

## General Direction

*Offshore Petroleum and Greenhouse Gas Storage Act 2006 – s574*

Date: 1/09/2021

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To: Cooper Energy Limited

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**  
wA517610

01 September 2021

### 1. Commencement

This General Direction takes effect on the date of signature.

### 2. Application

This direction applies to Cooper Energy Limited (ACN 096 170 295) the registered holder of VIC/RL13.

### 3. Directions

- (a) The registered holder of VIC/RL13 is given the directions contained in Schedule 1.
- (b) Each direction in Schedule 1 is a separate direction.

## Schedule 1 – Directions

The registered holder is 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 31 December 2023.

### ***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 December 2026.

### ***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 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 those operations within 12 months after 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 direction 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 holder's website within 14 days of obtaining NOPSEMA satisfaction under Direction 6(b).

## **Explanatory Statement - Direction number: 824**

This General Direction relates to structures, equipment and property (collectively referred to as property) and wells within the title area of offshore retention licence VIC/RL13.

Production commenced from the Basker, Manta and Gummy (BMG) fields in VIC/RL13, VIC/RL14 and VIC/RL15 title areas in 2005 via a moored Floating Production, Storage and Offloading (FPSO) vessel.

Production from the field ceased in 2010 and the field has been shut in since. Property associated with the mooring and export system was removed in 2012. The infrastructure was left preserved in a manner that could facilitate use for a future Manta Gas resource. All wells were left shut-in. However, the titleholder has not provided any indication of future use of the existing property remaining in VIC/RL13.

NOPSEMA's records indicate that property was only introduced onto VIC/RL13, not the other related title areas. The property remaining in VIC/RL13 may include, but not be necessarily limited to:

- Infrastructure connected to the subsea wells:
  - Basker-2, Basker-3, Basker-4, Basker-5, Basker-6ST1, Basker-7, and Manta-2A
- Flowlines and service lines (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)

To date, the registered holder has not removed all property from the title area since production ended in 2010.

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

NOPSEMA's records indicate that the Basker-2, Basker-3, Basker-4, Basker-5, Basker-6ST1, Basker-7, and Manta-2A wells have not been plugged or closed off. There is no accepted Well Operations Management Plan (WOMP) providing for the plugging or closing of these remaining wells.

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

Given the current status of the activity, 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.