

## Well Integrity Improvement Notice

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

**Notice No:** Enforcement No. 1951

**Date:** 19/09/2024

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**To: Esso Australia Resources Pty Ltd**

In conducting a well integrity inspection in relation to the West Tuna 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 a well at the West Tuna facility.

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

- 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 #4958, which took place from 21 – 30 May 2024, that the maintenance on the christmas trees or wellhead equipment of 28 out of 46 wells at the West Tuna facility was overdue by greater than three months. I identified that the wellhead equipment which has not been maintained includes safety critical valves. In addition, Esso's Latest Acceptable Complete Date (LACD) for wellhead maintenance on 7 wells were overdue by 14 months. Under the Bass Strait Production Well Operations Management Plan (WOMP), the wellhead maintenance frequency is specified as every 12-14 months (for gas wells) or 18 months (for oil wells).

I therefore find that the scheduled maintenance of the wells is not occurring in accordance with the WOMP.

Consequently, I consider that there is or may be an elevated risk of serious personal injury or a major accident evident that could lead to permanent or irreversible damage if the wellheads are not maintained in accordance with the WOMP. Specifically, I consider that overdue maintenance of the wellheads increases:

1. the risk of loss of containment of pressurised hydrocarbon from one or more wells at platform level at the West Tuna facility; and
2. operational risk and complexity during future well work activities.

Accordingly, I consider that the wells on the West Tuna facility are not being maintained so that risks to the health and safety of persons at or near the facility from the wells, or any unplanned escape of fluids from the wells, are as low as is reasonably practicable (ALARP), as required by section 13A of schedule 3 of the Act.

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 West Tuna facility:

There is an increased risk of failure, including to safety critical valves, of one or more wells at the West Tuna facility.

The reasons for my opinion are:

- The wellhead equipment which has not been maintained at the West Tuna facility includes safety critical valves.
- The well barrier envelope (which includes wellhead and associated valves) is a critical control for the safe containment of hydrocarbons, and any degradation of the envelope elevates the risk of loss of containment of pressurised hydrocarbon from the wells.
- The WOMP provides that there is “...an immediate and noticeable increase in valve failure rates when the duration between servicing was extended beyond 2 years”.
- The operational complexities associated with maintaining a valid well barrier envelope during future well work activities, can increase the risk of loss of containment.
- The added complexities with ongoing well barrier monitoring, for example the failure to identify degradation of the subsurface well barrier envelope, can increase the risk of loss of downhole containment.

You are required to take action to remove the threat within **180** days from the date of this notice.

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

1. Conduct wellhead maintenance at the West Tuna facility in accordance with the requirements of the in-force WOMP.
2. As a result of completing action (1), demonstrate to NOPSEMA that the wells are maintained and operated to ensure the integrity of the wells, and the risks to the health and safety of persons are ALARP.

██████████  
**NOPSEMA INSPECTOR**

██████████  
19 September 2024

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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](mailto:submissions@nopsema.gov.au)

Name: [REDACTED]

Position: **NOPSEMA INSPECTOR**

Contact number: [REDACTED]

By signing below, I confirm on behalf of Esso that the specified action described in Improvement Notice **No. 1951** 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.