

General Direction

Offshore Petroleum and Greenhouse Gas Storage Act 2006 – s574

Date: 30/08/2021

To: BHP Billiton Petroleum (Australia) Pty. Ltd.
Woodside Energy Ltd.

I, Cameron Grebe, Head of Division – Environment and Decommissioning of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this direction under section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act), as a delegate of the CEO of NOPSEMA, pursuant to an instrument of delegation dated 14 May 2021.

Cameron Grebe
Head of Division - Environment & Decommissioning
wA516414

30 August 2021

1. Commencement

This General Direction takes effect on the date of signature.

2. Application

This direction applies to BHP Billiton Petroleum (Australia) Pty. Ltd. (ACN 006 923 879) and Woodside Energy Ltd. (ACN 005 482 986) the registered holders of WA-32-L.

3. Directions

- (a) The registered holders of WA-32-L are given the directions contained in Schedule 1.
- (b) Each direction in Schedule 1 is a separate direction.

Schedule 1 – Directions

The registered holders are directed to take the following actions:

Direction 1

Plug or close off, to the satisfaction of NOPSEMA, all wells made in the title area by any person engaged or concerned in operations authorised by the title as soon as practicable and no later than 30 September 2024.

Direction 2

Remove, or cause to be removed, to the satisfaction of NOPSEMA, from the title area all property brought into that area by any person engaged or concerned in the operations authorised by the title as soon as practicable and no later than 31 March 2025.

Direction 3

Until such time as direction 1 and 2 are complete, maintain all property on the title to NOPSEMA's satisfaction, to ensure removal of the property is not precluded.

Direction 4

Provide, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the title area within 12 months after property referred to in direction 2 is removed.

Direction 5

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 the operations authorised by the title within 12 months after the property referred to in direction 2 is removed.

Direction 6

- a. Submit to NOPSEMA on an annual basis, until all directions have been met, a progress report detailing planning towards and progress with undertaking the actions required by directions 1, 2, 3, 4 and 5.
- b. The report submitted under Direction 6(a) must be to the satisfaction of NOPSEMA and submitted to NOPSEMA no later than 31 December each year.
- c. Publish the report on the registered holders' website within 14 days of obtaining NOPSEMA satisfaction under Direction 6(b).

Explanatory Statement - Direction number: 833

This General Direction relates to structures, equipment and property (collectively referred to as property) and wells within the title area of offshore production licence WA-32-L.

Production commenced from the Stybarrow and Eskdale fields in the WA-32-L title area in 2007 via a moored Floating Production, Storage and Offloading (FPSO) vessel. Production from the field ceased in June 2015 and the FPSO permanently departed the field in August 2015. A number of exploration and appraisal wells were drilled on WA-255-P, a related title to WA-32-L, prior to 2007.

NOPSEMA's records indicate that the property remaining in the WA-32-L title area may include, but not be necessarily limited to:

- Property connected to subsea wells:
 - Stybarrow 5, Stybarrow 6, Stybarrow 7H L1, Stybarrow 8H, Stybarrow 9, Stybarrow 10H, Stybarrow 11H, Stybarrow 12H, Eskdale 3H and Eskdale 4 (shut-in)
 - Stybarrow 1/1CH, Stybarrow 2, Stybarrow 3/4, Knott 1, Eskdale 1, Eskdale 2/2CH1, Skiddaw 1/2 (abandoned with wellhead in place)
- Flowline and riser systems (production, gas lift and water injection)
- Control system (umbilicals and flying leads)
- Subsea structures and property (distribution units, assemblies, concrete stabilisation bags and other small structures)
- DTM buoy and mooring system.

To date, the registered holders have not yet completed removal of all the remaining property from the title area since production ended in 2015. The Stybarrow Operation Cessation EP, accepted in 2015, committed to removal of the Disconnectable Turret Mooring (DTM) from the field within the five-year period of the EP. However, in 2016, the DTM buoy and mooring support buoys sank to the seabed.

There is no Environment Plan (EP) providing for the remaining property to be left in-situ. Further, accepted permissioning documents do not describe how the registered holders will maintain all property in good condition and repair so as not to preclude full removal in the future.

NOPSEMA's records indicate that Stybarrow 5, Stybarrow 6, Stybarrow 7H L1, Stybarrow 8H, Stybarrow 9, Stybarrow 10H, Stybarrow 11H, Stybarrow 12H, Eskdale 3H and Eskdale 4 wells have not been plugged or closed off. In addition, the accepted Well Operations Management Plan (WOMP) states that the current planning basis for plugging or closing off these wells is 5 years after cessation of production, and that detailed plans would be developed during the period of cessation and submitted as part of a revised WOMP for acceptance. A revised WOMP was not submitted to NOPSEMA by August 2020 to plug or close off wells within 5 years of cessation of production.

The registered holders are required to plug or close off wells and maintain and remove property in accordance with timeframes set out in the direction, which NOPSEMA considers appropriate to bring the registered holders into compliance with decommissioning obligations. It is recognised that in order to meet the content of the directions, the registered holders will need to undertake necessary planning and submit relevant permissioning documents.

Given the limited action to date, increased oversight of the registered holder's decommissioning approach and closer engagement between the registered holder and NOPSEMA is warranted. Limitations with reporting under individual activity permissioning documents provides inadequate visibility for NOPSEMA of the registered holders' decommissioning plan and progress.

Breach of a direction

Pursuant to section 576 of the Act, if a person is subject to a general direction under section 574 and the person engages in conduct that breaches the direction, the person commits an offence or contravention and is liable to the following maximum penalties:

- **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.