

General Direction

Offshore Petroleum and Greenhouse Gas Storage Act 2006 – s574

Date: 30/08/2021

To: BHP Billiton Petroleum (Australia) Pty. Ltd.
Mobil Exploration & Producing Australia Pty Ltd
Inpex Alpha 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
wA516418

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), Mobil Exploration & Producing Australia Pty Ltd (ACN 004 588 827) and Inpex Alpha Ltd (ARBN 003 730 756), the registered holders of WA-10-L and WA-3-PL.

3. Directions

- (a) The registered holder(s) of WA-10-L and WA-3-PL 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

Remove, or cause to be removed, to the satisfaction of NOPSEMA, from the title areas all property brought into those areas by any person engaged or concerned in the operations authorised by the titles as soon as practicable and before 31 December 2024.

Direction 2

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

Direction 3

Provide, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the title areas within 12 months after property referred to in direction 1 is removed.

Direction 4

Make good, to the satisfaction of NOPSEMA, any damage to the seabed or subsoil in the title areas caused by any person engaged or concerned in the operations authorised by the titles within 12 months after property referred to in direction 1 is removed.

Direction 5

- 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 direction 1, 2, 3 and 4.
- b. The report submitted under Direction 5(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 5(b).

Explanatory Statement - Direction number: 832

Background

This General Direction relates to structures, equipment and property (collectively referred to as property) and wells within the title areas pertaining to offshore production licence WA-10-L and pipeline licence WA-3-PL.

Production commenced from the Griffin, Scindian and Chinook fields in the WA-10-L title area in 1994 via the Griffin Venture Floating Production, Storage and Offloading vessel (FPSO) vessel with gas exports to shore via the Griffin gas export pipeline in WA-3-PL. Production from the fields ceased in September 2009 and the FPSO permanently departed the fields in November 2009.

Between January and May 2013, the Riser Turret Mooring (RTM) buoy lost buoyancy and sank to the seabed. In 2017, BHP plugged or closed off production wells in the Griffin field. Wellheads were left in place and production trees laid on the seabed. Mid depth buoys were removed from the field in 2018.

NOPSEMA's records indicate that the property remaining in the WA-10-L and WA-3-PL title areas may include, but is not necessarily limited to:

- Property associated with subsea wells:
 - Chinook 1, Scindian 1/1A, Scindian 2, Scindian 3, Scindian 4, Griffin 1, Griffin 2, Griffin 3, Griffin 4, Griffin 5H, Griffin 6HST1, Griffin 8, Griffin 9ST1 (abandoned with wellhead in place and Xmas tree on the seabed)
 - Chinook 2 and Griffin 7 (abandoned with wellhead in place)
- Concrete coated steel gas export pipeline
- Chrome pipeline for Scindian 2, 3 and 4 wells
- Flowline and riser systems (production and gas lift)
- Control system (umbilicals, jumpers and flying leads)
- Subsea structures and property (skids, assemblies, manifolds and other small structures)
- RTM buoy and mooring system.

To date, the registered holders have not yet completed the removal of all the remaining property from the title areas following the plug or close off campaign in 2017 and mid depth buoys recovery in 2018.

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.

The registered holders are required to remove remaining property in the field 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 of the titles will need to undertake necessary planning and submit relevant permissioning documents.

Given the limited action to date, increased oversight of the registered holders' decommissioning approach and closer engagement between the registered holders 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.