

Well Integrity Improvement Notice

Offshore Petroleum and Greenhouse Gas Storage Act 2006, Schedule 2B, Clauses 14, 15 and 16

Notice No: Enforcement No. 2086

Date: 23-Mar-2026

To: Esso Australia Resources Pty Ltd

In conducting a well integrity inspection in relation to the Snapper facility I, [REDACTED], a NOPSEMA inspector appointed under section 602 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth) (the Act), am satisfied on reasonable grounds that:

Esso Australia Resources Pty Ltd (Esso) is contravening a provision of a well integrity law

AND

as a result, there is, or may be, a significant threat to the integrity of one or more wells at the Snapper facility.

The contravention that I am satisfied is occurring is a contravention of

- s572(2) of the Act, which requires a titleholder to maintain all structures, equipment and property (including wells and well related equipment) in good condition and repair;
- section 13A(1) of schedule 3 of the Act for wells on the facility which are not suspended, abandoned or closed off; and
- section 13A(2) of schedule 3 of the Act for wells on the facility which are or are being suspended, abandoned or closed off.

The reasons for my opinion are:

I observed during Inspection [REDACTED], which took place from 3rd – 5th December 2025, that the condition of the well conductors on 16¹ of the 33 Snapper platform wells had resulted in varying degrees of metal loss, in 4 cases exceeding at least 25% wall thickness. I sighted no evidence of significant maintenance (coating) in at least 8 years.

Whilst the well conductors do not directly form part of the well barrier envelope, they are potentially load bearing (depending on wellhead configuration), and protective of the well surface casing, particularly in the corrosive environment between surface and seabed. Additionally, the platform is permanently manned. Hence a failure to maintain the conductors properly means that the health and safety risks to personnel are not reduced to as low as is reasonably practicable, in view of the increased risk of loss of well containment, and in view of the increased operational risk and complexity associated with well work and conductor maintenance.

¹ Being 16 wells within the set of 18 conductors classified by the Titleholder as CIPM coating status A or B at the time of the offshore inspection.

As a result of this contravention, I am satisfied that there is, or may be, the following significant threat to the integrity of one or more wells at the Snapper facility:

There is an elevated risk of loss of well containment arising from wellhead slump and/or accelerated surface casing corrosion from the failure to properly maintain. Both of these events represent a potentially significant threat to well integrity in that a loss of either wellhead or surface casing integrity may result in an uncontained hydrocarbon or high-pressure fluid release at or near platform level, with resultant adverse OHS and environmental consequences.

You are required to take action to remove the threat by **28th February 2027**.

The action(s) that must be taken by Esso Australia Resources Pty Ltd within the period specified to remove the threat include:

1. Conduct conductor maintenance (coating) at the Snapper facility in such manner as to prevent further metal wall loss of the well conductors;
2. Demonstrate that where wall loss has occurred, the well conductors are of adequate fitness for forward service, taking both production life and suspension / removal requirements into account; and
3. As a result of completing actions (1) and (2), provide a structured risk assessment to NOPSEMA demonstrating that the wells are maintained and operated in such manner as to ensure that the integrity of the wells, and the risks to the health and safety of persons at the facility, are ALARP.

[REDACTED]
NOPSEMA Inspector

[REDACTED]
23 March 2026

When the required action(s) has been completed, the titleholder is to submit this part of the notice to the to the following person via:

Post: Level 25, 140 William St
MELBOURNE VIC 3000

Email: submissions@nopsema.gov.au

Name:

[REDACTED]

Position: **NOPSEMA INSPECTOR**

Contact number: +

[REDACTED]

By signing below, I confirm on behalf of Esso Australia Resources Pty Ltd that the specified action described in Improvement Notice **No. 2086** has been undertaken within the period specified.

Signed:

Date:

(to be signed only when the Notice has been complied with)

NOTES

1. Under clause 15 of Schedule 2B to the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*, a titleholder who fails to ensure that this notice is complied with:
 - a. commits an offence and may be liable to a penalty of 300 penalty units; or
 - b. contravenes a civil penalty provision and may be liable to a civil penalty of 400 penalty units.
2. For every day proceeding the initial offence the notice is not complied with, the titleholder commits a separate offence/contravention in respect of each day (including a day of a conviction under this clause or any later day) during which the offence/contravention continues.
3. A copy of this notice must be displayed in a prominent place at the premises. It is offence to tamper or remove it until the notice has ceased to have effect.

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