

Annual Report

Licence Year 2

13 March 2015 – 12 March 2016

Special Facilities Licence (SFL) 10

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REVISION HISTORY

Revision	Revision Date	Document Status	Revision Comments	Author	Approved by
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1 INTRODUCTION

Special Facilities Licence (SFL) 10 was granted on 13 March 2014 to allow for the construction, maintenance and operation of a campsite, logistics yard and associated access tracks. The licence is located in the Cooper/Eromanga Basin, South Australia.

This report details the work conducted during Licence Year 2 of the licence (13 March 2015 – 12 March 2016 inclusive), in accordance with Regulation 33 of the *Petroleum and Geothermal Energy Act 2000*.

2 PERMIT SUMMARY

Special Facilities Licence (SFL 10) was awarded to:

- Senex Energy Limited 100%

The licence covers an area of approximately 0.81km² and is adjacent to Petroleum Production Licence (PPL) 242 which contains the Growler oilfield.

Licence Year 2 concluded on 12 March 2016. The following table displays the actual work completed up until the end of Year 2.

Table 1 Final work completed (as of end of current reporting period) by licence year

Licence Year	Minimum Work Program	Actual Work
One 13 March 2014 – 12 March 2015	N/A	Growler campsite: Installation of 52-man camp and associated facilities
Two 13 March 2015 – 12 March 2016	N/A	Growler campsite: Operation and maintenance of camp

3 REGULATED ACTIVITIES

Pursuant to Regulation 33(2)(a)

Activities were conducted in SFL 10 during the licence year associated with the operation and maintenance of a 52 man camp, and consisted of:

- Waste disposal soakage area overburden levelled and profiled
- Camp pad and soakage area fenced
- Communications upgraded to connect to fibre optic cable
- Bollards installed around septic tank area, light post, and underground service access points
- Hand rails installed on camp decking
- Routine maintenance and grading of pad and access road
- Electrical inspections (test and tag, etc), plumbing inspections, camp audits
- Installed additional fridge/freezer unit for food storage
- Emergency Response drills undertaken in February and March 2016 to test efficiency of personnel to safely evacuate Growler camp under emergency conditions.

4 COMPLIANCE ISSUES

Licence and Regulatory Compliance

Pursuant to Regulations 33(2) (b) & (c)

There were no instances of non-compliance with the *Petroleum and Geothermal Energy Act 2000*, the *Petroleum and Geothermal Energy Regulations 2013*, the Statement of Environmental Objectives (SEO) for Cooper Basin Drilling, Completions and Well Operations (2015), or the SFL 10 Licence Conditions during the reporting period.

Compliance with Statement of Environmental Objectives

Camp operation, maintenance, and upgrade activities conducted in SFL 10 have been assessed against the Statement of Environmental Objectives for Cooper Basin Drilling, Completions and Well Operations (2015).

Table 2 SEO for Cooper Basin Drilling, Completions and Well Operations (2015)

Objective / Goals	Assessment Criteria	Compliant/ Non-Compliant	Comments
1. No injuries, deaths or health impacts to the public or third parties from regulated activities that could have been reasonably prevented by the operator.	<p>All reasonable measures implemented to ensure no injuries or health risks to the public or third parties.</p> <p>Investigation conducted by a relevant government authority into any injury or death does not result in a prohibition notice pursuant to Section 195 of the <i>Work Health and Safety Act 2012</i>.</p>	Compliant	No injuries or health risks to the public or third parties.

Objective / Goals	Assessment Criteria	Compliant/ Non-Compliant	Comments
	<p>Compliance with the relevant legislation or approvals regarding noise and air quality.</p> <p>No unnecessary venting during well operations.</p> <p>Sewage and grey water to be managed in accordance with the <i>South Australian Public Health (Wastewater) Regulations 2013</i> or to the satisfaction of the Department of Health and Ageing.</p>		
2. Minimise impacts to native flora and fauna (terrestrial and aquatic) due to regulated activities or escape of petroleum, processed substance, chemical or fuel.	<p>Any escape of petroleum, processed substance, chemical or fuel is either immediately contained and removed or assessed in accordance with NEPM guidelines and remediated in accordance with relevant guidelines in a timely manner.</p> <p>No impact to rare, vulnerable or endangered flora and/or fauna, or important vegetation (as defined under Table A1) due to an escape of petroleum, processed substance, chemical or fuel.</p> <p>No overflow, spill or seepage of completions fluids from temporary holding ponds.</p> <p>No native fauna casualties that could have been reasonably prevented.</p> <p>The attainment of 0, +1 or +2 GAS criteria under well site construction (Table A1) for:</p> <ul style="list-style-type: none"> o minimising impact to soil o minimising impact on native vegetation and native fauna <p>The attainment of 0, +1 or +2 GAS criteria under borrow pit</p>	Compliant	<p>No spills/leaks outside of areas designed to contain them.</p> <p>No disturbances to native vegetation and fauna.</p> <p>No native fauna casualties.</p>

Objective / Goals	Assessment Criteria	Compliant/ Non-Compliant	Comments
	<p>construction (Table A3) for:</p> <ul style="list-style-type: none"> o minimising impacts on soil o minimising impacts on vegetation. <p>The attainment of 0, +1 or +2 GAS criteria under borrow pit management (Table A3) for:</p> <ul style="list-style-type: none"> o minimising water retention in the pit o minimising impacts to soil o minimising impacts on vegetation <p>Solid wastes and foreign material to remain contained onsite within the well lease/operational area boundaries until disposed of at an EPA licensed facility, with the exception of drilling and completions benign solids to be disposed of in drilling sump.</p> <p>No uncontrolled fires resulting from regulated activities.</p> <p>The extent of soil erosion is consistent or less than surrounding land.</p> <p>For well site restoration and borrow pit rehabilitation GAS criteria refer to Objective 8.</p>		<p>Waste was avoided, reduced, reused, recycled and disposed of in the optimal way.</p> <p>No spills or leaks from sewage treatment processing.</p> <p>No fires occurred during the reporting period.</p>
3. Minimise disturbance to drainage patterns and avoid contamination of surface waters.	<p>The attainment of 0, +1 or +2 GAS criteria under well site construction for minimising disturbance to drainage patterns (Table A1)</p> <p>No new water affecting activities as defined under the NRM Act undertaken unless relevant permits have been obtained.</p> <p>No unauthorised discharge of water (or other liquids) or solid wastes to surface waters.</p>	Compliant	<p>Disturbances to drainage patterns minimised.</p> <p>Contamination of surface and shallow ground water resources was avoided.</p>

Objective / Goals	Assessment Criteria	Compliant/ Non-Compliant	Comments
4. No introduction of new species of weed, plant, pathogen or pests (feral animal) and prevent the spread of existing species, as necessary.	<p>Presence/absence and abundance of pest plants and animals are consistent with pre-existing conditions and/or adjacent land or where pest plants and animals are identified on operational areas, management plan is implemented immediately.</p> <p>Declared plants /animals are reported and managed in accordance with relevant regulations.</p> <p>The attainment of 0, +1 or +2 GAS criteria under management and rehabilitation of borrow pits for minimise impacts on vegetation (Weeds)(Table A3).</p>	Compliant	No weeds or feral animals were introduced to, or spread in operational areas as a consequence of any camp activities.
5. Avoid damage, disturbance or interference to sites objects or remains of Aboriginal and/or non-Aboriginal heritage.	<p>Aboriginal heritage surveys undertaken and sites are identified and avoided.</p> <p>Avoid damage, disturbance or interference to Aboriginal sites, objects or remains ("Aboriginal heritage") as required by the <i>Aboriginal Heritage Act 1988</i> (SA) ("AHA").</p> <p>Where damage, disturbance or interference to Aboriginal heritage is unavoidable then application for authorisation in accordance with section 23 of the AHA will be sought and appropriate consultation with Aboriginal parties as required by section 13 of the AHA*.</p> <p>(*in appropriate circumstances, a 'risk management' approach may be undertaken (see DSD-AAR Risk Management Guidelines) in which case a section 23 application is not necessary.)</p> <p>Avoid damage/ disturbance to non-aboriginal sites where</p>	Compliant	Disturbances to sites of cultural and heritage significance were avoided.

Objective / Goals	Assessment Criteria	Compliant/ Non-Compliant	Comments
	<p>practicable.</p> <p>0, +1 or +2 GAS criteria are attained under construction of borrow pits to protect sites of natural scientific or heritage significance.</p>		
6. Minimise loss of aquifer pressure and avoid aquifer Contamination.	<p>No uncontrolled flow to surface (e.g. blow out). Effective barriers exist to prevent crossflow between separate aquifer systems or hydrocarbon reservoirs as listed in Appendix B.</p> <p>No change in the capacity of third-party groundwater users to undertake their respective activities</p> <p>No unauthorised discharge or escape of any liquids (including water, petroleum, processed substance, chemical or fuel), or solid wastes to groundwater.</p> <p>Any escape of petroleum, processed substance, chemical or fuel is either immediately contained and removed or assessed in accordance with NEPM guidelines and remediated in accordance with relevant guidelines in a timely manner.</p> <p>Relevant government approval obtained for abandonment of radioactive tools if left downhole.</p> <p>No impact on groundwater dependant ecosystems as a result of groundwater extraction or contamination* (ie aquifers that may provide base flow to nearby waterholes).</p> <p>o Definition of contamination – as per section 5B of the <i>Environment Protection Act 1993</i>.</p>	Compliant	<p>Aquifer contamination was avoided.</p> <p>Camp activities did not affect third party groundwater users.</p> <p>No water (surface or groundwater) contamination as a result of fuel or chemical storage and handling.</p>

Objective / Goals	Assessment Criteria	Compliant/ Non-Compliant	Comments
7. Maintain stakeholder relationships and minimise disturbance to landowners and/or associated infrastructure.	<p>No unresolved reasonable stakeholder complaints.</p> <p>No disturbance to landholder activities as a result of regulated activities unless by prior arrangement.</p> <p>Where disturbance is unavoidable or accidental, infrastructure or land use is restored to the satisfaction of the landholder.</p> <p>For well site restoration and borrow pit rehabilitation GAS criteria refer to Objective 8.</p>	Compliant	No stakeholder complaints received.
8. Rehabilitate land affected by regulated activities to agreed standards.	<p>The attainment of 0, +1 or +2 GAS criteria under well site and access track restoration (Table A2) for:</p> <ul style="list-style-type: none"> o minimising visual impact o revegetation of indigenous species o site left in a clean tidy condition. <p>The attainment of 0, +1 or +2 GAS criteria under rehabilitation of borrow pits (Table A3) for</p> <ul style="list-style-type: none"> o minimising water retention in pit o minimise impacts to soil o minimise impacts on vegetation o minimise visual impacts o site to be left in a clean and tidy condition. <p>No unresolved reasonable stakeholder complaints</p> <p>Note: Contaminated sites rehabilitated in accordance with Objective 2.</p> <p>Well decommissioning in accordance with Objective 6.</p>	Compliant	<p>No rehabilitation works required or undertaken.</p> <p>No stakeholder complaints received.</p>

Management System Audits

Pursuant to Regulation 33(2) (d)

No management system audits undertaken.

Report and Data Submissions

Pursuant to Regulation 33(2) (e)

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

Description of Report / Data	Date Due	Date Submitted	Compliant / Non-Compliant
Year 1 Annual Report	12/05/2015	16/03/2015	Compliant
Emergency Response Drill Report - February	14/04/2016	09/03/2016	Compliant

Incidents

Pursuant to Regulation 33(2) (f)

No reportable incidents occurred during the reporting period.

Threat Prevention

Pursuant to Regulation 33(2) (g)

No foreseeable threats identified.

Future Work Program

Activities planned for SFL 10 and the Growler Camp during Licence Year 3 include:

- Maintenance and grading of the access road into the campsite
- Installation of a grid at the entry to the access road
- Routine operations and maintenance of the camp
- Installation of solar lighting at the camp emergency muster point

5 EXPENDITURE STATEMENT

Pursuant to Regulation 33(3)

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