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WESTERN AUSTRALIA
MINISTER FOR THE ENVIRONMENT

**STATEMENT THAT A PROPOSAL MAY BE IMPLEMENTED
(PURSUANT TO THE PROVISIONS OF THE
ENVIRONMENTAL PROTECTION ACT 1986)**

EXPLORATION DRILLING IN PERMIT AREAS EP 341 & EP 364
NORTH EAST OF ONSLOW (688)

COMMAND PETROLEUM HOLDINGS NL

This proposal may be implemented subject to the following conditions:

1 Proponent Commitments

The proponent has made a number of environmental management commitments in order to protect the environment.

- 1-1 In implementing the proposal, the proponent shall fulfil the commitments (which are not inconsistent with the conditions or procedures contained in this statement) made in the Consultative Environmental Review and in response to issues raised following public submissions. These commitments are consolidated in Environmental Protection Authority Bulletin 654 as Appendix 1. (A copy of the commitments is attached.)

2 Implementation

Changes to the proposal which are not substantial may be carried out with the approval of the Minister for the Environment.

- 2-1 Subject to these conditions, the manner of detailed implementation of the proposal shall conform in substance with that set out in any designs, specifications, plans or other technical material submitted by the proponent to the Environmental Protection Authority with the proposal. Where, in the course of that detailed implementation, the proponent seeks to change those designs, specifications, plans or other technical material in any way that the Minister for the Environment determines on the advice of the Environmental Protection Authority, is not substantial, those changes may be effected.

3 Site Specific Data

The Environmental Protection Authority requires site specific environmental data for each proposed well site to enable review of environmental management plans for adequate protection of the area.

- 3-1 At least three weeks prior to the commencement of drilling of exploration wells proposed as part of the programme described in the Consultative Environmental Review, the proponent shall provide details of the exact locations of the wells and descriptions of the adjacent environment together with any proposed site-specific modifications to environmental management provisions for those locations, to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy.

- 3-2 The proponent shall subsequently implement the proposals referred to in condition 3-1 to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy.

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4 Type of Drill Rig

The Environmental Protection Authority's assessment is based on the premise that the proponent will use a jack-up drill rig. The impacts associated with different types of drill equipment may vary and may require separate management procedures to be in place for their use.

- 4-1 Prior to the use of any drilling rig other than a jack-up type, the proponent shall provide plans for its use and environmental management to the Environmental Protection Authority for evaluation and shall subsequently implement appropriate environmental management plans for that rig, to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy.

5 Work Programmes beyond Current Proposal

Proposals for work other than the drilling proposed will require further review because of the potential for environmental impacts which have not been assessed.

- 5-1 Prior to implementing any drilling beyond that in the programme proposed in the Consultative Environmental Review or development plans resulting from that programme, the proponent shall refer proposals for such further work to the Environmental Protection Authority and the Department of Minerals and Energy.

6 Responsibility for Adverse Environmental Impacts

Recognition is needed of the environmental sensitivity of the area and a commitment to make good any environmental damage which might be incurred as a result of the proposal going ahead.

- 6-1 Prior to drilling the first well, the proponent shall implement arrangements to accept responsibility for any adverse environmental impacts which may occur as a consequence of the proposal proceeding, to the requirements of the Minister for the Environment after consultation with the Minister for Fisheries and the Minister for Mines.

7 Oil Spill Response Capability

The proponent needs to be able to manage small oilspills which may occur in the vicinity of the drill rig.

- 7-1 Prior to drilling each well, the proponent shall provide on or adjacent to the rig the capability for containing small oil spillages, to remain there permanently until demobilisation of the rig, to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy.

8 Refuelling of the Rig

To maximise the chances of containment and recovery of spilt oil, the refuelling operation should take place in favourable conditions.

- 8-1 The proponent shall only refuel the rig when weather and sea conditions are sufficiently calm to permit containment and recovery of any fuel oil which may be spilt, to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy.

9 Simulated Oil Spill Exercise

The proponent should ensure oilspill preparedness by testing the Oilspill Contingency Plan on a regular basis.

9-1 Prior to commencement of the first well, the proponent shall successfully trial run an oil spill exercise, up to the point of the deployment of resources, to the requirements of the Environmental Protection Authority on advice of the State Committee for Combating Marine Oil Pollution.

9-2 The proponent shall run further oil spill exercises at least once a year or for each change of rig, whichever is the sooner, for the duration of the programme in the Consultative Environmental Review, to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy.

10 Decommissioning

The satisfactory decommissioning of the project, removal of the plant and installations and rehabilitation of the site and its environs is the responsibility of the proponent.

10-1 The proponent shall be responsible for environmental aspects of decommissioning the rig and any wells and rehabilitating the site and its environs, to the requirements of the Environmental Protection Authority on advice of the Director, Petroleum Division, Department of Minerals and Energy.

11 Proponent

These conditions legally apply to the nominated proponent.

11-1 No transfer of ownership, control or management of the project which would give rise to a need for the replacement of the proponent shall take place until the Minister for the Environment has advised the proponent that approval has been given for the nomination of a replacement proponent. Any request for the exercise of that power of the Minister shall be accompanied by a copy of this statement endorsed with an undertaking by the proposed replacement proponent to carry out the project in accordance with the conditions and procedures set out in the statement.

12 Time Limit on Approval

The environmental approval for the proposal is limited.

12-1 If the proponent has not substantially commenced the project within five years of the date of this statement, then the approval to implement the proposal as granted in this statement shall lapse and be void. The Minister for the Environment shall determine any question as to whether the project has been substantially commenced. Any application to extend the period of five years referred to in this condition shall be made before the expiration of that period, to the Minister for the Environment by way of a request for a change in the condition under Section 46 of the Environmental Protection Act. (On expiration of the five year period, further consideration of the proposal can only occur following a new referral to the Environmental Protection Authority.)

13 Compliance Auditing

In order to ensure that environmental conditions and commitments are met, an audit system is required.

13-1 The proponent shall prepare periodic "Progress and Compliance Reports", to help verify the environmental performance of this project, in consultation with the Environmental Protection Authority.

Procedure

The Environmental Protection Authority is responsible for verifying compliance with the conditions contained in this statement, with the exception of conditions stating that the proponent shall meet the requirements of either the Minister for the Environment or any other government agency.

If the Environmental Protection Authority, other government agency or proponent is in dispute concerning compliance with the conditions contained in this statement, that dispute will be determined by the Minister for the Environment.

Jim McGinty, MLA
MINISTER FOR THE ENVIRONMENT

- 2 DEC 1992

PROPONENT'S COMMITMENTS

**EXPLORATION DRILLING IN EPs 341 & 364
NORTH EAST OF ONSLOW (688)**

COMMAND PETROLEUM HOLDINGS NL

The proponent has made the following environmental commitments:

LIST OF COMMITMENTS

Command Petroleum Holdings NL undertakes to abide by all of the commitments made in the Consultative Environmental Review (CER) for the five year exploration drilling programme for permit areas EP 341 and EP 364, and in all cases will fulfil those commitments to the satisfaction of the appropriate statutory authority(s).

The major commitments given within the CER are listed below.

- (1) Command Petroleum will adopt the environmental management strategies outlined in this CER.
- (2) Well-specific details including the location, water depths, distance from sensitive resources and drilling programmes will be submitted the Department of Minerals and Energy and the EPA with each drilling application. Each application will be submitted at least three weeks prior to the proposed spud date for each well.
- (3) Before commencement of their duties, each worker or contractor (including workboat and supply vessel crews) will be given an induction including advice on the sensitive nature of the environment in which the drilling rig is located.
- (4) Regular crew transfers between the drilling rig and Onslow will use crew boats.
- (5) Masters of crew and supply vessels will be instructed not to allow crew to disturb islands or wreck sites, nor to anchor close to coral reefs.
- (6) Deck drainage and other oily wastes will be collected and transported to the mainland for disposal at a site approved by the Shire of Ashburton.
- (7) Command Petroleum will manage all oil spills using the approved Oil Spill Contingency Plan (OSCP) and will abide by all procedures detailed in the OSCP.
- (8) An oil spill recovery vessel fitted with oil spill combat equipment will be on dedicated standby at Dampier during drilling. A standby vessel will be in the vicinity of the drilling rig at all times to assist with oil spill combat responses in the event of an oil spill.
- (9) An oil spill containment boom and skimmer will be stored onboard the drilling rig for the duration of the drilling programme. In the event of an oil spill, this equipment will be loaded onto the support vessel for deployment.
- (10) In the event that the EPA grants pre-approval to Command Petroleum for dispersant use, the company will ensure that adequate stocks of an appropriate approved dispersant are stored on board the drilling rig, ready for immediate use under approved conditions.

