

## General Direction – s574

*Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth)*

Direction No: 1895

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To Santos WA Northwest Pty Ltd (ACN 009 140 854), Santos (BOL) Pty Ltd (ACN 000 670 575):

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

I, Derrick O'Keeffe – Head of Division – Safety & Integrity 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 2 August 2022.

Signed:



Derrick O'Keeffe

Head of Division – Safety & Integrity

Dated: 05/DECEMBER/2022

### **1. Commencement**

This direction takes effect on the date of signature.

### **2. Application**

This direction applies to Santos WA Northwest Pty Ltd (ACN 009 140 854) and Santos (BOL) Pty Ltd (ACN 000 670 575), the registered holders of WA-11-PL and WA-29-L.

### **3. Extended Application**

Pursuant to subsection 574(3)(a) of the Act, this instrument also applies to Santos WA Energy Limited (ACN 009 301 964) as the registered operator of John Brookes platform, pipeline and petroleum activities associated with the licences identified above.

### **4. Direction**

- a. The registered titleholder and any parties to whom the direction is extended, are given the directions contained in Schedule 1.
- b. Each direction in Schedule 1 is a separate direction.

## Schedule 1

*The duty holders subject to this direction are directed as follows:*

### ***Direction 1***

To prevent the commencement of John Brookes pipeline operations until it has been demonstrated to the satisfaction of NOPSEMA, that it is safe to commence operations and that the risks and impacts to the environment are managed by Directions 2–5 below.

### ***Direction 2***

To provide a detailed plan and schedule for the recovery, repair or replacement activities for the John Brookes pipeline.

The plan and schedule must demonstrate to NOPSEMA's satisfaction that appropriate risk assessment and management of change processes have been conducted on the systems used for the operation or control of all production wells controlled through the John Brookes platform where they are impacted as part of the recovery, repair or replacement activities for the John Brookes pipeline, including applicable wells in the Varanus Island Hub Operations, prior to commencement of those operations.

### ***Direction 3***

To carry out a comprehensive investigation to determine the root cause and failure mechanism of the John Brookes pipeline loss of containment incident on 27 November 2022.

### ***Direction 4***

To demonstrate to NOPSEMA's satisfaction that the John Brookes pipeline can operate safely with confidence and that no other similar spool flanges in the John Brookes pipeline system may be affected by the identified failure mechanism.

### ***Direction 5***

To report on the progress of complying with Directions 2–4 to NOPSEMA on a weekly basis.

## Explanatory Statement

On 27th November 2022 at approximately 0700 hrs, a team was mobilised to the John Brookes platform by helicopter. Shortly after arrival, the team observed gas bubbles (approximately 2m radius) approximately 20m away in a north-easterly direction from the platform.

NOPSEMA received a notification of the event from Santos at 0926 hrs.

In response, NOPSEMA initiated an on-shore investigation. The investigation found that:

- Santos stood up its Incident Management Team at 0730 hrs to respond to the incident.
- The gas release did not activate gas detectors on the platform.
- The wells were shut-in, the platform powered down to UPS and the depressurisation of the John Brookes pipeline was commenced by drawing gas at Varanus Island gas processing plant.
- Nearby East Spar and Halyard wells were also shut-in as they are powered from the John Brookes platform. Personnel were evacuated from the platform by helicopter; two personnel reboarded the platform at 1200 hrs to initiate closure of the SSIV.
- A helicopter was deployed to undertake surveillance at 0930 hrs and the surveillance was not able to identify gas bubbles.
- A marine vessel was deployed and on location at 1100 hrs, the surveillance did not identify gas bubbles.
- A ROV was mobilised and was at location at 1600 hrs, and was in water at 1657 hrs.
- At 1823 hrs on 27 November 2022, the leak was identified by ROV on spool #2 close to flange #3 of the John Brookes pipeline.
- On 28 November 2022, the ROV was back on location and confirmed the exact leak location. Cleaning of the flange was performed. The vessel left the location at 1500 hrs.

This type of event has the potential to result in significant safety and environmental impacts.

NOPSEMA has concluded that NOPSEMA oversight is required to determine if the duty holders have performed the necessary actions so that the risks from commencing operation of the John Brookes pipeline are reduced to ALARP and will not impact the critical time path to recovery.

**Note:** All times are Australian Western Standard Time (AWST)



## Notes

### ***Notification of a direction has an extended application***

Pursuant to s 575 of the Act, as the direction(s) above apply to:

- a) the registered holder; and
- b) a specified person under 574(3)(a)

**the registered holder must** cause a copy of the notice by which the direction was given to be:

- c) given to that other person; or
- d) displayed at a prominent position at a place in the offshore area frequented by that other person.

### ***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.