# Notes to accompany the Production Licence Annual Assessment Report Template

Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015

Petroleum (Submerged Lands) (Resource Management and Administration)
Regulations 2015

# **Required Information**

**Regulation 37(2)** – For the purposes of subregulation (1), the required information for a licensee is the information listed in Schedule 2 Division 3.

## **Additional Information**

**Regulation 37(3)** – An annual assessment report may include any other information that the title holder believes is relevant to the title.

# **Template**

The Department of Mines, Industry Regulation and Safety (DMIRS) **provides this template** to assist title holders in completing an annual assessment report (AAR). This template provides guidance on the types of information that may be provided by petroleum licensees to prepare, submit and comply with their obligation to submit an AAR.

The usage of this template is **optional**, and petroleum titles holders may instead opt to prepare AARs in an alternative form, provided that the content of these reports meet the requirements of an AAR as prescribed in the Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015 and/or the Petroleum (Submerged Lands) (Resource Management and Administration) Regulations 2015.

Licensees are required to be aware of their rights and obligations under the *Petroleum and Geothermal Energy Resources Act* 1967 (PGERA67), the *Petroleum (Submerged Lands) Act* 1982 (PSLA82), and Part 5 and Schedule 2 of the RMAR 2015.

Subject to regulation 37, a licensee must give the Minister an AAR providing the required information for each year of a term of the licence, due within 30 days after each anniversary of the day on which the licence came into force.

An AAR is excluded information under regulation 82 of the RMAR 2015 and therefore permanently confidential under regulation 83. All AARs submitted to DMIRS should be marked as **Permanently Confidential**.

A licensee may be required to provide an AAR for part of a year pursuant to regulation 39, which applies where a title ceases to be in force (i.e. has expired, was surrendered, cancelled, revoked or terminated), or if the term of the licence was not a whole number of years (for example, where a licence is deemed to continue in force per section 65(11) of PGERA67 or section 55(11) of PSLA82).

# Notes on specific items under Schedule 2, Division 3

## **Item 13:**

This section should detail the work activities expected to be undertaken over the next 12 months as outlined by condition of the licence pursuant to s.66 of the *Petroleum and Geothermal Energy Resources Act 1967* (PGERA) or s.56 of the *Petroleum (Submerged Lands) Act 1982* (PSLA) or to any conditions imposed on the grant of the licence, or both.

#### Item 14:

Reports to be included: Annual Assessment Reports, Well Management Plans, Field Management Plans or revisions, reports/data associated with an activity under the regulations, (e.g. drilling, etc.)

Do not include: reports submitted under regulations **other than** RMAR 2015 (e.g. environmental reports under Environment Regulations; safety reports under Management of Safety Regulations or Occupational Health and Safety Regulations).

# Item 15:

This section should detail the work activities expected to be undertaken over the next 12 months not covered by Item 13, such as:

- upcoming development activities, including wells, workovers, facilities, etc.
- any further evaluation of the pool or exploration potential of the licence, including drilling, update to field models, seismic surveys or reprocessing and geotechnical studies

#### **Item 16:**

The production forecast should cover the expected life of the field(s). Provision of a graph of the forecast is discretionary.

#### Item 17:

Regarding provision of details of prospects and leads, the regulations do not specify the manner or detail in which this information should be provided, therefore the department has included tables in this template that reflect the standard descriptive methodology used by industry to convey this information. Comments may be expanded upon for all leads and prospects, including those identified during the reporting period, in relation to the summary of progress in characterisation or understanding of lead/prospect; for example, new seismic, revised mapping, charge modelling, change to resource estimate, plans for drilling, and maturation efforts.

In respect of each lead and prospect identified or further evaluated during the reporting period, the department recommends including the following information:

- A clear and concise map with legible contours that shows the location and outline of all leads and prospects within the licence area currently considered valid
- A description of all leads and prospects, providing details on the trap type and mechanism, reservoir, source rock and seal for each individual prospect/lead
- Maturation efforts for all leads and prospects, including those identified during the reporting period
- Any previous prospects of leads that have been downgraded due to further work carried out and the technical justification to support this

# Item 18 (a-d):

'For a year after the first year' has the meaning of 'For every year after Licence Year 1'.

The description of the pool(s) should include a depth structure map, cross section (strike and dip or inline and crossline), stratigraphic column and well log, as well as a description of the petroleum system (trap, reservoir, seal and source rock) or provide a reference to a document previously submitted to DMIRS which has this information.

'At the end of the previous year' has the meaning of the end of the previous calendar year (1 January to 31 December).

# Item 18(f):

The categorisation and classification of estimates in the template is consistent with those defined in the SPE Petroleum Resources Management System (SPE-PRMS) 2018 and the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Probabilistic (P90, P50 and P10) or deterministic (low, mid and high) values for 1P, 2P or 3P and 1C, 2C and 3C estimates are acceptable under the SPE-PRMS 2018.

Volumes should be reported at Standard Conditions, 15.56 °C (60 °F) and 101.325 kPa (1 atm); 1 cf = 0.02831685 m<sup>3</sup>; 1 MMbbl = 0.1589873 GL

#### Items 19-21:

'During the year' means calendar year (1 January to 31 December) as opposed to reporting year based on anniversary dates. The department does not keep daily production records.

## Item 22:

This information is used to identify and track compliance with the conditions to which a licence is subject pursuant to s.66 of PGERA and s.56 of PSLA, or to any conditions imposed on the grant of the licence, or both.

# Regulation 37(3):

This regulation allows for the licensee to include any discretionary information in the AAR. This may include an overview outlining the main aspects of the licence and a summary of work and activities undertaken during the 12-month reporting period, for example:

- summary of production operations e.g. production rate, any well shutdown and/or workovers, decommissioning, etc.
- details and results on any development drilling
- summary of any appraisal or production activities undertaken that result in new information about a pool(s)
- any major factors likely to affect current or future production
- · any updates on facilities

This may be included under "Additional Information" or under the appropriate section within the report.

Government of Western Australia

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8.30am - 4.30pm

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