



21 January 2019

Jennifer Entjes
Land and Tenure Manager
SAPEX PTY Limited
PO Box 7128
BRISBANE QLD 4001

Dear Jennifer,

Re: Request for Extension – Arckaringa Drilling Activities (August 2013) – Statement of Environmental Objectives (SEO) – 5 year review

The Department for Energy and Mining – Energy Resources Division (DEM-ERD) on 9 August 2018 received a request from SAPEX Pty Limited for (SAPEX) an extension of time on the SAPEX Arckaringa Exploration Drilling Activities SEO (August 2013) five year review. This request was granted on 3 September 2018 and the new due date became 30 November 2018 (Ref: 2018_063).

On the 14 December 2018, DEM-ERD received a request for a further extension of time for the review of the aforementioned SEO to a new proposed date of 31 March 2019.

Pursuant to section 14(2) of the Regulations, SAPEX are required to take into account the community expectations in relation to relevant environmental issues. DEM-ERD is aware that SAPEX has been involved in a lengthy consultation process regarding its draft SEO and Environmental Impact Report (EIR) for Hydraulic Fracturing within the Arckaringa Basin.

DEM-ERD are therefore prepared to grant SAPEX additional time to consider the community expectations in relation to the Arckaringa Exploration Drilling Activities SEO to ensure any relevant environmental issues are addressed.

DEM-ERD grant an extension of time for the review and submission of the revised SEO to the proposed date of **31 March 2019**. It is expected that any revised documents will have been consulted on with relevant stakeholders prior to formal submission to DEM-ERD for consideration under the *Petroleum and Geothermal Energy Act 2000*.

Furthermore, a comprehensive review of the above mentioned SEO and respective EIR must be undertaken prior to recommencement of drilling activities within the Arckaringa Basin. Until such time, the ongoing rehabilitation and management of activities previously completed under the SAPEX Arckaringa Exploration Drilling SEO are to remain compliant with the requirements of the current SEO, gazetted in September 2013.

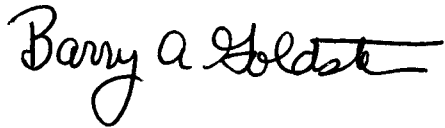
If you have any queries in relation to this matter please contact Jarrod Spencer via email at jarrod.spencer2@sa.gov.au or on (08) 8429 2447

Energy Resources Division

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Yours sincerely,

A handwritten signature in black ink that reads "Barry A Goldstein". The signature is written in a cursive style with a horizontal line at the end.

Barry Goldstein
Executive Director
Energy Resources Division
Department for Energy and Mining
Delegate of the Minister for Energy and Mining