



Notes to accompany the Retention Lease 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 lessee is the information listed in Schedule 2 Division 2.

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 lessees 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.

Lessees 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 lessee must give the Minister an AAR providing the required information for each year of a term of the lease, due within 30 days after each anniversary of the day in which the lease came into force, regardless if the lease has been suspended or extended.

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 lessee may be required to provide an AAR for part of a year pursuant to regulation 39, which applies where a lease ceases to be in force (i.e. has expired, was surrendered, cancelled, revoked or terminated), or if the term of the lease was not a whole number of years (for example, where a lease is deemed to continue in force per section 48G(9) of PGERA67 or section 38G(9) of PSLA82).

Notes on specific items under Schedule 2, Division 2

Item 6:

This information is as per the title instrument.

Item 7(a):

This information is used to identify and track compliance with the conditions to which a lease is subject, such as those relating to the work program. Lessees are advised that only work undertaken within a lease area will meet a work program commitment condition.

Actual expenditure should reflect the actual expenditure incurred in undertaking the work program activities during the reporting period and not be an estimate. Amounts should be reported in Australian dollars.

Item 7(b):

This section should summarise all evaluation and study efforts (geological and/or geophysical), including surveys and drilling that have furthered the understanding of the petroleum potential of the lease. Please buttress any changes to the development strategy being pursued as a result of updated knowledge, new data, techniques, etc.

Actual work undertaken (whether per a work program commitment, or considered in addition to commitments) should be described in relation to an activity, for example:

- For geotechnical studies – seismic planning, seismic interpretation, rock property studies, geological studies, petrophysical interpretation, static and dynamic modelling, etc.
- For exclusive survey acquisition – the name of the survey, type (2D, 3D, AEM, gravity, etc.), size of survey (line km/km²) within the lease area
- For non-exclusive surveys (purchase/licensing) – the name of the dataset, the name of the survey, total area, size of survey (line km/km²) within the lease area
- For seismic processing or reprocessing – the name of the survey, processed or reprocessed, type of processing, amount of data (line km/km²) processed within the lease area
- For well activities – the name of the well

Specific information should relate to:

- any drilling activity during the reporting period
- studies (geological and geophysical)
- new data and surveys
- updated knowledge of the petroleum system

Where a hydrocarbon discovery has been made within the lease, this summary should identify how the work undertaken has contributed to the understanding and evaluation of the pool and any revision to previous estimates. Reporting of any resources should follow SPE PRMS guidelines.

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.

Item 8:

Reports to be included: Annual Assessment Reports, Well Management Plans, reports / data associated with a work program activity, (e.g. final well activity reports, survey acquisition reports, interpretative reports, 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 9:

The department suggests outlining a work program that addresses all aspects of barriers to development of known discoveries.

These may relate to planned activities that address or mitigate against:

- any geological and geophysical barriers
- any technological and engineering issues
- any commercial barriers to development

This should also include or demonstrate a path to commercialisation of discovered resources.

Item 10:

This information is used to identify and track compliance with the conditions to which a lease is subject, such as those relating to the work program.

Details are only required for work program commitments covered by the next reporting period.

Planned or scheduled work (whether to meet a work program commitment, or considered in addition to commitments) should be described in relation to an activity, for example:

- For geotechnical studies – seismic planning, seismic interpretation, rock property studies, geological studies, petrophysical interpretation, static and dynamic modelling, etc.
- For exclusive survey acquisition – the name of the survey, type (2D, 3D, AEM, gravity, etc.), size of survey (line km/km²) within the lease area
- For non-exclusive surveys (purchase/licensing) – the name of the dataset, the name of the survey, total area, size of survey (line km/km²) within the lease area
- For seismic processing or reprocessing – the name of the survey, processed or reprocessed, type of processing, amount of data (line km/km²) processed within the lease area
- For well activities – the name of the well

Measures taken to prepare for the planned or scheduled work may include land access negotiations, approvals sought/received, contractors for rig or survey, etc.

Item 11(a-d):

'For a year after the first year' has the meaning of 'For every year after Lease 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 11(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 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 m³; 1 MMbbl = 0.1589873 GL

Item 12:

This item relates to conditions of lease in accordance with s.48 of PGERA67 and s.38H of PSLA82. This information is used to identify and track compliance with the conditions to which a lease is subject.

Regulation 37(3):

This regulation allows for the lessee to include any discretionary information in the AAR. This may include an overview which outlines the main aspects of the lease, for example:

- summary of exploration and appraisal activity undertaken during the reporting period
- brief outline of reference case development concept and other development options
- brief summary of any barriers to commercialisation
- other relevant lease history
- applications and relevant dealings having an effect on the lease lodged or approved within the reporting period

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

Government of Western Australia

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

8.30am – 4.30pm

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