



MINISTER FOR THE ENVIRONMENT
EMPLOYMENT AND TRAINING

Ass # 988
Bull # 853
State # 449

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

**APPRAISAL DRILLING PROGRAMME FOR WONNICH FIELD
SOUTH-WEST OF THE MONTEBELLO ISLANDS (988)**

APACHE ENERGY LIMITED

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 made in the Consultative Environmental Review of January 1995, the document "Supplementary Information" of May 1996, and subsequently, provided that the commitments are not inconsistent with the conditions or procedures contained in this statement. In the event of any inconsistency, the conditions and procedures shall prevail to the extent of the inconsistency.

The consolidated environmental management commitments (May 1997) are 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.
- 2-2 Where, in the course of the detailed implementation referred to in condition 2-1, the proponent seeks to change the designs, specifications, plans or other technical material submitted to the Environmental Protection Authority 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.

Published on

9 JUL 1997

3 Proponent

These conditions legally apply to the nominated proponent.

- 3-1 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.

4 Seasonal Limits on Drilling

The most favourable "weather window" for drilling is during the period June to August inclusive, when predominant wind conditions are such that any oil spillage should be carried away from the coral reefs and other sensitive environments of the Montebello Islands.

- 4-1 The proponent shall only carry out the appraisal drilling programme during the period 1 June to 31 August in any year.

5 Demonstration of Best Practice

Since the drilling rig to be used for the project will not have worked in Western Australia previously, the rig should first drill a well in another less sensitive area off the coast of the State, in order to demonstrate that operations are at the level of international best practice for drilling in environmentally sensitive areas.

- 5-1 Prior to drilling at the Wonnich appraisal site, the proponent shall test the rig and its operations by successfully drilling at least one other well off the Western Australian coast, in a less environmentally sensitive area, to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Minerals and Energy. (Note: During the drilling required by this condition, an independent environmental audit shall be carried out to demonstrate that the rig and its operations are at the level of international best practice. See condition 6.)

6 Pre-Drilling Environmental Audit

To ensure that the rig operations and equipment are at the level of international best practice for drilling in environmentally sensitive areas, an independent environmental audit is required before drilling commences at the Wonnich appraisal site.

- 6-1 Prior to drilling at the Wonnich appraisal site, the proponent shall commission an independent environmental audit of the rig operations and equipment. The audit shall be to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Minerals and Energy. (See condition 5.)

7 Drilling Operations

- 7-1 Prior to the commencement of drilling at the Wonnich appraisal site, the proponent shall prepare a written prescription for drilling contractor work practices at the site to ensure that work practices are carried out at the level of international best practice for drilling in environmentally sensitive areas, to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Minerals and Energy.
- 7-2 The proponent shall ensure that all drilling operations at the Wonnich appraisal site comply with the prescription referred to in condition 7-1.

8 Oil Spill Trajectory Predictions

To enhance the reliability of the computer oil spill trajectory predictions, further field data are required to validate the computer model.

- 8-1 Prior to the commencement of drilling, the proponent shall validate the oil spill trajectory model detailed in the documents referred to in condition 1, by recording continuous field data over a period of two weeks. Data collected shall include representative data on surface water movements. Data collection shall be to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection.
- 8-2 The proponent shall make appropriate modifications to oil spill response strategies if there are any significant variations from existing oil spill trajectory predictions, to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Minerals and Energy.

9 Rig Refuelling

To minimise the probability of diesel spillage reaching sensitive environments, refuelling should only be carried out under conditions whereby any spillage would be carried offshore.

- 9-1 Prior to rig refuelling, the proponent shall develop a procedure to ensure that refuelling is only carried out under conditions whereby any spillage would be carried away from sensitive environments. This procedure shall be to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Minerals and Energy.
- 9-2 The proponent shall only carry out rig refuelling according to the procedure referred to in condition 9-1.

10 Public Communication

- 10-1 The proponent shall prepare a public communication programme to inform the public about the nature of environmental risks from the project and about the risk management measures to be put in place, to the requirements of the Environmental Protection Authority.
- 10-2 The proponent shall implement the public communication programme required by condition 10-1.

11 Time Limit on Approval

The environmental approval for the substantial commencement of the proposal is limited.

- 11-1 If the proponent has not substantially commenced the project within five years of the date of this statement, then 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.

Where the proponent demonstrates to the requirements of the Minister for the Environment on advice of the Department of Environmental Protection that the environmental parameters of the proposal have not changed significantly, then the Minister may grant an extension not exceeding five years.

12 Environmental Management System

The proponent should exercise care and diligence in managing the proposal to ensure the protection of the environment.

12-1 In order to manage the relevant environmental factors, to meet the environmental objectives in Environmental Protection Authority Bulletin 853, and to fulfil the requirements of the conditions and procedures in this statement, prior to the implementation of the proposal, the proponent shall prepare environmental management system documentation, including an environmental management programme, in accordance with recognised environmental management principles, such as those in Australian Standards AS/NZS ISO 14000 series, in consultation with the Department of Environmental Protection.

12-2 The proponent shall implement the environmental management system referred to in condition 12-1.

13 Compliance Auditing

To help determine environmental performance and compliance with the conditions, a close-out audit is required on the implementation of the proposal.

13-1 The proponent shall submit a Close-Out Compliance Report prepared in consultation with the Department of Environmental Protection.

Procedure:

- 1 Unless otherwise specified, the Department of Environmental Protection is responsible for assessing compliance with the conditions contained in this statement and for issuing formal clearance of conditions.
- 2 Where compliance with any condition is in dispute, the matter will be determined by the Minister for the Environment.

Note:

- 1 The Department of Minerals and Energy has approved the proponent's oil spill contingency plan to meet the requirements of the *Petroleum (Submerged Lands) Act*.
- 2 As a condition of approval of the oil spill contingency plan, the Department of Minerals and Energy will require the proponent to carry out a successful field trial of the oil spill boom at the project site before drilling commences. The Department of Minerals and Energy will also require the findings of the trial to be incorporated in the oil spill contingency plan as appropriate.
- 3 The Department of Minerals and Energy will require the proponent to take out adequate oil spill insurance to cover damages to third parties and the cost of oil spill clean-up operations, to meet the requirements of the *Petroleum (Submerged Lands) Act*.
- 4 The Environmental Protection Authority reported on the proposal in Bulletin 853 (May 1997).

CHERYL EDWARDES (Mrs) MLA
MINISTER FOR THE ENVIRONMENT

18 JUN 1997

Proponent's Environmental Management Commitments

May 1997

APPRAISAL DRILLING PROGRAMME FOR WONNICH FIELD, SOUTH-WEST OF THE MONTEBELLO ISLANDS (988)

APACHE ENERGY LIMITED

Wonnich Appraisal Drilling Program

Environmental Management Commitments

Commitment (what)	Objective (Why)	Action (How/where)	Timing (When)	Whose advice (To whom)	Measurement criteria
1. An Environmental Management Plan (EMP) using ISO 14000 principles shall be prepared for the drilling program.	To ensure compliance with Ministerial conditions.	The EMP shall be made available to all personnel on the drilling rig. A list of guidelines and procedures as given in the CER will be (1) placed on appropriate locations on the drill rig, (2) incorporated into the drilling contract.	Prior to the commencement of the drilling program.	Apache (DME DEP)	Letter from DME approving the EMP.
2. Apache and each of the Participants will hold extensive insurance for liability, control of well and clean-up.	To ensure ample financial resources for clean-up and remedial action in the case of an oil spill.	Certification of currency of insurance in accordance with directions from the Minister for Minerals and Energy.	Prior to the commencement of the drilling program.	Joint Venture Partners (DME)	Certificate of Insurance from underwriters.
3. An Oil Spill Contingency Plan (OSCP) will be prepared.	To develop strategies for the containment, deflection and clean-up of oil spills.	Upgrade the existing (OSCP) to include the Wonnich drilling program.	Prior to locating equipment at the drilling location.	DME DEP DoT (Apache)	Letter from the DME approving the OSCP.

Commitment (what)	Objective (Why)	Action (How/where)	Timing (When)	Whose advice (To whom)	Measurement criteria
4. An ocean rated oil spill boom shall be on standby at the location at all times.	For rapid deployment response in the case of an oil spill.	The boom shall be stored on the dedicated oil spill vessel which will be on location at all times.	Prior to the commencement of the drilling program.	DME AMOSC (Apache)	Deployment plan and training program to be submitted to and approved by DME prior to the commencement of drilling.
5. An oil spill response exercise shall be carried out.	To ensure an efficient response in the case of an oil spill.	A desk-top and field exercise will be carried out to the point of deployment of equipment.	Within three days of spudding the well.	Apache (DME)	Letter of confirmation to the DME from Apache outlining the scope of the exercise and the results.
6. Relevant personnel shall be trained in the deployment of oil spill equipment.	To ensure efficient deployment of equipment in the case of an oil spill.	Training courses in equipment deployment will be carried out.	Before the commencement of the drilling program.	AMOSC Boom maker (Apache)	Letter from Apache to DME confirming training has been carried out.
7. The risk of diesel spillage during refueling shall be minimized.	To protect the marine environment.	A refueling procedure will be prepared and implemented including a dry coupling system and carrying out refueling when any spillage would be carried away from sensitive resources.	Before the commencement of the drilling program.	DME DEP (Apache)	Approval of the procedure by the DME. Letter from Apache to DME with performance report.

Commitment (what)	Objective (Why)	Action (How/where)	Timing (When)	Whose advice (To whom)	Measurement criteria
8. The risk of crude oil fallout during production testing shall be minimized.	To protect the marine environment.	Closed chamber production testing will be conducted.	During production testing activities.	DME (Apache)	Approval of the procedure by the DME. Letter from Apache to DME with performance report.
9. Drill cuttings and excess drilling fluid shall be disposed down the annulus.	Protection of the marine environment.	The procedure for disposing drill cuttings will be incorporated into the drilling program for the Wonnich well.	Prior to locating equipment at the drilling location.	Apache (DME DEP)	Letter from DME for approval of drilling manual.
10. A debris survey shall be conducted.	To confirm that no debris has been left on the seafloor.	A remotely operated vehicle will be used. Report and video submitted to Apache.	At the completion of the drilling program prior to the rig moving off site.	Apache (DEP DME)	Letter of confirmation that all debris has been removed from Apache to DME.
11. There shall be no access to islands and support vessel anchorage away from coral reefs shall be provided.	Protection of the Montebello Islands, reef habitats and shipwreck sites.	Confirmation of anchoring positions in log of support vessel. Flight plans will be made for helicopters.	During the entire drilling program.	DEP DME CALM (Apache)	Sighting of vessel and helicopter log books by DME.
12. An aerial photograph of the fringing reef shall be taken prior to and after drilling.	To record the state of the fringing reef prior and after the drilling program.	Contract with aerial photography company.	Prior to locating equipment at the drilling location.	Aerial photo- grapher (Apache)	Letter of confirmation that photography has been carried out from Apache to DME.

Commitment (what)	Objective (Why)	Action (How/where)	Timing (When)	Whose advice (To whom)	Measurement criteria
13. All personnel on site will undergo an education and training program.	To give the personnel the means of identifying the risks and knowledge of the environmental implications of the drilling program.	Inductions to be given to all personnel. Posters and maps are to be provided to rig.	Prior to the spudding of the well.	Apache (DME)	No incidents.
14. An environmental audit of the drilling operations will be undertaken.	To ensure compliance to commitments, guidelines and procedures.	An environmental audit will be carried out using ISO 14000 as the standard.	Within two weeks after drilling has commenced. "	Apache (DME DEP)	Results audit will be submitted to DME by Apache.