

Environmental Prohibition Notice

Offshore Petroleum and Greenhouse Gas Storage Act 2006 Schedule 2A Clause 11A and 11B

Notice Number: RMS 0620

ENVIRONMENTAL PROHIBITION NOTICE

To: Timor Sea Oil and Gas Australia Pty Ltd

In conducting a petroleum environmental inspection in relation to the Northern Endeavour Floating Production Storage and Offloading facility premises used for Northern Endeavour Floating Production Storage and Offloading Facility Operations, I, [REDACTED] a NOPSEMA inspector appointed under section 602 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*, am satisfied on reasonable grounds that:

- an activity is occurring at the premises that involves an immediate and significant threat to the environment; or
- an activity may occur at the premises that, if it occurred, would involve an immediate and significant threat to the environment; or
- the operation or use of the premises involves an immediate and significant threat to the environment; or
- the operation or use of the premises, if it occurred, would involve an immediate and significant threat to the environment.

I am satisfied that it is reasonably necessary to issue a prohibition notice to Timor Sea Oil and Gas Australia Pty Ltd in order to remove the threat.

The grounds that have satisfied me that an activity may occur at the premises that, if it occurred, would involve an immediate and significant threat to the environment are:

1. The Northern Endeavour facility, meaning the offshore petroleum premises (the premises), is currently recovering petroleum.
2. The Northern Endeavour facility currently holds petroleum inventories.
3. The current Transition Services Agreement, executed on 29 April 2016 (the TSA) to deliver the oil spill response arrangements specified in the Environment Plan lapses at 00:00 25 June, 2016.
4. At this time, the registered holder of the Production Licence AC/L5 will not have in place equivalent oil spill response arrangements to those specified in the Northern Endeavour Floating Production Storage and Offloading Facility Operations Environment Plan (Environment Plan), Revision 4; accepted by NOPSEMA on 7 January 2015 (the accepted environment plan).

The activity at the premises is:

- The ongoing recovery of petroleum, offloading of petroleum and causing the TSA, which provides for oil spill response arrangements, to lapse.

The threat to the environment is:

- An inadequate capability and capacity to respond to an oil spill from an uncontrolled release of petroleum resulting in short and long term biological, ecological and social harm.

The environment that is subject to the threat is:

- The submerged shoals of Sahul Shelf, Ashmore Reef, Cartier Island, Hibernia Reef, Seringapatam Reef, Scott Reef and the Indonesian islands of West Timor, Roti, Suva, Sumba and East Flores and any biological, social and economic features in the open waters amongst these locations and matters protected under Part 3 of the *Environmental Protection and Biodiversity Conservation Act 1999*.

I therefore direct Timor Sea Oil and Gas Australia Pty Ltd to ensure:

That the premises are not used for the recovery of petroleum and offloading of petroleum and the carrying on of operations, and the execution of works, for the recovery of petroleum, unless in accordance with the oil spill response arrangements as described in the Northern Endeavour Floating Production Storage and Offloading Facility Operations Environment Plan, Revision 4; accepted by NOPSEMA on 7 January 2015 (the accepted environment plan) and currently provided in the TSA or an equivalent arrangement.¹

Signed:



NOPSEMA inspector

Dated: 24 June 2016

NOTES: (Please see back of form)

¹ Compliance with this Prohibition Notice does not in any way affect the obligation to comply with other NOPSEMA regulatory requirements, including compliance with the accepted Safety Case for the Northern Endeavour facility (the premises).

NOTES:

1. A person who fails to ensure that this notice is complied with, to the extent that it relates to a matter over which the responsible person has control, may be liable to a penalty of 600 penalty units (Schedule 2A, Clause 11A(6) of the Act).
2. This notice must be displayed in a prominent place at the premises and must not be tampered with or removed before the notice has ceased to have effect (Schedule 2A, Clauses 11B and 12 of the Act).
3. The notice may be issued to the titleholder by being given to the titleholder's representative at the premises who is nominated for the inspection (Schedule 2A, Clause 11A(3) of the Act).
4. As soon as practicable after issuing the notice, the NOPSEMA inspector will take reasonable steps to give a copy of the notice to, where applicable (Schedule 2A, Clause 11B(2) of the Act):
 - a. the operator's representative at the facility if the premises are a facility, and
 - b. the vessel master if the premises are a vessel under the command or charge of a master, and
 - c. the owner, if the premises are, or the plant, substance or thing is, owned by a person other than the titleholder or operator.
5. A notice ceases to have effect in relation to a titleholder when a NOPSEMA inspector notifies the titleholder that the inspector is satisfied that the titleholder, or another person, has taken adequate action to remove the threat to the environment (Schedule 2A, Clause 11B(6) of the Act). The titleholder may choose to provide such evidence as it considers relevant in order to satisfy the NOPSEMA inspector that adequate action has been taken under this clause.
6. A titleholder who is aggrieved by the decision to issue or the content of this notice may make a complaint to NOPSEMA under the Regulatory Services Charter available on NOPSEMA's website or challenge the decision by way of a judicial review in Federal Court under the *Administrative Decisions (Judicial Review) Act 1977*.