

General Direction – s 574

Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth)

Direction No: 1913

To Woodside Energy Limited (ACN 005 482 986) and Mitsui E & P Australia Pty Ltd (ACN 108 437 529)

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

I, Cameron Grebe, Head of Division, Environment, Decommissioning and Renewables of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), **VARY** instrument number 1913 under section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to the Instrument of delegation dated 13 June 2023.

Cameron Grebe

Head of Division – Environment, Decommissioning and Renewables

wA750898

04 October 2023

1. Commencement

This Direction takes effect on the date of signature.

2. Application

This Direction applies to Woodside Energy Limited (ACN 005 482 986) and Mitsui E & P Australia Pty Ltd (ACN 108 437 529), the registered holders of WA-28-L.

3. Direction

- a. The registered holders of WA-28-L are given the directions contained in Schedule 1.
- b. Each direction in Schedule 1 is a separate direction.
- c. Schedule 1 is varied to include Directions 7 and 8.
- d. In the event of any inconsistency between the contents of the Environment Plan and the terms of the direction in Schedule 1, these directions prevail.

Schedule 1

Direction 1

To plug or close off, to the satisfaction of NOPSEMA, all wells listed in Schedule 2 of this Direction as soon as practicable but not later than 30 June 2024.

Direction 2

To remove, or cause to be removed, from the offshore area the Nghanurra Riser Turret Mooring (**RTM**) and deliver it to a suitable onshore facility for disposal as soon as practicable but not later than 1 April 2024.

Direction 3

To remove, or cause to be removed, from the offshore area all remaining property (including but not limited to property listed in Schedule 3), brought into that area by any person engaged or concerned in the Nghanurra operations authorised by the WA-28-L licence, and deliver it to a suitable onshore facility for disposal, as soon as practicable but not later than 31 December 2024.

Direction 4

To provide, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the licence area as soon as practicable but no later than 31 December 2025.

Direction 5

To make good, to the satisfaction of NOPSEMA, any damage to the seabed or subsoil in the licence area as soon as practicable but no later than 31 December 2025.

Direction 6

- a) Prepare a monthly report summarising progress with implementing Direction 2 and associated decommissioning activities, until NOPSEMA informs the registered holders it is satisfied that Direction 2 has been complied with.
- b) The report prepared under Direction 6(a) must include the information detailed in Schedule 4 and be published on the registered titleholders' website(s), no later than the 14th day of each month.
- c) Submit to NOPSEMA, on an annual basis, a decommissioning progress report detailing progress with implementing these directions and associated decommissioning activities until all decommissioning works have been completed.
- d) The report submitted under Direction 6(c) must be to the satisfaction of NOPSEMA and submitted to NOPSEMA no later than 31 December each year until the conclusion of this direction.
- e) Publish the report on the registered holders' website within 14 days of obtaining NOPSEMA satisfaction under Direction 6(d).

Direction 7

The petroleum activities described in the Nghanurra Operations Cessation environment plan (the EP), comprising:

- a) Nghanurra Operations Cessation Environment Plan (Document No. K1005UH1400288790, Revision 13, dated May 2023) and Oil Pollution Emergency Arrangements – Australia – Guideline (Document No. W0000AV0003.0001 Revision 14) published on NOPSEMA's website; and
- b) Nghanurra Operations Cessation Environment Plan Revision Sensitive Information Document (Revision 13, dated May 2023),

must be undertaken by the registered holders in accordance with the terms of the EP, as purportedly accepted by NOPSEMA on 27 July 2023.

Direction 8

- a) If there is a suitable weather window to complete the lift of the RTM on location within the licence area within 10 days of completing the preparatory work for the lift, the RTM must not be wet towed off location.
- b) Before the RTM is wet towed out of the licence area, the registered holders must engage a suitably qualified and independent person to complete a marine pest risk assessment of the structure based on good practice standards considering removal options and implement all recommended control measures.
- c) Prior to commencing planned removal activities, the registered holders must prepare a detailed plan to provide for the rapid deployment of foam containment measures and enable the commencement of seabed recovery operations within 6 months of the RTM sinking (if this occurs). The plan must detail the timeline and actions necessary to implement foam containment response measures and the timeline and actions necessary to commence safe and environmental responsible seabed recovery operations.
- d) The registered holders must ensure all necessary containment equipment and materials, including but not limited to the magnetic base drill, are available to mitigate the escape of foam from the RTM to the environment during the petroleum activities.
- e) Within 4 days of the RTM sinking (if this occurs), the registered holders must complete an underwater survey of the structure and implement all reasonable and practicable containment measures to reduce environmental risks and impacts to levels that are acceptable and ALARP.
- f) Before commencing seabed recovery operations, the registered holders must complete a review of the environmental impact and risks, and implement all control measures arising from that review.

Schedule 2 – Wells associated with Nghanurra operations in WA-28-L

Wells	
ENA01	ENB02
ENA02	ENB03
ENA03	ENC01
ENA04	ENC02
ENA05	ENC03
ENE01	ENC04
ENE02	ENC05
ENE03	END01
ENB01	END02

Schedule 3 – Property associated with Nganhurra operations in WA-28-L

Anchor Chains 1–9

Production Manifold EDC1

Production Manifold EDC2

Production Manifold EDC3

Production Manifold EDC5

Production flowline with riser 1

Production flowline with riser 2

Production test flowline with riser

Two water re- injection flowlines with risers

Gas injection flowline riser

Five Electro-hydraulic umbilicals

All production, water injection and gas injection subsea well xmas trees

Schedule 4 – Information to be included in monthly decommissioning progress report

The following information must be included, as a minimum, in the monthly decommissioning progress report required by Direction 6.

- A description of the steps and actions reasonably necessary to be undertaken from the commencement of this Direction to commencement of the removal campaign in order to be prepared to safely remove and dispose of the riser turret mooring, including but not limited to those steps detailed in the explanatory statement, and an associated schedule (timeline).
- A description of the works to be completed during the removal campaign, including information about offshore works, onshore works and final suitable onshore disposal facility, and an associated schedule (timeline). The description is to be updated each month as new information comes to hand and/or in response to public enquiries.
- A description of progress against both schedules described above.
- Details of any changes to the integrity or condition of the riser turret mooring and/or changes to the activity including plans for the management of impacts and risks that may affect the ability to safety and environmentally responsibly remove and dispose the RTM.
- Contact details to enable interested persons to seek further information or request to be consulted by Woodside on this activity.

Explanatory Statement

Background

This Direction relates to property currently in, and wells drilled in the title area pertaining to Nganhurra offshore operations in production licence WA-28-L. The scope of this Direction does not apply to property associated with the Cimatti and Vincent fields located in WA-28-L, or the Pipeline Licence WA-28-PL, which geographically overlaps the production licence.

Production commenced from the Enfield field in WA-28-L through the Nganhurra Floating Production Storage and Offloading (FPSO) facility producing in 2006. Production ceased on 7 November 2018 with the Nganhurra FPSO permanently departing the field on 5 December 2018.

NOPSEMA's records indicate that the property associated with the Nganhurra operations remaining in the licence area may include, but not be necessarily limited to:

- Six (6) horizontal production wells and two (2) deviated production wells, eight (8) water injection wells and two (2) gas injection wells.
- A flowline and riser system which consists of two (2) 9-inch production flowlines, one (1) 8-inch production test flowline, one (1) 10-inch water re-injection flowline, one (1) 6-inch gas injection flowline and one (1) 6-inch gas lift flowline. There are two (2) production dynamic risers, one (1) test dynamic riser, one (1) water reinjection, one (1) gas lift and one (1) gas reinjection dynamic riser;
- A riser turret mooring and anchor system; and
- Subsea structures (manifold, rigid spools, electric and hydraulic jumper and other small structures).

The registered holders have commenced and are progressing the removal of some of this property from the WA-28-L title area.

NOPSEMA issued General Direction 812 on 5 February 2021. Since this time the structural integrity of the Nganhurra Riser Turret Mooring has further deteriorated, necessitating further enforcement action by NOPSEMA (including General Direction 1897, which remains in force). The root cause of this deteriorating structural integrity remains unknown and fortnightly reporting on the status of the riser turret mooring as required by General Direction 1897 has informed NOPSEMA of further deterioration (via survey of the J-tubes), increasing uncertainty regarding potential failure mechanisms and pathways. This increases the risk of the RTM sinking and heightens the risk to safety of people for any subsequent recovery activities and the environment. Until such time as the RTM is fully removed from the offshore area risks will continue and may escalate.

Based on this changed risk profile, NOPSEMA is satisfied that it is reasonably practicable for the registered holders to complete full removal of the RTM structure from the offshore area as detailed in Direction 2. The direction also provides greater transparency for the removal and remedial actions, given the level of public interest, whilst maintaining the requirements set in General Direction 812 regarding overall field decommissioning in the title area.

In order for the registered holders to comply with directions, NOPSEMA recognises that reasonable steps to be taken will include:

- that personnel are directed and supported to remove property as ‘as soon as practicable’. For example (but not limited to) financial investment and project progression decisions and are completed with priority in line with the project schedule.
- Allocation of sufficient resources to support compliance with all directions above. For example, in relation to Direction 2, this would include having dedicated resources working on the primary removal project and other dedicated resources working on contingency and emergency response planning and implementation.
- Establishing and maintaining necessary contracts and arrangements, including for suitable vessel(s) and equipment, in a way that ensures that the timelines and outcomes in this direction can be met.
- Obtaining and maintaining necessary approvals, including environment plan, WOMP and safety cases and any other approvals or permits from all relevant authorities or agencies.

Variation to Direction 1913

This explanatory statement does not provide comprehensive reasons of NOPSEMA’s decision to vary Direction 1913.

On 27 July 2023 NOPSEMA accepted, or purported to accept, the EP subject to conditions under Regulation 10(6) of the *Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009* (Environment Regulations).

Following the decision in *Cooper v National Offshore Petroleum Safety and Environmental Management Authority (No 2)* [2023] FCA 1158 (handed down on 28 September 2023), there is uncertainty as to whether NOPSEMA’s decision is valid, and whether the EP (subject to conditions) is valid and operative.

NOPSEMA has concerns about the structural integrity of the RTM. NOPSEMA considers that timely removal of the RTM is required to avoid further deterioration of the infrastructure which may result in unplanned sinking and subsequent unacceptable environmental impacts. In addition, NOPSEMA is aware of the impending cyclone season, the sensitivity of the activity to wave and weather conditions and the limited availability of contractors with the relevant skills and equipment. These factors contribute to an increased risk to the structural integrity of the RTM and any removal operations.

Substantial preparation has been undertaken by the titleholders to undertake the petroleum activity as authorised by NOPSEMA’s purported decision dated 27 July 2023. NOPSEMA has been notified that the specialised Heavy Lift Vessel (HLV) contracted to complete works is available to commence removal activities from 1 October 2023, as all required preparatory activities have been completed. There are a limited number of HLVs globally that can safely perform the removal activities, and the specific HLV contracted is uniquely designed to perform this work. The HLV contracted to perform this work also has limited availability. NOPSEMA is not currently aware of any other practicable means by which risks to the environment from the unplanned sinking of the RTM can be effectively mitigated as a matter of priority in the event the contracted HLV cannot perform the removal activities during the current availability window.

NOPSEMA is satisfied that with the measures outlined in Directions 7 and 8, any activity-specific environmental impacts and risks, including but not limited to those relevant to matters protected under Part 3 of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), will be of an

acceptable level and reduced to as low as reasonably practicable (ALARP) and also not likely to have a significant impact on matters protected under Part 3 of the EPBC Act. NOPSEMA also considers that carrying out the activity as specified in this Direction/s will ensure that significant impacts to matters protected under the EPBC Act will be avoided. The measures contained within this Direction/s will ensure that petroleum activity will be carried out in a manner consistent with the principles of ecologically sustainable development as set out in section 3A of the EPBC Act.

NOPSEMA is satisfied that it is necessary to expedite the removal of the RTM structure from the offshore area by undertaking the petroleum activities outlined in Directions 7 and 8. The risks posed by not removing the RTM as soon as possible outweigh any other matters.

Accordingly, this Direction/s is varied to ensure the petroleum activity specified in this Direction/s can be lawfully undertaken as a matter of urgency and in a manner that ensures environmental impacts and risks are reduced to as low as reasonably practicable and to an acceptable level.

Notes

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.