

Background to Remedial Direction – Section 586 – ENI AUSTRALIA B.V.

Document No: A762730

Date: 23/12/2020

1. Purpose

This page provides background to NOPSEMA's issuance of Remedial Directions (ID number 806, 807, 808 and 809) made under section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) to Eni Australia B.V. This page (page 1) does not constitute a part of the Remedial Directions.

2. Background

NOPSEMA is implementing a compliance plan to reinforce legal requirements regarding the removal of property associated with offshore petroleum activities, under section 572 of the Act.

Section 572 of the Act places duties on titleholders in relation to the maintenance and removal of structures, equipment and property brought onto title.

A range of compliance actions will be taken as part of implementing the plan including the issuance of directions to some titleholders to provide certainty regarding their regulatory obligations.

The triggers for issuing directions include, but are not limited to, a pending sale, the time a facility has been in a non-production state, and/or an apparent lack of planning for decommissioning.

Due to the nature of directions issued in connection with the section 572 requirements, they may be in force for an extended period, until NOPSEMA is satisfied that requirements of the direction are met.

The commencement of the compliance plan follows NOPSEMA engaging in public consultation over its Section 572 Maintenance and removal of property regulatory policy, and its subsequent adoption.

This compliance plan has been developed in accordance with the wider expectations of government, set out in the Ministerial Statement of Expectations for NOPSEMA.

3. Compliance response

Eni has informed NOPSEMA that it intends to sell the registered titleholder entity of NT/PL2, NT/PL3, WA-33-L and WA-15PL. Although a company sale will not alter the title register, it is important to ensure transparency to all parties so that they understand their obligations under the Act.

NOPSEMA has determined that the most appropriate compliance response is the issuance of Remedial Directions to the titleholder of NT/PL2, NT/PL3, WA-15-PL and WA-33-L.

NOPSEMA's published [Section 572 Maintenance and removal of property regulatory policy \(PL1903\)](#) provides further information on these obligations, including how a titleholder may seek to deviate from the requirement to remove property under section 572(7).

Remedial Direction – section 586

Date: 17/12/2020

Offshore Petroleum and Greenhouse Gas Storage Act 2006

Direction number: 806

To: Eni Australia B.V.

Issue of Remedial Direction/s – section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*

Attached is a written notice of a Remedial Direction made under section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Please provide written acknowledgement of receipt of this Direction within 7 days of this notice.

A person commits an offence if:

- (a) the person is subject to a remedial direction under section 586; and
- (b) the person engages in conduct; and
- (c) the person's conduct breaches the direction.¹

Please provide this office with documented evidence of your compliance with the notice of Remedial Direction/s on or before the applicable date as specified in the Directions.

If you have any questions relating to the content of this Remedial Direction, please contact me on 08 6188 8704.



Yours sincerely

Signed:

Cameron Grebe
Head of Division Environment

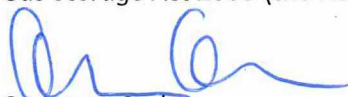
Dated: 17 December 2020

NOTES: (Please see explanatory statement)

¹ Section 587B(1) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction number: 806

I, Cameron Grebe of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this Remedial Direction under section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to an instrument of delegation dated 17 December 2020.



Cameron Grebe
Head of Division Environment

National Offshore Petroleum Safety and Environmental Management Authority

Dated: 17 December 2020

DIRECTION

1. Commencement

This Remedial Direction takes effect on the date of signature.

2. Application

This Remedial Direction applies to Eni Australia B.V. (ARBN 18 092 812 023), the registered holder of NT/PL2.

3. Direction

- (1) The registered holder(s) of NT/PL2 is given the Directions contained in Schedule 1.
- (2) Each Direction in Schedule 1 is a separate Direction.

Schedule 1 – Directions

Direction 1

To remove or cause to be removed, from the title area, all property brought into the part of the offshore area in which the pipeline is constructed, by any person engaged or concerned in the operations authorised by the licence, on or before the first date on which the licence can be terminated under s 215 of *the Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 2

To provide, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the part of the offshore area in which the pipeline is constructed, on or before the first date on which the licence can be terminated under s 215 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 3

To make good, to the satisfaction of NOPSEMA, any damage to the seabed or subsoil in the offshore area in which the pipeline is constructed, caused by any person engaged or concerned in those operations, on or before the first date on which the licence can be terminated under s 215 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Explanatory Statement - Direction number: 806

Background

This Remedial Direction relates to property within the offshore area pertaining to Pipeline Licence NT/PL2. The licence was granted in May 2008 and the licence title area contains an 18" steel pipeline that is part of the gas export pipeline system (GEP). The GEP transports wet gas from the Well Head Platform to an onshore gas processing plant, the Yelcher Gas Plant. The route of the pipeline within NT/PL2 is approximately 76.835km from a point on the Northern Territory/Western Australian – Commonwealth Boundary at or about latitude 13 58' 51.8"(S), longitude 128 41' 24.0"(E) to the Northern Territory Territorial seas boundary at or about latitude 14 13' 46.1"(S), longitude 129 21' 03.2"(E). The Blacktip Offshore Environment Plan (000036_DV_PR.HSE.067.000, Rev 10, 19/9/19) accepted by NOPSEMA on 14 November 2019 acknowledges the titleholder's commitment to submit a decommissioning plan addressing the removal of all property above the seafloor.

The pipeline is in operation as at the date of this Remedial Direction.

Eni has informed NOPSEMA that it intends to sell the registered titleholder entity of NT/PL2. Although such a company sale will not alter the title register, it is important for transparency that all parties understand the obligations imposed under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

NOPSEMA's published Section 572 Maintenance and removal of property policy ([PL1903](#)) provides further information on these obligations, including how a titleholder may seek to deviate from the requirement to remove property under section 572(7).

Breach of a direction

Pursuant to section 587B of the Act, if a person is subject to a Remedial Direction under section 586 and the person engages in conduct that breaches that Remedial Direction, the person commits an offence or contravention:

- **Fault-based offence** – 5 years imprisonment or 2,000 penalty units, or both (10,000 penalty units for a body corporate).
- **Strict liability offence** – 100 penalty units (500 penalty units for a body corporate).
- **Civil penalty provision** – 525 penalty units (2,625 penalty units for a body corporate).
- **Continuing offences** – a person who commits a fault-based or strict liability offence commits a separate offence in respect for each day during which the offence continues. The maximum penalty for each day that the offence continues is 10% of the maximum penalty that can be imposed in respect to that offence.
- **Continuing contraventions of civil penalty provisions** – a person who contravenes the civil penalty provision commits a separate contravention in respect for each day during which the contravention continues. The maximum civil penalty for each day that the contravention continues is 10% of the maximum civil penalty that can be imposed in respect to that contravention.

Remedial Direction – section 586

Date: 17/12/2020

Offshore Petroleum and Greenhouse Gas Storage Act 2006

Direction number: 807

To: Eni Australia B.V.

Issue of Remedial Direction/s – section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*

Attached is a written notice of a Remedial Direction made under section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Please provide written acknowledgement of receipt of this Remedial Direction within 7 days of this notice.

A person commits an offence if:

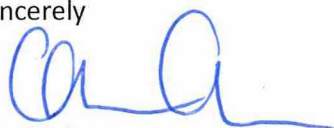
- (a) the person is subject to a remedial direction under section 586; and
- (b) the person engages in conduct; and
- (c) the person's conduct breaches the direction.¹

Please provide this office with documented evidence of your compliance with the notice of Remedial Direction/s on or before the applicable date as specified in the Directions.

If you have any questions relating to the content of this Remedial Direction, please contact me on 08 6188 8704.

Yours sincerely

Signed:



Cameron Grebe
Head of Division Environment

Dated: 17 December 2020

NOTES: (Please see explanatory statement)

¹ Section 587B(1) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction number: 807

I, Cameron Grebe of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this Remedial Direction under section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to an instrument of delegation dated 17 December 2020.



Cameron Grebe

Head of Division Environment

National Offshore Petroleum Safety and Environmental Management Authority

Dated: 17 December 2020

DIRECTION

1. Commencement

This Remedial Direction takes effect on the date of signature.

2. Application

This Remedial Direction applies to Eni Australia B.V. (ARBN 18 092 812 023), the registered holder of NT/PL3.

3. Direction

- (1) The registered holder(s) of NT/PL3 is given the Directions contained in Schedule 1.
- (2) Each Direction in Schedule 1 is a separate Direction.

Schedule 1 – Directions

Direction 1

To remove or cause to be removed, from the title area, all property brought into the offshore area by any person engaged or concerned in the operations authorised by the licence, on or before the first date on which the licence can be terminated under s 215 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 2

To provide, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the offshore area in which the pipeline is constructed, on or before the first date on which the licence can be terminated under s 215 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 3

To make good, to the satisfaction of NOPSEMA, any damage to the seabed or subsoil in the offshore area in which the pipeline is constructed, caused by any person engaged or concerned in those operations, on or before the first date on which the licence can be terminated under s 215 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Explanatory Statement - Direction number: 807**Background**

This Remedial Direction relates to property within the offshore area pertaining to Pipeline Licence NT/PL3 (original grant of title in 2008). The NT/PL3 title area contains a 12" steel pipeline that is part of the condensate export pipeline system (CEP). The CEP transports stabilised condensate from onshore holding tanks to an offshore Pipeline End Manifold (PLEM) and then up to a Single Point Mooring (SPM) for loading into a tanker through a flexible hose. The route of the pipeline within NT/PL3 is approximately 0.058 km from a point in the Northern Territory Territorial waters boundary at or about latitude 14 14' 28.8"(S), longitude 129 21' 03.1"(E) to the PLEM Tie-in Flange at or about latitude 14 14' 28.1"(S).

Property associated with this licence includes the SPM system, the PLEM and condensate export facility. The SPM system includes a Catenary Anchor Leg Mooring (CALM) Buoy, anchor chains and anchor points, 12" floating and submarine hose strings, floating hose strings and a mooring hawser assembly. The Blacktip Offshore Environment Plan (000036_DV_PR.HSE.067.000, Rev 10, 19/9/19) accepted by NOPSEMA on 14 November 2019 acknowledges the titleholder's commitment to submit a decommissioning plan addressing the removal of all property above the seafloor.

The pipeline is in operation as at the date of this Remedial Direction.

Eni has informed NOPSEMA that it intends to sell the registered titleholder entity of NT/PL3. Although such a company sale will not alter the title register, it is important for transparency that all parties understand the obligations imposed under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

NOPSEMA's published Section 572 Maintenance and removal of property policy ([PL1903](#)) provides further information on these obligations, including how a titleholder may seek to deviate from the requirement to remove property under section 572(7).

Breach of a direction

Pursuant to section 587B of the Act, if a person is subject to a Remedial Direction under section 586 and the person engages in conduct that breaches that Remedial Direction, the person commits an offence or contravention:

- **Fault-based offence** – 5 years imprisonment or 2,000 penalty units, or both (10,000 penalty units for a body corporate).
- **Strict liability offence** – 100 penalty units (500 penalty units for a body corporate).
- **Civil penalty provision** – 525 penalty units (2,625 penalty units for a body corporate).
- **Continuing offences** – a person who commits a fault-based or strict liability offence commits a separate offence in respect for each day during which the offence continues. The maximum penalty for each day that the offence continues is 10% of the maximum penalty that can be imposed in respect to that offence.
- **Continuing contraventions of civil penalty provisions** – a person who contravenes the civil penalty provision commits a separate contravention in respect for each day during which the contravention continues. The maximum civil penalty for each day that the contravention continues is 10% of the maximum civil penalty that can be imposed in respect to that contravention.

Remedial Direction – section 586

Date: 17/12/2020

Offshore Petroleum and Greenhouse Gas Storage Act 2006

Direction number: 808

To: Eni Australia B.V.

Issue of Remedial Direction/s – section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*

Attached is a written notice of a Remedial Direction made under section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Please provide written acknowledgement of receipt of this Remedial Direction within 7 days of this notice.

A person commits an offence if:

- (a) the person is subject to a Remedial Direction under section 586; and
- (b) the person engages in conduct; and
- (c) the person's conduct breaches the Remedial Direction.¹

Please provide this office with documented evidence of your compliance with the notice of Remedial Direction/s on or before the applicable date as specified in the Directions.

If you have any questions relating to the content of this Remedial Direction, please contact me on 08 6188 8704.

Yours sincerely

Signed:



Cameron Grebe
Head of Division Environment

Dated: 17 December 2020

NOTES: (Please see explanatory statement)

¹ Section 587B(1) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction number: 808

I, Cameron Grebe of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this Remedial Direction under section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to an instrument of delegation dated 17 December 2020.



Cameron Grebe
Head of Division Environment

National Offshore Petroleum Safety and Environmental Management Authority

Dated: 17 December 2020

DIRECTION

1. Commencement

This Remedial Direction takes effect on the date of signature.

2. Application

This Remedial Direction applies to Eni Australia B.V. (ARBN 18 092 812 023), the registered holder of WA-15-PL.

3. Direction

- (1) The registered holder(s) of WA-15-PL is given the Directions contained in Schedule 1.
- (2) Each Direction in Schedule 1 is a separate Direction.

Schedule 1 – Directions

Direction 1

To remove or cause to be removed, from the title area, all property brought into the offshore area by any person engaged or concerned in the operations authorised by the licence, on or before the first date on which the licence can be terminated under s 215 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 2

To provide, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the offshore area in which the pipeline is constructed, on or before the first date on which the licence can be terminated under s 215 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 3

To make good, to the satisfaction of NOPSEMA, any damage to the seabed or subsoil in the offshore area in which the pipeline is constructed, caused by any person engaged or concerned in those operations, on or before the first date on which the licence can be terminated under s 215 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Explanatory Statement - Direction number: 808

Background

This Remedial Direction relates to property within offshore area pertaining to Pipeline Licence WA-15-PL. The WA-15-PL title area contains an 18" steel pipeline that is part of the gas export pipeline system (GEP). The GEP transports wet gas from the Blacktip Well Head Platform (WHP) to an onshore gas processing plant, the Yelcher Gas Plant. The route of the pipeline licenced by Pipeline Licence WA-15-PL is from the flange connecting the riser to the Blacktip Platform at or about latitude 13 53' 41.3"(S), longitude 128 29' 2.9"(E) east southeast, approximately 24.3km to a point on the Northern Territory/Western Australian – Commonwealth Boundary at or about 13 58' 51.8"(S), longitude 128 41' 24.0"(E).

The pipeline was constructed with a design life of 30 years, commenced operation in 2009 and is in operation as at the date of this Remedial Direction. The Blacktip Offshore Environment Plan (000036_DV_PR.HSE.067.000, Rev 10, 19/9/19) accepted by NOPSEMA on 14 November 2019 acknowledges the titleholder's commitment to submit a decommissioning plan addressing the removal of all property above the seafloor.

Eni has informed NOPSEMA that it intends to sell the registered titleholder entity of WA-15L. Although such a company sale will not alter the title register, it is important for transparency that all parties understand the obligations imposed under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

NOPSEMA's published Section 572 Maintenance and removal of property policy ([PL1903](#)) provides further information on these obligations, including how a titleholder may seek to deviate from the requirement to remove property under section 572(7).

Breach of a direction

Pursuant to section 587B of the Act, if a person is subject to a Remedial Direction under section 586 and the person engages in conduct that breaches that Remedial Direction, the person commits an offence or contravention:

- **Fault-based offence** – 5 years imprisonment or 2,000 penalty units, or both (10,000 penalty units for a body corporate).
- **Strict liability offence** – 100 penalty units (500 penalty units for a body corporate).
- **Civil penalty provision** – 525 penalty units (2,625 penalty units for a body corporate).
- **Continuing offences** – a person who commits a fault-based or strict liability offence commits a separate offence in respect for each day during which the offence continues. The maximum penalty for each day that the offence continues is 10% of the maximum penalty that can be imposed in respect to that offence.
- **Continuing contraventions of civil penalty provisions** – a person who contravenes the civil penalty provision commits a separate contravention in respect for each day during which the contravention continues. The maximum civil penalty for each day that the contravention continues is 10% of the maximum civil penalty that can be imposed in respect to that contravention.

Remedial Direction – section 586

Date: 17/12/2020

Offshore Petroleum and Greenhouse Gas Storage Act 2006

Direction number: 809

To: Eni Australia B.V.

Issue of Remedial Direction/s – section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*

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Please provide written acknowledgement of receipt of this Remedial Direction within 7 days of this notice.

A person commits an offence if:

- (a) the person is subject to a Remedial Direction under section 586; and
- (b) the person engages in conduct; and
- (c) the person's conduct breaches the Remedial Direction.¹

Please provide this office with documented evidence of your compliance with the notice of Remedial Direction/s on or before the applicable date as specified in the Directions.

If you have any questions relating to the content of this Remedial Direction, please contact me on 08 6188 8704.

Yours sincerely

Signed:



Cameron Grebe
Head of Division Environment

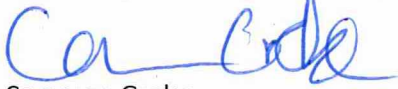
Dated: 17 December 2020

NOTES: (Please see explanatory statement)

¹Section 587B(1) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction number: 809

I, Cameron Grebe of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this Remedial Direction under section 586 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to an instrument of delegation dated 17 December 2020.



Cameron Grebe
Head of Division Environment

National Offshore Petroleum Safety and Environmental Management Authority

Dated: 17 December 2020

DIRECTION

1. Commencement

This Remedial Direction takes effect on the date of signature.

2. Application

This Remedial Direction applies to Eni Australia B.V. (ARBN 18 092 812 023), the registered holder of WA-33-L.

3. Direction

- (1) The registered holder(s) of WA-33-L is given the Directions contained in Schedule 1.
- (2) Each Direction in Schedule 1 is a separate Direction.

Schedule 1 – Directions

Direction 1

To remove or cause to be removed, from the title area, all property brought into the title area by any person engaged or concerned in the operations authorised by the licence, on or before the first date on which the licence can be terminated under s 166 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 2

To plug or close off, to the satisfaction of NOPSEMA, all wells made in the title area by any person engaged or concerned in those operations, on or before the first date on which the licence can be terminated under s 166 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 3

To provide, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the title area, on or before the first date on which the licence can be terminated under s 166 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Direction 4

To make good, to the satisfaction of NOPSEMA, any damage to the seabed or subsoil in the title area caused by any person engaged or concerned in those operations, on or before the first date on which the licence can be terminated under s 166 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Explanatory Statement - Direction number: 809**Background**

This Remedial Direction relates to property currently in, and wells drilled in the title area pertaining to Production Licence WA-33-L, and includes all future property brought into and wells drilled in the title area.

The scope of this direction does not apply to property associated with Pipeline Licence WA-15-PL, which geographically overlaps the Production Licence.

WA-33-L contains an unmanned well-head platform (WHP) which is a fixed 4-leg steel jacket structure with a single integrated deck over 4 levels. The platform foundation uses four (3 segment) 54" diameter piles driven through the legs to a vertical penetration of 60m. The installation design life is 30 years and the field has an expected production life of 25 years from 2009.

The WHP accommodates 6 well slots with two production wells currently in operation. These two wells, Blacktip 1 (BTP-1) and Blacktip 2 (BTP-2) were drilled and commenced production in 2009 and continue to produce as at the date of this Remedial Direction. The wells have surface well heads, which are accommodated on the mezzanine deck of the WHP. Flowlines connect each well to the production manifold on the WHP and run vertically within the frame of the WHP. An additional well, Blacktip 3 (BTP-3) is scheduled for drilling in 2022. The Blacktip Offshore Environment Plan (000036_DV_PR.HSE.067.000, Rev 10, 19/9/19) accepted by NOPSEMA on 14 November 2019 acknowledges the titleholder's commitment to submit a decommissioning plan addressing the removal of all property above the seafloor.

Eni has informed NOPSEMA that it intends to sell the registered titleholder entity of NT/PL2. Although such a company sale will not alter the title register, it is important for transparency that all parties understand the obligations imposed under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

NOPSEMA's published Section 572 Maintenance and removal of property policy ([PL1903](#)) provides further information on these obligations, including how a titleholder may seek to deviate from the requirement to remove property under section 572(7).

Breach of a direction

Pursuant to section 587B of the Act, if a person is subject to a Remedial Direction under section 586 and the person engages in conduct that breaches that Remedial Direction, the person commits an offence or contravention:

- **Fault-based offence** – 5 years imprisonment or 2,000 penalty units, or both (10,000 penalty units for a body corporate).
- **Strict liability offence** – 100 penalty units (500 penalty units for a body corporate).
- **Civil penalty provision** – 525 penalty units (2,625 penalty units for a body corporate).
- **Continuing offences** – a person who commits a fault-based or strict liability offence commits a separate offence in respect for each day during which the offence continues. The maximum penalty for each day that the offence continues is 10% of the maximum penalty that can be imposed in respect to that offence.
- **Continuing contraventions of civil penalty provisions** – a person who contravenes the civil penalty provision commits a separate contravention in respect for each day during which the contravention

continues. The maximum civil penalty for each day that the contravention continues is 10% of the maximum civil penalty that can be imposed in respect to that contravention.