



Annual Report

Petroleum Retention Licence No. 32 (PRL 32)

Licence Year 1

8 May 2013 to 7 May 2014

Onshore Otway Basin

South Australia

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1 Introduction

Petroleum Retention Licence (PRL 32) was granted on 8 May 2013. The Licence is located in the onshore Otway Basin, South Australia.

The Annual Report for PRL 32 details the work conducted during Licence Year 1 which corresponds to the period 8 May 2013 to 7 May 2014 to comply with the Regulation 33 of the *Petroleum and Geothermal Energy Act 2000*.

2 Permit Summary

PRL 32 was granted on 8 May 2013 for a period of five years to Adelaide Energy Pty Ltd.

A Farmin Agreement dated 18 November 2013 between Cooper Energy Limited, Beach Energy Limited, Adelaide Energy Pty Ltd and Somerton Energy Pty Ltd was registered on DMITRE's public register on 26 February 2014. The interests in PRL 32 are:

- Adelaide Energy Pty Ltd 70%
- Somerton Energy Pty Ltd 30%

The licence conditions for the first term of PRL 32 require the Licensee to carry out:

- geological, geophysical, engineering and commercial studies to evaluate the Jacaranda Ridge-2, Hollick-1 and Patrick-1 wells within the licence area.
- a well in Year 5, contingent on the results of commercial studies

3 Regulated Activities

Pursuant to Regulations 33(2) (a), an Annual Report must include:

"A summary of the regulated activities conducted during the licence year."

No regulated activities were carried out during the reporting period.

4 Compliance Issues

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.”

4.1 Licence and Regulatory Compliance

The licensee complied with the Petroleum and Geothermal Energy Act 2000, the Petroleum and Geothermal Energy Regulations 2013 and the Licence Conditions for PRL 32.

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 have, or will be taken”.

No management system audits specific to PRL 32 were conducted during reporting period.

4.3 Report and Data Submissions

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

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

There were no reports or data generated by PRL 32 licensee during reporting period.

4.4 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”.*

There were no reportable incidents within PRL 32 during the reporting period.

4.5 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”.

Beach is not aware of any threats within PRL 32 during the reporting period.

4.6 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”.

Future work will be conducted to evaluate the nature and commercial feasibility of the Jacaranda Ridge-2, Hollick-1 and Patrick-1 fields.

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:

*drilling activities;
seismic activities;
technical evaluation and analysis;
other surveys;
facility construction and modification;
operating and administration expenses”.*

An expenditure summary for the PRL 32 for the Licence Year 1 is presented in Appendix 1.

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- Licence Year 1 -

Statement of Expenditure

Total Expenditure –