

General Direction – s 574

Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cath)

Direction No: **1947**

To: Triangle Energy (Operations) Pty Ltd;
Triangle Energy Offshore Pty Ltd; and
Triangle Energy Onshore Pty Ltd

Issue of Direction/s - section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*

I, Graham Blair, of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this instrument under section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to the instrument of delegation dated 31 January 2024.

Graham Blair
Deputy Chief Executive Officer
wA845014

08 July 2024

1. Commencement

This General Direction takes effect on the date of signature.

2. Application

This General Direction applies to Triangle Energy (Operations) Pty Ltd (ACN 083 143 382), Triangle Energy Offshore Pty Ltd (ACN 008 988 930), and Triangle Energy Onshore Pty Ltd (ACN 008 939 080), the registered holders of WA-31-L and WA-12-PL.

3. Direction

- a. The registered holders of titles WA-31-L and WA-12-PL are given the directions contained in Schedule 1.
- b. Each direction in Schedule 1 is a separate direction.

Schedule 1

Direction 1

To shut-in and secure all wells identified in Schedule 2 at cessation of production, ensuring that risks to the integrity of the wells are reduced to as low as reasonably practicable (ALARP) at all times until they are permanently plugged and abandoned.

Direction 2

To flush free of hydrocarbons all production well annuli and tubing, and to pig and flush free of hydrocarbons property in the title area to as low as reasonably practicable (ALARP), and suspend (filled with inhibited water), within 14 days following cessation of production.

Direction 3

To implement, maintain and ensure all control measures are functional for the period following cessation of production, to reduce occupational health and safety, structural integrity, well integrity and environmental risks to as low as reasonably practicable (ALARP).

Direction 4

To undertake inspection, maintenance and repair activities on all property and wells identified in Schedule 2 for the period of non-production following cessation of production, to ensure currently accepted decommissioning end states are not precluded.

Direction 5

To:

- a. Notify NOPSEMA within 48 hours, upon completion of Direction 1 and 2; and
- b. Submit to NOPSEMA, every three months a report, detailing actions taken and those planned for the next three month to meet requirements of Directions 3 and 4, until the wells and property are in an accepted end state.

Schedule 2

For the purposes of the Directions contained in Schedule 1 the following definitions apply:

1. **Cessation of production** is the point in time at which the last crude oil export from the Arrowsmith Stabilisation Facility has been completed.

2. **Property** includes the following:
 - a. Equipment and structures associated with the Cliff Head Alpha (CHA) platform;
 - b. Equipment and structures associated with the wells;
 - c. Subsea production pipeline, running from the CHA to the boundary of Commonwealth waters;
and
 - d. Subsea water injection pipeline, running from the CHA to boundary of Commonwealth waters.

3. **Wells** includes CH-6, CH-7, CH-8, CH-9, CH-10, CH-11, CH-12, CH-13.

Explanatory Statement

This General Direction relates to property and wells within the title areas of offshore production licence WA-31-L and pipeline licence WA-12-PL, which are associated with the Cliff Head development. The Cliff Head oil field is located off the Western Australian coast, in the Perth Basin, west of the Big Horseshoe Reef.

The Cliff Head oil field development comprises of eight (8) offshore wells, that are tied to a not normally staffed platform (Cliff Head Alpha) located in 18 m water depth, approximately 10km from the West Australian coastline. Production and water injection pipelines run from CHA through Commonwealth and State waters and onshore to the Arrowsmith Stabilisation Plant, from which the crude oil is exported by truck. The offshore operational area includes the area within 500 m of the pipeline corridor and the 500 m exclusion zone around the platform.

The field has been in production since 2006 and is reaching the end of its field life. Compliance monitoring activities undertaken by NOPSEMA during 2022 and 2023 identified that Cliff Head operations are likely to reach cessation of production earlier than the titleholder previously reported to NOPSEMA. NOPSEMA also identified significant uncertainty regarding the period of non-production before the facility will be decommissioned or repurposed.

NOPSEMA conducted an inspection in May 2024 focussed on the registered holders' planning to safely transition to a non-production phase. NOPSEMA inspectors found that arrangements are in place which make it unlikely there will be a threat to human safety and the environment during the transition to non-production.

However, inspectors concluded that there is uncertainty surrounding the expected duration of the non-production phase and arrangements in place to maintain the facility, critical systems and all control measures to reduce impacts and risks to ALARP. The inspectors also concluded that there is uncertainty that the non-producing facilities, structures and equipment will be maintained in good condition and repair in a way that would not preclude their full removal in the future.

This General Direction provides certainty regarding the steps that need to be taken to maintain property and wells for an extended period of non-production and reinforces commitments by the registered holders in accepted permissioning documents^{1,2,3}.

¹ Cliff Head Alpha & CHA Pipelines Safety Case, Document 10HSEQGENPL04, Rev 9, Dated 16/10/2023

² Cliff Head Development Well Operations Management Plan – Production Licence WA-31L, Document 10OPWOPL01 Rev 9, Dated 31/08/2023

³ Cliff Head Field Offshore Operations Environment Plan, Document 10HSEQENVPL01, Rev 10, Dated 31/08/2023

Notes

Under sub section 574(6) of the Act, a general direction under section 574 has effect and must be complied with despite anything in the regulations.

Breach of a direction

Under sub section 576(1) of the Act, if a person is subject to a general direction under section 574 and the person engages in conduct that breaches that direction, the person commits an offence:

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.