



## **Annual Report**

### ***Petroleum Retention Licence 1 (Wynn)***

Licence Year 5 of First Renewal Term

10 January 2014 – 9 January 2015

Onshore Otway Basin

South Australia

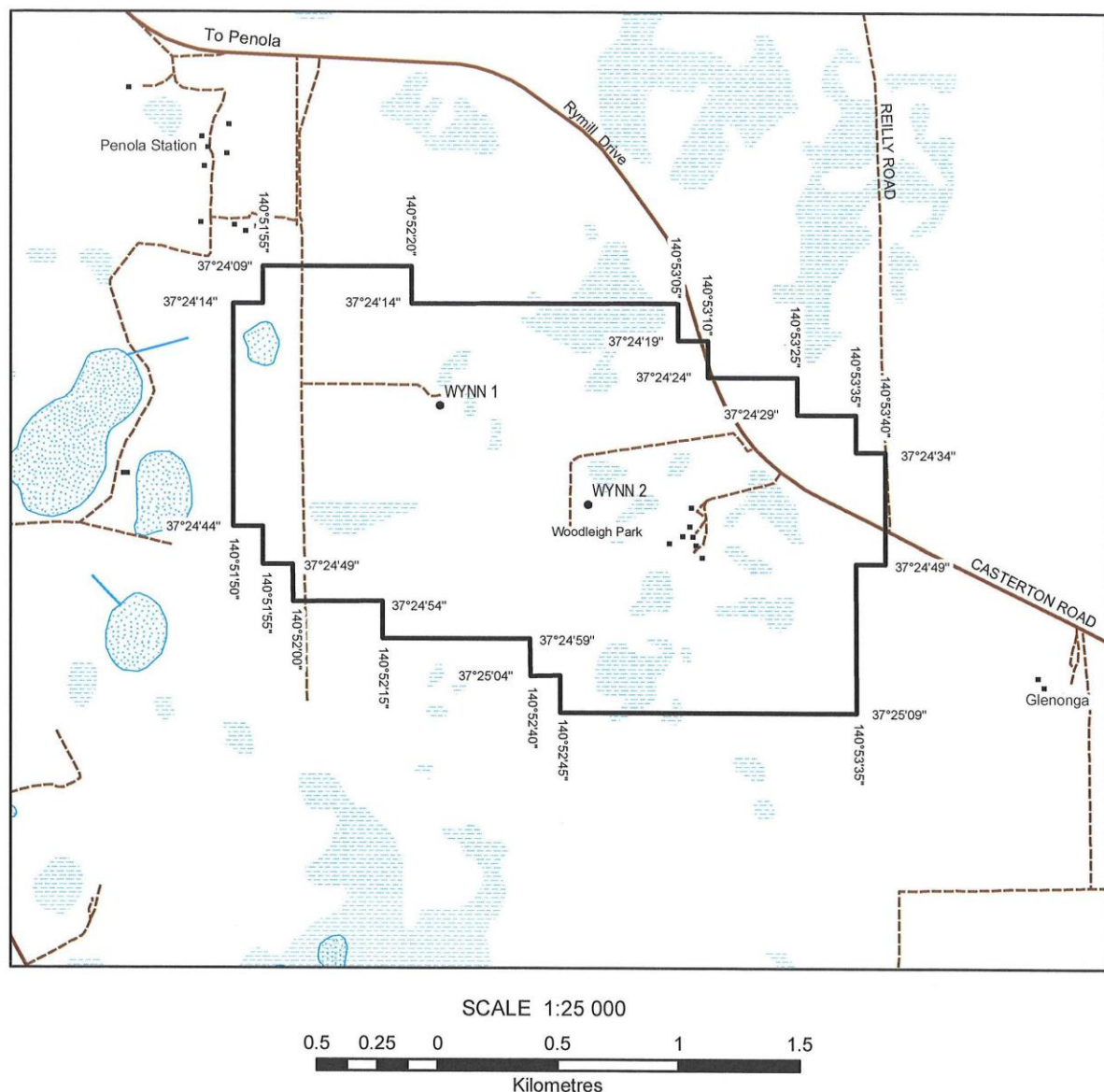
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## 1 Introduction

Petroleum Retention Licence 1 (**PRL 1**) is located around the Wynn Field in the onshore Otway Basin, South Australia.

This Annual Report is prepared in accordance with requirements of *Regulation 33* of the *Petroleum and Geothermal Energy Act 2000*. The reporting period is 10 January 2014 to 9 January 2015.



## 2 Permit Summary

PRL 1 was originally granted to Origin Energy Resources Ltd (26.415%) and SAGASCO Southeast Inc (73.585%) for a five year term commencing 10 January 2005.

Origin and SAGASCO completed a transaction transferring the rights to PRL 1 to Adelaide Energy Limited in late 2008 subject to Ministerial approval, which was granted in June 2009.

Adelaide Energy Pty Ltd (Adelaide) currently holds 100% interest (operator) in PRL 1.

The first renewal of PRL 1 was granted for a five year term commencing on 10 January 2010. During the renewal term of PRL 1 the following work is to be carried out:

- Establish the nature and extent of a discovery of regulated resources except a source of geothermal energy; and
- To establish the commercial feasibility of production and appropriate production techniques; and
- Other regulated activities specified in the licence.
- Completion and testing of Wynn-2

Subsequent to the end of the reporting period, the second renewal of PRL 1 was granted effective from 10 January 2015 for a five year term.

### **3 Regulated Activities**

*Pursuant to Regulations 33(3) (a), an Annual Report must include:*

*“a summary of the regulated activities conducted during the licence year.”*

Rehabilitation of the Wynn-2 wellsite was undertaken to reduce the pad size down to 30m x 40m. The compound was also fenced as part of this activity.

### **4 Compliance Issues**

*Pursuant to Regulations 33(3) (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 Compliance with the Licence Conditions, the Act, Regulation and Statement of Environmental Objectives

The holder of PRL 1 complied with the Licence Conditions for PRL 1, the *Petroleum and Geothermal Energy Act 2000*, the Petroleum and Geothermal Energy Regulations 2013 and the Statement of Environmental Objectives.

#### 4.2 Management System Audits

Pursuant to Regulation 33(32) (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 were undertaken in PRL 1 during the reporting period.

#### 4.3 Data Submissions

Pursuant to Regulation 33(3) (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”.*

Description of Report / Data	Due Date	Date Submitted	Compliant / Non-compliance
PRL 1 Annual Report Year 5	09/03/2014	11/03/2014	Compliant <sup>(1)</sup>

(1) 8-9 March 2014 weekend and 10 March 2014 SA public holiday

#### 4.4 Incidents

Pursuant to Regulation 33(3) (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 during the reporting period.

#### 4.5 Threat Prevention

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

*“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 are no new threats to report.

#### 4.6 Future Work Program

Pursuant to Regulation 33(3) (h) under the Act, an annual report requires:

*“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”.*

During 2015, Beach will continue to evaluate the nature and commercial feasibility of the Wynn field. Using the Haselgrove 3D seismic data which was reprocessed late 2014, a re-mapping will be undertaken focussed on the main horizons and faults. The Haselgrove 3D seismic survey covers Wynn as well as other fields in the Penola Trough.

Maintenance well integrity testing of Wynn-2 will be carried out in 2015. This entails checking pressures on all tubular / casing annuli, topping up with inhibited fluid and pressure testing sealing elements and casing envelope barriers.

## 5 Expenditure Statement

*Petroleum and Geothermal Regulations, Section 33 (3) requires*

*“an annual report must be accompanied by a statement of expenditure on regulated activities conducted under the licence for the relevant licence year”.*

An Expenditure Statement for PRL 1 during the period from 10 January 2014 to 09 January 2015 is attached.