



RESPONSE TO SUBMISSIONS

Draft Petroleum Annual Assessment Report Templates

Introduction

The Department of Mines, Industry Regulation and Safety (DMIRS) released the draft petroleum annual assessment report templates for public comment on 14 January 2020 and closing on 13 April 2020.

The draft templates have been prepared to assist title holders to comply with their statutory obligations with respect to annual assessment reporting 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 (together, referred to as the Petroleum Regulations).

The templates seek to streamline the manner in which annual assessment reports are prepared and assessed by improving clarity of the requirements and the consistency in reporting, which will ultimately reduce the need for the Department to request additional information.

While the use of these templates is optional, title holders preparing annual assessment reports in alternative forms are reminded of their obligation to comply with the requirements as set out in the above-mentioned Petroleum Regulations.

This document is a summary of the feedback received and DMIRS' responses to those comments.

Stakeholder Comments

The review process notified respondents that their submissions would be made publicly available on the DMIRS website, with personal details or company names made confidential on request.

Submissions were received from the Australian Petroleum Production & Exploration Association (APPEA), Santos Limited (Santos) and Buru Energy Limited (Buru). For the purposes of grouping and responding to feedback from stakeholders, the submissions have been sorted by the relevant sections of the draft templates, however the text of the submissions are included verbatim.

DMIRS thanks all stakeholders for their considered input into the process.

Draft Annual Assessment Report Template – Exploration Permit

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
1	Santos	Notes, regulation 37(3), additional information	A location map is not a requirement	Noted. The Department clarifies that the inclusion of items listed in the “Notes on Specific Items” are suggestions of information that permittees may wish to provide to assist in the assessment of the report. Permittees have the discretion to determine whether to provide a map as part of their annual assessment report.
2	Santos	Regulation 37(2) – Items 1 and 2(a) of Schedule 2 Division 1	Duplication – information referenced in this section will be repeated in the text box below.	The Department notes the similarity of the information requirements in these two sections, however, clarifies that the requirements at Item 1 relate to a <i>description</i> of work and <i>“estimated” expenditure</i> as per title instrument, Item 2(a) relates to total <i>“actual” expenditure</i> during the reporting period. In contrast, Item 2(b) relates to the <i>results (or impact)</i> of the work undertaken during the reporting period. The template has been modified to provide clarity.
3	Santos	Notes, Item 2(b) of Schedule 2 Division 1	Santos’ current reporting separates geological studies from geophysical studies and from drilling activity. I suggest we retain that instead of mixing all three up in the manner suggested opposite Under RMAR 2015 Schedule 2 Division 1 Item 2b ‘the results of the work, evaluation and studies, including details about any leads and prospects identified.’	The Department clarifies that permittees can continue to report studies as separate individual studies. The “Notes on Specific Items” provides a list of examples of additional information that could be provided.
4	Santos	Item 2(b) of Schedule 2 Division 1 – Prospects and Leads table	Santos propose to remove these two columns (Petroleum System (Target Reservoir / Source Rock) and Trapping Mechanism). There is no requirement to provide these details and Santos has not previously provided them.	The Department recognises that the relevant Petroleum Regulations state that permittees are required to provide information in relation to any leads and prospects identified, however, the Regulations do not specify the manner or detail in which this information should be provided. A key intent of the introduction of annual assessment report templates is the collection of consistent information across permits to contribute towards the Department’s resource management responsibilities. In recognising the lack of clarity with respect to the relevant information used for leads and prospects, the Department acknowledges the standard descriptive methodology used by industry to convey this information. The Department clarifies that the use of the table is optional, and permittees are able to utilise other methods as deemed appropriate. The template has been modified to reflect this.

Draft Annual Assessment Report Template – Exploration Permit

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
5	Santos	Item 2(b) of Schedule 2 Division 1 – Prospects and Leads table	Duplication – work done in the reporting year is described in the section above (in relation to “Summary of progress in characterisation or understanding of lead/ prospect”)	The template has been modified to reflect the provision of “ <i>any additional information</i> ” based on Item 2(b) of Schedule 2 Division 1 .
6	Santos	Item 2(b) of Schedule 2 Division 1 – Resources associated with key prospects table	Prospective Resources will only be reported in Field units i.e. MMbbl and Bcf. There is no requirement to report in metric units. This will be a significant burden if we have to generate volumes in SI units. Santos only reports prospects to NOPTA in Field units (MMbbl or Bcf)	The Department’s position to require reporting in metric units is based upon the International System of Units established under the <i>Metre Convention</i> , which Australia is a signatory to. The use of field unit is acceptable, only if metric unit is also provided. The template has been modified to reflect this.
7	Santos	Notes, Item 2(b) of Schedule 2 Division 1	Confirming that these are just recommendations. There is no requirement under the RMAR 2015 Schedule 2, Division 1, Item 2b for any of this (see snippet below); Under RMAR 2015 Schedule 2 Division 1 Item 2b ‘the results of the work, evaluation and studies, including details about any leads and prospects identified.’	The Department clarifies that the inclusion of items listed in the “Notes on Specific Items” are suggestions of information that permittees may wish to provide to assist in the assessment of the report. The “Notes” are suggestions or examples of additional information that could be provided.
8	Santos	Item 4(a) of Schedule 2 Division 1, Table	Duplication – the same information will be referenced in the text box below	The Department notes the similarity of the information requirements in these two sections. The template has been modified to provide clarity.
9	Santos	Notes, Item 4	Santos current AARs provide sufficient information and includes all material noted opposite. RMAR 2015 Schedule 2 Division 1, Item 4(b) For the work, evaluations and studies expected to be carried out in relation to the permit during the next year of the permit – (a) a description of work commitments and expenditure estimates; and (b) a description of the measures taken by the permittee to prepare for the work mentioned in paragraph (a).	Comments noted.

Draft Annual Assessment Report Template – Retention Lease

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
10	Santos	Regulation 37(2) – Items 6 and 7(a) of Schedule 2 Division 2	Duplication – information referenced in this section will be repeated in the text box below.	The Department notes the similarity of the information requirements in these two sections, however, clarifies that the requirements at Item 6 relate to a description of work and “ <i>estimated</i> ” expenditure as per title instrument, Item 7(a) relates to total “ <i>actual</i> ” expenditure during the reporting period. In contrast, Item 7(b) relates to the <i>results (or impact)</i> of the work undertaken during the reporting period. The template has been modified to provide clarity.
11	Santos	Notes, Item 6 and 7(a) of Schedule 2 Division 2	Santos’ current reporting separates geological studies from geophysical studies and from drilling activity. I suggest we retain that instead of mixing all three up in the manner suggested opposite. Suggest this material is best included in the section below and not in the table above – otherwise there will be duplication.	The Department clarifies that lessees can continue to report various studies as separate individual studies, as deemed appropriate. The “Notes” provides a list of examples of additional information that could be provided.
12	Santos	Notes, Item 7(b) of Schedule 2 Division 2	RMAR 2015 Schedule 2 Division 2, Item 7(b) ‘For all work, evaluations and studies carried out in relation to the lease – (a) the total expenditure on the work, evaluation and studies; and (b) the results of the work, evaluation and studies, including details about any leads and prospects identified.’	Comments noted. The template has been modified to provide clarity.
13	Santos	Item 7(b) of Schedule 2 Division 2 – Prospects and Leads table	Santos propose to remove these two columns (Petroleum System (Target Reservoir / Source Rock) and Trapping Mechanism). There is no requirement to provide these details and Santos has not previously provided them.	The Department recognises that the relevant Petroleum Regulations state that lessees are required to provide information in relation to any leads and prospects identified, however, the Regulations do not specify the manner or detail in which this information should be provided. A key intent of the introduction of annual assessment report templates is the collection of consistent information across leases to contribute towards the Department’s resource management responsibilities. In recognising the lack of clarity with respect to the relevant information used for leads and prospects, the Department acknowledges the standard descriptive methodology used by industry to convey this information. The Department clarifies that the use of the table is optional, and lessees are able to utilise other methods as deemed appropriate. The template has been modified to reflect this.

Draft Annual Assessment Report Template – Retention Lease

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
14	Santos	Item 7(b) of Schedule 2 Division 2 – Prospects and Leads table	Duplication – work done in the reporting year is described in the section above (in relation to “Summary of progress in characterisation or understanding of lead/ prospect”)	The template has been modified to reflect the provision of “ <i>discretionary information</i> ” – <i>a clear and concise map outlining leads and prospects within the lease area.</i>
15	Santos	Item 7(b) of Schedule 2 Division 2 – Resources associated with key prospects table	Prospective Resources will only be reported in Field units i.e. MMbbl and Bcf. There is no requirement to report in metric units. This will be a significant burden if we have to generate volumes in SI units. Santos only reports prospects to NOPTA in Field units (MMbbl or Bcf)	The Department’s position to require reporting in metric units is based upon the International System of Units established under the <i>Metre Convention</i> , which Australia is a signatory to. Reporting is required in metric units. The use of field unit is acceptable, only if metric unit is also provided. The template has been modified to reflect this.
16	Santos	Notes, Item 2(b) of Schedule 2 Division 2	Confirming that these are just recommendations. There is no requirement under the RMAR 2015 Schedule 2, Division 1, Item 2b for any of this (see snippet below); Under RMAR 2015 Schedule 2 Division 1 Item 2b ‘the results of the work, evaluation and studies, including details about any leads and prospects identified.’ NOTE: there is no Item 2(b) in Schedule 2 Division 2 of the RMAR2015 – this starts with Item 6	The Department agrees with Santos’s comment that these are recommendations. The “Notes” are suggestions or examples of additional information that could be provided. The typo error has been corrected: Section refers to Item 7(b) not Item 2(b).
17	Santos	Notes, Item 9 of Schedule 2 Division 2	RMAR2015 Schedule 2 Division 2 Item 9 ‘Details of the lessee’s plans for further evaluation of discoveries, including work that is to be carried out in the lease area.’	Comments noted.
18	Santos	Item 10(a) of Schedule 2 Division 2	Duplication – the same information will be included in the text box below	The Department notes the similarity of the information requirements in these two sections. The template has been modified to provide clarity.
19	Santos	Notes, Items 10(a) and (b) of Schedule 2 Division 2	Santos current AARs provide sufficient information and includes all material noted opposite. RMAR2015 Schedule 2 Division 2 Item 10(b) ‘For the work, evaluations and studies expected to be carried out in relation to the lease during the next year of the lease – (a) a description of work commitments and expenditure estimates; and (b) a description of the measures taken by the lessee’	Comments noted.

Draft Annual Assessment Report Template – Production Licence

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
20	Buru	General, Item 13	<p>This submission is provided in response to the invitation for public comment on draft templates created by DMIRS to assist petroleum titles holders to complete their mandatory annual assessment reports for exploration permits, retention leases and production licences. These draft templates were released for public consultation by DMIRS on 14 January 2020.</p> <p>Buru Energy Limited (Buru) is an oil and gas exploration and production company that conducts activities that are solely focussed on the onshore portion of the Canning Basin in the State’s north-west. Buru has operated in the Canning Basin since 2008 and is the titleholder and Operator of seven Exploration Permits and five Production Licences covering a combined area of more than 22,000 square kilometres. Buru is required to prepare and submit reports for 12 titles and as such is a stakeholder that will be directly and potentially substantially affected by any changes to reporting requirements.</p> <p>Buru notes that DMIRS states that the draft templates have been created to “assist petroleum titles holders completing their mandatory annual assessment reports” and to “offer guidance on the information title holders must provide to meet the statutory requirements for AARs 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” (Regulations). However, Buru notes that in many cases the information required to be provided in the draft templates include new requirements which in some cases substantially exceed the requirements prescribed under the Regulations.</p> <p>One such example of the requirements in the templates exceeding the requirements under the Regulations is the requirement for title holders to</p>	<p>Comments noted. These templates outline the required information for annual assessment reports as required under the Petroleum Regulations. The annual assessment report templates also contain suggested content that title holders may wish to provide as part of their annual assessment report, however the provision of this suggested information is at the title holder’s discretion. The Department is not utilising any power to compel title holders to provide information that exceeds the requirements of the Petroleum Regulations.</p> <p>The Department recognises that the relevant Petroleum Regulations state that title holders are required to provide information in relation to any leads and prospects identified, however, the Regulations do not specify the manner or detail in which this information should be provided.</p> <p>A key intent of the introduction of annual assessment report templates is the collection of consistent information across titles to contribute towards the Department’s resource management responsibilities.</p> <p>In recognising the lack of clarity with respect to the relevant information used for leads and prospects, the Department acknowledges the standard descriptive methodology used by industry to convey this information. The Department clarifies that the use of the tables in describing prospects and leads is optional.</p> <p>The Department also clarifies that pursuant to regulation 82(3)(b) of the Petroleum (Submerged Lands) Resource Management and Administration) Regulations 2015 and regulation 83(3)(b) of the Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015, annual assessment reports fall within the scope of information that is permanently confidential.</p> <p>The “Notes on Specific Items” are suggestions or examples of additional information that could be provided and are not mandatory reporting items.</p> <p>The templates have been modified to reflect the above response and provide clarity.</p>

Draft Annual Assessment Report Template – Production Licence

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
			<p>include resource estimates, probability of success and risks with supporting data for prospects and leads within a production licence. This exceeds the requirements under Schedule 2 Division 3 of the Regulations which specifies 'A description of any leads and prospects in the licence area' must be provided (Item 13). Not only does the information requested in the template exceed the requirements under the Regulations but it is commercially sensitive and subjective to a degree, and the provision of resource estimates is likely to contravene ASIC and ASX guidelines.</p> <p>This is but one example where the information requested in the templates exceeds to a significant degree what is specified in the Regulations. Buru's view is that rather than providing assistance to title holders to complete their mandatory annual assessment reports, the proposed templates include new requirements that are in substantially in addition to what is prescribed under the Regulations and will serve an unidentified purpose in relation to the requirements of the regulations.</p> <p>Prior to the Regulations coming into effect, DMIRS (formerly DMP) issued a draft of the Regulations and supporting explanatory notes and guidelines for stakeholder comment with a closing date for submissions on 30 May 2014. This resulted in 405 submissions on the Regulations as summarised in a document entitled https://www.dmp.wa.gov.au/Documents/Petroleum/PD-SBD-ADM-181D.pdf that was published in June 2015.</p> <p>Buru notes that during that consultation period and specifically with regards to annual assessment reports, an external stakeholder suggested that 'The Minister may request additional information to that in the attached schedules' (No. 81, page 26). In response, the DMP stated that it did not agree</p>	

Draft Annual Assessment Report Template – Production Licence

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
			<p>with this suggested change as “...it will not provide transparency or give certainty to the titleholder of the information to be provided in the annual assessment report.” DMP’s stated approach is “...to ensure that all information required for annual assessment reports is listed in Schedule 2 so that the titleholder is not confronted with additional and unexpected requirements.” Accordingly, there was no change to Regulation 37.</p> <p>Buru’s view is that DMIRS’ earlier position remains valid and appropriate. Buru does not support the inclusion of information beyond that listed in Schedule 2 of the Regulations for the very reasons that DMIRS has previously stated, namely that it does not provide transparency nor give certainty to the titleholder.</p>	
21	Santos	Notes, regulation 37(2)	<p>As per RMAR2015 Schedule 2 Division 3 Item 13 Exploration activities only need to be reported here if they are a condition of the licence</p> <p>‘Details of any activities the licensee plans to undertake in the licence area in compliance with a condition of the licence.’</p> <p>Exploration activities undertaken beyond the condition of the licence should be recorded under Item 15.</p>	Comments noted. The “Notes on Specific Items” have been clarified to reflect this.
22	Santos	Notes, Item 15 of Schedule 2 Division 3	<p>Any additional exploration work undertaken that is not part of the licence condition should be here</p> <p>RMAR2015 Schedule 2 Division 3 Item 15</p> <p>‘Details of the licensee’s plans for further evaluation of the licence area, including work that is to be carried out in the licence area’.</p>	Comments noted. The “Notes on Specific Items” have been clarified to reflect this.
23	Santos	Item 17 of Schedule 2 Division 3, Prospects and Leads table	<p>Santos propose to remove these two columns (Petroleum System (Target Reservoir / Source Rock) and Trapping Mechanism). There is no requirement to provide these details and Santos has not previously provided them.</p>	The Department recognises that the relevant Petroleum Regulations state that licensees are required to provide information in relation to any leads and prospects identified, however, the Regulations do not specify the manner or detail in which this information should be provided.

Draft Annual Assessment Report Template – Production Licence

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
				<p>A key intent of the introduction of annual assessment report templates is the collection of consistent information across licences to contribute towards the Department's Resource Management responsibilities.</p> <p>In recognising the lack of clarity with respect to the relevant information used for leads and prospects, the Department acknowledges the standard descriptive methodology used by industry to convey this information.</p> <p>The Department clarifies that the use of the table is optional, and licensees are able to utilise other methods as deemed appropriate. The template has been modified to reflect this.</p>
24	Santos	Item 17 of Schedule 2 Division 3, Prospects and Leads table	Duplication – work done in the reporting year is described in the section above (in relation to “Summary of progress in characterisation or understanding of lead/ prospect”)	The template has been modified to reflect the provision of “ <i>any additional information</i> ” and is not intended to be a duplication of information already provided in the section above.
25	Santos	Item 17 of Schedule 2 Division 3, Resources associated with key prospects table	<p>Prospective Resources will only be reported in Field units i.e. MMbbl and Bcf. There is no requirement to report in metric units. This will be a significant burden if we have to generate volumes in SI units.</p> <p>Santos only reports prospects to NOPTA in Field units (MMbbl or Bcf).</p>	The Department's position to require reporting in metric units is based upon the International System of Units established under the <i>Metre Convention</i> , which Australia is a signatory to. Reporting is required in metric units. The use of field unit is acceptable, only if metric unit is also provided. The template has been modified to reflect this.
26	Santos	Notes, Item 17 of Schedule 2 Division 3	<p>Santos would like to confirm that these are just recommendations. There is no requirement under the RMAR2015 Schedule 2 Division 3 Item 17</p> <p>‘A description of any leads and prospects in the licence area.’</p>	<p>The Department recognises that the relevant Petroleum Regulations provide that licensees are required to provide information in relation to any leads and prospects identified, however, the Regulations do not specify the manner or detail in which this information should be provided.</p> <p>A key intent of the introduction of annual assessment report templates is the collection of consistent information across licences to contribute towards the Department's resource management responsibilities.</p> <p>In recognising the lack of clarity with respect to the relevant information used for leads and prospects, the Department acknowledges the standard descriptive methodology used by industry to convey this information.</p> <p>The Department clarifies that the use of the table is optional, and licensees are able to utilise other methods as deemed appropriate. The template has been modified to reflect this.</p>

Draft Annual Assessment Report Template – Production Licence

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
27	APPEA	Policy overreach – the information required in the draft AAR templates in some cases substantially exceed the requirements prescribed under the Regulations.	<p>A clear example of where information required for the draft AAR templates exceeds that prescribed under the Regulations, is the requirement for title holders to include resource estimates, probability of success and risks with supporting data for prospects and leads within a production licence. This exceeds the requirements under Schedule 2 Division 3 of the Regulations which specifies 'A description of any leads and prospects in the licence area' must be provided (Item 13). Not only does the information requested in the template exceed the requirements under the Regulations but it is commercially sensitive and subjective to a degree. For some of APPEA's member companies, the provision of resource estimates is also likely to contravene Australian Securities & Investments Commission (ASIC) and Australian Securities Exchange (ASX) guidelines.</p> <p>For companies to undertake this detailed work would require considerable time, resources, and therefore cost for reporting that has no purpose to the State or the operating company. To produce the tables 'required' in the exploration template (low/mid/high estimate of prospective oil/condensate and gas resources, and also in multiple units) with any credible level of accuracy would require the operator to spend approximately \$60,000 for an independent estimate. This accuracy is not practical to obtain for onshore operators, especially for undrilled prospects and leads.</p>	<p>The Department recognises that the relevant Petroleum Regulations state that title holders are required to provide information in relation to any leads and prospects identified, however, the Regulations do not specify the manner or detail in which this information should be provided.</p> <p>A key intent of the introduction of annual assessment report templates is the collection of consistent information across titles to contribute towards the Department's resource management responsibilities.</p> <p>In recognising the lack of clarity with respect to the relevant information used for leads and prospects, the Department acknowledges the standard descriptive methodology used by industry to convey this information. The Department clarifies that the use of the tables in describing prospects and leads is optional.</p> <p>However, the Department notes APPEA's comments and the template has been modified to reflect this.</p> <p>The Department also clarifies that pursuant to regulation 82(3)(b) of the Petroleum (Submerged Lands) Resource Management and Administration Regulations 2015 and regulation 83(3)(b) of the Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015, annual assessment reports fall within the scope of information that is permanently confidential.</p>
28	APPEA	Inconsistency – the draft AAR templates are contradictory to previously published Guidelines.	<p>The draft AAR templates do not correspond to the Guidelines to Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015 and Petroleum (Submerged Lands) (Resource Management and Administration) Regulations 2015 (the Guidelines).</p> <p>For example, the Guidelines outline that the preferred method for calculating reserve and resources estimates is based on the Society of Petroleum</p>	<p>The Department's position to require reporting in metric units is based upon the International System of Units established under the <i>Metre Convention</i>, which Australia is a signatory to. The use of field unit is acceptable, only if metric unit is also provided. The template has been modified to reflect this.</p> <p>The omission of the definitions of Reference Date and Reference Point has been addressed in the templates.</p> <p>For clarity, the ASHR template may be referred to in the annual assessment report if already submitted for the reporting period in place of filling out the table for Item 11(f) or Item 18(f).</p>

Draft Annual Assessment Report Template – Production Licence

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
			<p>Engineers Petroleum Resources Management System (SPE PRMS) using metric units. The draft AAR templates include estimates in both field and metric units, and do not define key terms such as "Reference Date" or "Reference Point" shown in Item 16 of the Production Licence Template. The templates introduce terminology that is not clear and do not provide guidance on how these reporting 'requirements' should be fulfilled.</p> <p>The Guidelines discuss how petroleum resources and reserves in place under items 11 and 18 of the Schedules should be submitted using a separate Excel template that is requested from petroleum.reserves@dmp.wa.gov.au. This separate template has historically been called an "Annual Statement of Hydrocarbon Reserves" (ASHR) and is requested to cover the previous calendar year. The Excel spreadsheet is well defined and based on SPE PRMS terminology. The new Production Licence Template replaces this spreadsheet with a box to be filled in entitled "Please enter information*** to be provided for the purpose of Item 18(c) of Schedule 2 Division 3 below". The implication of the box in the template is that the ASHR spreadsheet is no longer required – a contradiction to the published Guidelines. Moreover, it seems that a complicated table is required for prospects and leads but not required for commercial reserves and resources within Production Licences.</p>	<p>The Department recognises that the relevant Petroleum Regulations provide that title holders are required to provide information in relation to any resources and reserves, however, the Regulations do not specify the manner or detail in which this information should be provided. The Department clarifies that the use of the included tables at Items 11(f) and 18(f) is optional, and title holders are able to utilise the ASHR spreadsheet which remains accessible from the DMIRS website.</p> <p>The ASHR spreadsheet has been modified to have an automatic conversion from field to metric units.</p>
29	APPEA	<p>Administrative burden – the draft AAR templates are overly onerous and are contradictory to the objectives of the Streamline WA regulatory reform initiative to reduce red tape</p>	<p>The template provides guidance that the onshore operator should "summarise all evaluation and study efforts (geological and/or geophysical), including surveys and drilling that have furthered the understanding of the petroleum system. Please buttress any changes to the exploration rationale as a result of the updated knowledge, new data, techniques, etc." This description goes far beyond a simplified reporting that demonstrates the operator has complied with title conditions and completed required work programs.</p>	<p>The Department clarifies that it has prepared these templates to assist title holders to comply with their statutory obligations. The use of these templates is optional and is intended to provide a base model or guide with respect to the requirements of an annual assessment report. The templates also contain suggested content that title holders may wish to provide as part of their annual assessment report, however the provision of this suggested information is at the title holder's discretion. A key intent of the introduction of annual assessment report templates is the collection of consistent information across leases to contribute towards the Department's resource management responsibilities.</p> <p>The Department advises that the finalised templates will be made available electronically in a Word document.</p>

Draft Annual Assessment Report Template – Production Licence

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
			<p>APPEA members have expressed concern that the draft AAR templates have limited functionality and could not be used to create a report where formatting would be intelligible, or content organized coherently. The templates require operators to put information into constrained boxes, with headings that do not reflect content but instead detail item numbers in the Schedules. We believe it would be more useful if DMIRS released a Word document template that had appropriate headings and subheadings in common English corresponding to the different sections of the Schedules. Headers of each page could have a confidentiality declaration. Footers could contain information about the company and title.</p>	
30	APPEA	Misalignment with DMIRS's corporate efficiency key performance indicators	<p>For example KPI4 which reflects the overall cost of service per title, as detailed in DMIRS's latest annual report. KPI4 does not support DMIRS compliance teams doing additional research work on leads and prospects, supplied by industry, which will also be made available to the market via the Australian Securities Exchange (ASX).</p>	<p>Comments noted.</p> <p>While this matter is beyond the scope of this consultation, the Department clarifies that the submission of an annual assessment report is a statutory obligation that title holders are required to comply with. Among the information that is required to be contained in annual assessment reports, as provided by the Petroleum Regulations, is the requirement to provide information on leads and prospects.</p> <p>As stated above, a key intent of the introduction of annual assessment report templates is the collection of consistent information across titles to contribute towards the Department's resource management responsibilities.</p>
31	APPEA	Process	<p>Paper-based approach is not congruent with the digital initiative launched by the Department several years ago (by the then Department of Mines & Petroleum).</p>	<p>Comments noted. The finalised annual assessment report templates will be made available electronically in a Word document and title holders are encouraged to use the finalised templates electronically.</p> <p>This template is not intended to impact the existing practice of lodging annual assessment reports by email or online lodgement in the Petroleum and Geothermal Register (PGR), the Department's preferred option. The Department will also explore providing easily editable web forms for providing annual assessment reports in future.</p>
32	APPEA	Strict compliance	<p>DMIRS should review the AAR templates through a strict compliance lens. This quality assurance would tease out what DMIRS needs to have versus wants / nice to have in terms of AAR reporting.</p>	<p>The Department notes APPEA's comment with respect to strict compliance. The Department has prepared these templates as a means to assist title holders to comply with their statutory obligations as they detail the required information for annual assessment reports. The templates also contain suggested content that title holders may wish to provide as part of their annual assessment report, however the provision of this suggested information is at the title holder's discretion.</p>

Draft Annual Assessment Report Template – Production Licence

Ref #	Stakeholder	Section	Comment	DMIRS Response/Action
33	APPEA	Policy intent	APPEA needs more information on requests such as indicative expenditure – unlike the <i>Mining Act 1978</i> framework there are no penalties or fines in lieu of forfeiture – nor are there expenditure requirements.	Items 1, 2(a), 6 and 7(a) of the Petroleum Regulations require the provision of estimated and actual expenditure. While not within the scope of the draft annual assessment report template consultation, the Department is open to further engaging with APPEA on this matter.
34	APPEA	Policy hierarchy	Uncertainty where these documents fit in terms of DMIRS's broader petroleum compliance strategy.	The Department clarifies that the use of the annual assessment report templates is optional. The Department has prepared these templates as a means to assist title holders to comply with their statutory obligations in regards to Regulation 37 of the Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015. Annual assessment reports form the initial steps of the Department's petroleum compliance strategy. The relevant Petroleum Regulations provide that title holders are required to provide specific information to the Department. Utilising an outcomes-based approach, the Department will assess annual assessment reports and verify the information within to determine whether title holders have complied with their obligations. The initiative to provide annual assessment report templates is to provide clarity and assistance for title holders to comply with their obligations. This activity, amongst others, forms a single component of the Department's petroleum compliance strategy.

Government of Western Australia

**Department of Mines, Industry Regulation
and Safety**

8.30am – 4.30pm

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