

**PRL 2
(Limestone Ridge Area)**

Onshore Otway Basin

South Australia

Annual Report

For the Period

28 April 2008

to

27 April 2009

(Year 4)

June 2009

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1 Introduction

Petroleum Retention Licence No. 2 ("PRL 2") is located in the onshore portion of the Otway Basin, South Australia. Origin Energy Resources Limited ("Origin") was granted PRL 2 over the Limestone Ridge Field from 28 April 2005 to 27 April 2010.

This report covers the work performed by Origin as Operator of PRL 2 *in accordance with requirements of Section 33 of the Petroleum Regulations 2000*. The reporting period is 28 April 2008 to 27 April 2009, Year 4 of the PRL.

During 2008 Origin sold its interest in PRL1 to Adelaide Energy Limited, subject to Ministerial approval for the transfer which was granted 1 June 2009. Therefore Adelaide Energy is submitting this annual report.

2 Administration

Origin completed a transaction transferring the rights to PRL 2 to Adelaide Energy in late 2008.

3 Regulated Activities

Section 33.(2) (a) a summary of the regulated activities conducted under the licence during the year:

- 3.1 Drilling/Testing/Workover
No completion or testing operations were performed on the site during the reporting period.
- 3.2 Seismic Data Acquisition
No new seismic data were recorded during the reporting period.
- 3.3 Seismic Data Processing/Reprocessing
No seismic data processing/reprocessing was conducted during the reporting period.
- 3.4 Geological and Geophysical Studies
No Geological and Geophysical Studies were conducted during the reporting period.

4 Compliance Issues

4.1 Regulatory Compliance

Section 33.(2) (b) a report for the year on compliance with the Act, these regulations, the licence and any relevant statement of environmental objectives.

Origin, as Operator for the PRL 2, complied with all relevant conditions under the *Petroleum Act 2000*, and the *Petroleum Regulations 2000*.

4.2 Rectification of Non-Compliance

Section 33.(2) (c) a statement concerning any action to rectify non-compliance with obligations imposed by the Act, these regulations or the licence, and to minimize the likelihood of the recurrence of any such non-compliance.

There were no non-compliance issues within PRL2 during the reporting period. Origin has developed a computer database called the Permits and Lands Management System (PLMS) designed to track critical dates and provide prompts for impending reports. The objective of this system is to ensure compliance with the requirements of the *Act* and *Regulations*.

4.3 Management System Audits

Section 33.(2) (d) 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 action that has, or will be, taken.

No field operations were conducted during the reporting period, and no management audits were undertaken.

4.4 Data Submissions

Section 33.(3). (e) a list of all reports and data relevant to the operation of the Act generated by the licensee during the relevant licence year.

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4.5 Safety

Section 33.(2) f in relation to any incidents reported to the Minister under the Act and these regulations during the relevant licensing year-

Section 33.(2) f (i) an overall assessment and analysis of the incidents, including the identification and analysis of any trends that have emerged.

Section 33.(2) f (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 minimize the risk of recurrence of any such non-compliance.

No reportable incidents occurred during the reporting period.

4.6 Threat Prevention

Section 33.(2) (g) a report on any reasonably foreseeable threats (other than threats previously reported on) that reasonably present, 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, and no action taken during the reporting period.

4.7 Licence Conditions and Future Work Program

Section 33.(2) (h) 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.

In mid-June 2009 Adelaide Energy is submitting a pipeline application to connect the Limestone Ridge 1 well to Katnook Plant via the Redman 1 wellsite. Adelaide Energy will also apply to convert PRL 2 to production licence. Adelaide Energy intends to install the pipeline and commence production in the Oct/Nov/Dec quarter of 2009.

5 Expenditure Statement

Section 33.(3) an annual report must be accompanied by a statement of expenditure on regulated activities conducted under the licence for the relevant licence year.

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