

Our ref: ID: 4832: A708344

Your ref: Stromlo-1 EP

Contact: [REDACTED]

Email: [REDACTED]

[REDACTED]
Equinor Australia B.V.
Level 15, 123 St Georges Terrace
PERTH WA 6000

gabproject@equinor.com

Dear [REDACTED]

RE: ENVIRONMENT PLAN ACCEPTANCE WITH CONDITIONS – STROMLO-1 EXPLORATION DRILLING PROGRAM

Please be advised that the whole of the Stromlo-1 exploration drilling program environment plan (EP), comprising:

- Stromlo-1 exploration drilling environment plan, Revision 3, dated November 2019;
- Appendix 1-1: Relevant legislation, Revision 3, November 2019;
- Appendix 2-1: Operability and forecasting, Revision 3, November 2019;
- Appendix 3-1: Relevant persons consultation records, Revision 3, November 2019;
- Appendix 3-2: Relevant persons consultation records (Sensitive Information), Revision 3, November 2019;
- Appendix 4-1: Protected matters search tool report for the Impact EMBA, Revision 0, November 2019;
- Appendix 6-1: Underwater sound modelling report, Revision 3, November 2019; and
- Appendix 6-2: Drill cuttings and muds dispersion modelling study, November 2019;
- Appendix 7-1: Oil spill modelling study, Revision 2, November 2019;
- Appendix 7-2: Protected matters search tool report for the risk EMBA, Rev 0, November 2019;
- Appendix 7-3: Existing environment of Risk EMBA, Revision 3, November 2019;
- Appendix 7-4: ALARP assessment for loss of well control, Revision 3, November 2019;
- Appendix 7-5: Risk assessment for unmitigated worst-case scenario, Revision 3, November 2019.
- Appendix 9-1: Oil pollution emergency plan, Revision 4, dated November 2019; and
- Appendix 9-2: Operational and scientific monitoring program, Revision 3, dated November 2019;

has been accepted subject to conditions in accordance with regulation 10(6) of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (Environment Regulations).

An assessment of the EP was conducted in accordance with the Environment Regulations and NOPSEMA's assessment policies. This includes a general assessment of the whole EP and four detailed topic assessments of the EP content, as follows:

- matters protected under Part 3 of the EPBC Act (focussed on evaluation and management of noise emission impacts);
- adequacy of source control arrangements and capability;
- adequacy and capability of arrangements for timely oil spill response and monitoring;
- consultation with relevant persons.

This letter gives notice under regulation 11(1)(c) that the EP has been accepted subject to the conditions detailed in Attachment 1. Whilst the conditions do not form part of the EP, NOPSEMA will monitor compliance and undertake enforcement to secure compliance with these conditions in the same way as the accepted EP. Please be advised that in accordance with regulation 7, an activity must not be undertaken in a way that is contrary to the EP in force for the activity, or any condition applying to operations for the activity under the Environment Regulations.

The reasons for my decision to accept the EP with conditions provided in Attachment 1 are:

- In the context of the EP for the proposed Stromlo-1 exploration drilling activity, there is need for improved control measures to demonstrate that the oil spill risks of the activity will be reduced to as low as reasonably practicable.
- In addition, a number of conditions have also been imposed to ensure clarity regarding communicating environmental performance of the activity.

As agreed, the accepted EP in full (excluding personal information) will be published on the NOPSEMA website to meet the requirements for an EP summary for public disclosure in accordance with regulation 11(3).

To provide transparency of its assessment decision, NOPSEMA will also publish a key matters report and statement of reasons for NOPSEMA's decision to accept the EP, subject to conditions.

This acceptance is based on the document submissions provided in accordance with the Environment Regulations. Please note that the responsibility for ongoing environmental performance of the Stromlo-1 exploration drilling activity remains, at all times, with Equinor Australia B.V.

You are reminded that in accordance with regulation 29, Equinor Australia B.V. must notify NOPSEMA at least ten days before commencement and within ten days after completion of any activity described in the EP.

Should you have any queries regarding the above, please contact the lead assessor for your submission,

[REDACTED]

Yours sincerely

[REDACTED]

Environment Manager, Drilling & Developments

SAN: wA284644

18 December 2019

cc

[REDACTED]

SAN: All regulatory correspondence issued by NOPSEMA, including this letter, bear a signature authorisation number (SAN) in place of a traditional signature. The SAN is a unique, secure identifier applied to the letter upon approval by the named signatory. If you wish to enquire further about SAN and its use in this or other correspondence, please contact information@nopsema.gov.au quoting the reference provided above.

Attachment 1

In accordance with regulation 11(1)(c) NOPSEMA gives notice that acceptance of the EP is subject to the following conditions applying to operations for the Stromlo 1 Exploration Drilling Program EP:

1. Timetable of the activity

1.1. Equinor Australia B.V. shall ensure the drilling activity does not occur outside of the periods of 1 November 2020 to 30 April 2021 or 1 November 2021 to 30 April 2022.

2. Communication about Environmental Performance

2.1. To ensure appropriate communication of environmental performance of the activity, Equinor Australia B.V. shall:

- a) Prior to commencing the drilling activity, continue community engagement efforts with interested persons, including community, conservation and environmental based non-governmental organisations with a past history of actively seeking protection of the Great Australian Bight, regarding how the activity will be carried out in a manner that is in accordance with the accepted EP;
- b) Publish weekly status updates on its website whilst conducting the petroleum activity describing Equinor Australia B.V.'s environmental performance for the petroleum activity against the relevant environmental performance outcomes and environmental performance standards detailed in the EP to the satisfaction of NOPSEMA; and
- c) Publish a report on environmental performance for the petroleum activity detailing compliance with these conditions and the environmental performance outcomes and standards detailed in the EP. This report must be to the satisfaction of NOPSEMA and submitted to NOPSEMA within three months of completion of the petroleum activity.

3. Incident Prevention, Preparedness and Response

3.1. Equinor Australia B.V. shall ensure that relevant control measures for the drilling activity are implemented by the drilling rig contractor and are in place before the drilling activity commences.

3.2. To ensure that timely mobilisation arrangements are in place for a capping stack and source control equipment prior to commencing drilling the Stromlo-1 well, Equinor Australia B.V. shall:

- a) Engage a suitable competent third party agreed by NOPSEMA to undertake a validation of capping stack mobilisation logistics and provide the validation report to NOPSEMA; and
- b) Engage a suitable competent third party agreed by NOPSEMA to undertake an audit of source control preparedness to confirm that all the necessary pre-operational requirements are in place before drilling the well.

- 3.3. To ensure that a relief well could be drilled to permanently stop the flow of hydrocarbons from the well in the shortest possible time:
- a) Before commencement of drilling into the reservoir, Equinor Australia B.V. shall confirm to NOPSEMA that it has access and can maintain access to a suitable relief well drilling rig located in Australian waters with the equipment and supplies necessary to drill a relief well; and
 - b) In the event a relief well is required to permanently stop the flow of hydrocarbons from the well, Equinor Australia B.V. shall ensure it has access to a suitable second relief well drilling rig and access to the equipment and supplies necessary to drill another relief well.
- 3.4. To confirm that prudent and timely triggers for mobilisation of Source Control Equipment are in place, Equinor Australia B.V. shall:
- a) Place its well source control service and equipment providers on standby for the duration of the drilling activity;
 - b) Notify the source control equipment and expertise providers, in the event of a Well Control Incident that has the potential to cause moderate to significant environmental damage or has the potential to escalate, to ensure actions will be taken that will enable immediate mobilisation; and
 - c) Immediately mobilise the necessary Source Control Equipment and expertise in the event of an uncontrolled escape of reservoir fluids to the environment.
- 3.5. To minimise the consequences to the environment in the remote likelihood an oil spill occurs, Equinor Australia B.V. shall only use dispersants where their use reduces the impacts of spilled oil to the marine environment.

4. Definitions

For the purposes of this notice, unless otherwise specified all terms have the same meaning as in the Environment Regulations.

Environment Regulations: means the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009

EP: is taken to mean the Stromlo-1 Exploration Drilling Program Environment Plan (Revision 3)

OPEP: is taken to mean Stromlo-1 Exploration Drilling Program Oil Pollution Emergency Plan (Revision 4)

Petroleum activity: means the Stromlo-1 well drilling activity

Source Control Equipment: is taken to be the source control measures defined in Section 8.5 of the EP

Titleholder: for the purposes of this notice is taken to be Equinor Australia B.V.

Well Control Incident: is taken to be a loss of primary well control barrier