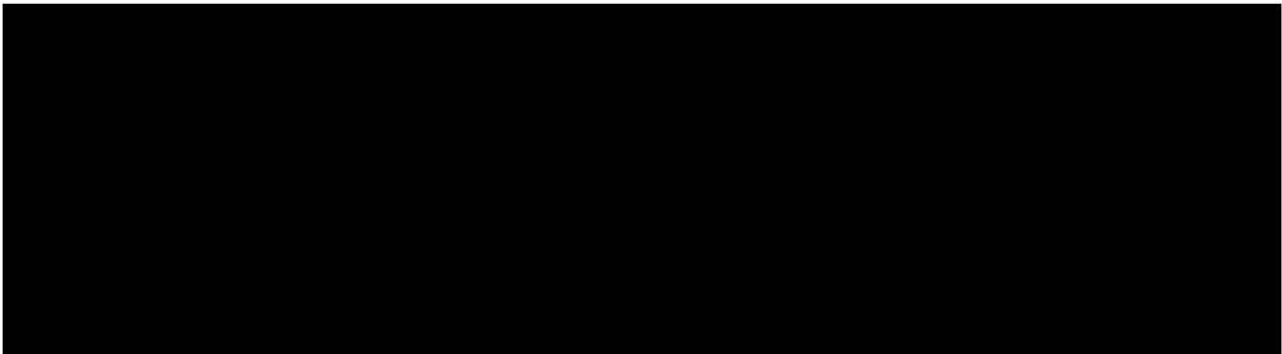
Is authorisation intended to cover the whole field?

- 2.1 The Applications confirm that they are seeking authorisation for the Proposed Conduct in respect of all gas that might be produced from the Vali field (i.e. including gas from any formation within the Vali field such as the Patchawarra, Tirrawarra, Toolachee and Nappamerri formations).



How much gas resources are likely to be found at each formation?

- 2.3 The Applicants note that there is potential for future resource bookings in the Tirrawarra, Toolachee and Nappamerri formations within the Vali field.
- 2.4 However, excepting the Patchawarra Formation (for which the authorisation application contains resources quantities and a production forecast), the Applicants have not yet undertaken sufficient drilling in the Vali field to support any resource bookings for those other formations.



What is the Vali joint venture's timeline in terms of developing these resources and producing gas for sale?

- 2.7 The Applicants have elected to drill Vali-2 (and Odin-1) ahead of the purchase of flowline infrastructure. We refer to Vintage Energy Ltd's ASX Release dated 5 February 2021 which provides context for this commercial decision.
- 2.8 The drilling of Vali-2 will address the interpreted Toolachee Formation gas accumulation in the Vali structure, which, if successful, would provide additional reserves to those recently certified in the Patchawarra Formation.
- 2.9 The planned timing for drilling Vali-2 is around April/May 2021, pending rig availability and other approvals. As a result it is expected, this will likely result in the deferral of first gas production for sale from the Vali field to late 2021, or possibly early 2022.