



SENEX ENERGY LIMITED

Annual Report

Licence Year 1 (Term 3)

5th November 2011 – 4th November 2012

Petroleum Exploration Licence (PEL) 93

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1. Introduction

Renewal of Petroleum Exploration Licence (PEL) 93 was granted its third term on 5 November 2011. The licence is located in the Cooper and Eromanga Basins, South Australia. This report details the work conducted during Licence Year 1 (Term 3) of the licence (5 November 2011 to 4 November 2012), in accordance with Regulation 33 of the *Petroleum and Geothermal Energy Act 2000*.

2. Permit Summary

For the duration of the licence year, licensees for Petroleum Exploration Licence (PEL) 93 were:

- Stuart Petroleum Pty Limited 70%
- Cooper Energy Limited 30%

The current work commitments (including all variations) associated with PEL 93 can be seen in Table 1.

Table 1 Current work commitments by licence year

Licence Year	Licence Date	Minimum Work Program
1	5 Nov '11 – 4 Nov '12	Geological and Geophysical Studies
2	5 Nov '12 – 4 Nov '13	Geological and Geophysical Studies
3	5 Nov '13 – 4 Nov '14	Geological and Geophysical Studies
4	5 Nov '14 – 4 Nov '15	Geological and Geophysical Studies
5	5 Nov '15 – 4 Nov '16	One Well

Licence Year 1 concluded on 4 Nov 2012. The following table displays the minimum work program (after all variations) and the actual work completed up until the end of the current licence period.

Table 2 Final work program and work completed (as of end of current reporting period) by licence year

Licence Year	Minimum Work Program	Actual Work
1	Geological and Geophysical Studies	Geological and Geophysical Studies
2	Geological and Geophysical Studies	-
3	Geological and Geophysical Studies	-
4	Geological and Geophysical Studies	-
5	One Well	-

3. Regulated Activities

Pursuant to Regulation 33(2)(a) of the Regulations, an annual report must include:

“a summary of the regulated activities conducted under the licence during the [current reporting] year.”

This information is detailed below in designated sections.

3.1 Drilling and Related Activities

No regulated activities undertaken in the licence reporting period.

3.2 Seismic Data Acquisition

No regulated activities undertaken in the licence reporting period.

3.3 Seismic Data Processing and Reprocessing

No regulated activities undertaken in the licence reporting period.

3.4 Geochemical, Gravity, Magnetic and other surveys

No regulated activities undertaken in the licence reporting period.

3.5 Production and Processing

No regulated activities undertaken in the licence reporting period.

3.6 Pipeline/ Flowline Construction and Operation

No regulated activities undertaken in the licence reporting period.

3.7 Preliminary Survey Activities

No regulated activities undertaken in the licence reporting period.

4. Compliance Issues

Licence and Regulatory Compliance

Pursuant to Regulations 33(2) (b) & (c), an annual report must include:

“a report for the year on compliance with the Act, these regulations, the licence and any relevant statement of environmental objectives,” and

“a statement concerning any action to rectify non-compliance with obligations imposed by the Act, these regulations or the licence, and to minimise the likelihood of recurrence of any such non-compliances.”

Detailed information on the individual instances of non-compliance are provided below in designated sections.

Licence Non-Compliance

No licence non-compliances identified for PEL 93.

Regulatory Non-Compliance

No regulatory non-compliances identified for PEL 93.

Compliance with Statement of Environmental Objectives

No SEO non-compliances identified for PEL 93.

Management System Audits

Pursuant to Regulation 33(2) (d) under the Act, an annual report must include:

“a summary of any management system audits undertaken during the relevant licence year including information on any failure or deficiency identified by the audit and any corrective actions that has, or will be taken”.

No management system audits undertaken.

Report and Data Submissions

Pursuant to Regulation 33(2) (e) under the Act, an annual report must include:

“a list of all report and data relevant to the operation of the Act generated by the licensee during the licence year”.

Table 3 List of report and data submissions during current licence reporting year

Description of Report/Data	Date Due	Date Submitted	Compliant / Non-Compliant
Annual Report - Year 5 (Term 2)	4 Jan 2012	21 Dec 2011	Compliant
Annual Report Resubmission – Year 5 (Term 2)	20 Jul 2012	13 Jul 2012	Compliant

Incidents

Pursuant to Regulation 33(2) (f), an annual report must include:

“in relation to any incidents reported to the Minister under the Act and these Regulations during the relevant licence year –

- (i) an overall assessment and analysis of the incidents, including the identification and analysis of any trends that have emerged; and*
- (ii) an overall assessment of the effectiveness of any action taken to rectify non-compliance with obligations imposed by the Act, these regulations or the licence, or to minimise the risk of recurrence of any such non-compliance”.*

No reportable incidents occurred during the licence reporting period.

Threat Prevention

Pursuant to Regulation 33(2) (g) under the Act, an annual report must include:

“a report on any reasonably foreseeable threats (other than threats previously reported on) that reasonably presents, or may present, a hazard to facilities or activities under the licence, and a report on any corrective action that has, or will be taken”.

There were no perceived threats; as a result no action was taken.

Future Work Program

Pursuant to Regulation 33(2) (h) under the Act, an annual report must include:

“unless the relevant licence year is the last year in which the licence is to remain in force – a statement outlining operations proposed for the ensuing year”.

Table 4 Future Licence Reporting Period (Term 3, Year 2) Planned

Area of Activity	Minimum Work Program	Actual Work Program	Commencement Date
Drilling and related activities	-	-	-
Seismic data and acquisition	-	-	-
Seismic processing and reprocessing	-	-	-
Production and Processing	-	-	-
Geochemical, Gravity, Magnetic and other surveys	-	-	-
Pipeline Construction	-	-	-
Geological and Geophysical studies	Geological and Geophysical studies	Geological and Geophysical studies	5 November 2012

5. Expenditure Statement

Pursuant to Regulation 33(3) under the Act, an annual report must contain:

“An annual report must be accompanied by a statement of expenditure on regulated activities conducted under the licence for the relevant licence year, showing expenditure under each of the following headings:

- a) drilling activities;*
- b) seismic activities;*
- c) technical evaluation and analysis;*
- d) other surveys;*
- e) facility construction and modification;*
- f) operating and administration expenses (not already covered under another heading)”.*

Please refer to Appendix 1 for the expenditure statement for the current reporting period.