

Annual Report

Licence Year 2 (Term 3)

5 November 2012 – 4 November 2013

Petroleum Exploration Licence (PEL) 93

Document Number
PEL93-CORP-TM-REP-004

Revision 0

CONTENTS

REVISION HISTORY	3
1 INTRODUCTION	4
2 PERMIT SUMMARY	4
3 REGULATED ACTIVITIES.....	5
3.1 Drilling and Related Activities.....	5
3.2 Seismic Data Acquisition	5
3.3 Seismic Data Processing and Reprocessing.....	5
3.4 Geochemical, Gravity, Magnetic and other surveys	5
3.5 Production and Processing	5
3.6 Pipeline/ Flowline Construction and Operation.....	5
3.7 Preliminary Survey Activities.....	5
4 COMPLIANCE ISSUES	6
4.1 Licence and Regulatory Compliance.....	6
4.2 Management System Audits	6
4.3 Environmental Audit.....	6
4.4 Report and Data Submissions	6
4.5 Incidents	7
4.6 Threat Prevention	7
4.7 Future Work Program	8
5 EXPENDITURE STATEMENT	9
APPENDIX 1 EXPENDITURE STATEMENT	10

REVISION HISTORY

Revision	Revision Date	Document Status	Revision Comments	Author	Approved by
A	22/10/13	Issued for Review	Document creation	Kimberley Presow	James Crowley
0	21/11/13	Issued for Use		Kimberley Presow	

1 INTRODUCTION

Petroleum Exploration Licence (PEL) 93 was granted on 5 November 2001 and renewed for its third term, effective 5 November 2011. The licence is located in the Cooper and Eromanga Basins, South Australia. This report details the work conducted during Licence Year 2 (Term 3) of the licence (5 November 2012 - 4 November 2013), 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	Minimum Work Program	Actual Work
1	5 November 2011 – 4 November 2012	Geological and Geophysical Studies
2	5 November 2012 – 4 November 2013	Geological and Geophysical Studies
3	5 November 2013 – 4 November 2014	Geological and Geophysical Studies
4	5 November 2014 – 4 November 2015	Geological and Geophysical Studies
5	5 November 2015 – 4 November 2016	One well

Licence Year 2 concluded on 4 November 2013. 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	Geological and Geophysical Studies
3	Geological and Geophysical Studies	-
4	Geological and Geophysical Studies	-
5	Drill 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

4.1 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.”

There were no licence, regulatory or SEO non-compliances identified for PEL 93 during the reporting period.

4.2 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 in the licence reporting period.

4.3 Environmental Audit

An Environmental Audit was conducted during July 2013 in the Pando South-1 area of PEL 93. It is expected that corrective actions identified during the audit will be undertaken during Licence Year 3.

4.4 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
PEL 93, Licence Year 1 (Term 3) Annual Report	04/01/2013	12/12/2012	Compliant
Pando South-1 Rehab Works Activity Notification	-	08/10/2013	Compliant

4.5 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.

4.6 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.

4.7 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 Work Program

Area of Activity	Minimum Work Program	Planned Work	Commencement Date
Drilling and related activities	-	-	-
Seismic data and acquisition	-	Padulla 3D Seismic Survey over approx 202 km ² of PEL 93	Approx February 2014
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	Ongoing

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.