



MINISTER FOR THE ENVIRONMENT;
EMPLOYMENT AND TRAINING

Ass # 1085

Bull # 865

State # 463

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

MELANIE-1 PETROLEUM EXPLORATION WELL
CAPE RANGE PENINSULA, SHIRE OF EXMOUTH (1085)

SUN RESOURCES 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 made in the Consultative Environmental Review and in response to issues raised following public submissions and subsequently during the environmental assessment process conducted by the Environmental Protection Authority, 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 attached environmental management commitments (September 1997) form the basis for consideration by the Chief Executive Officer of the Department of Environmental Protection for auditing of this proposal in conjunction with the conditions and procedures contained in this statement.

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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.

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 Environmental Management System

The proponent should exercise care and diligence in accordance with best practice environmental management principles.

- 4-1 In order to manage the environmental impacts of the project, and to fulfil the requirements of the conditions and procedures in this statement, prior to construction, the proponent shall prepare environmental management system documentation with components such as those adopted in Australian Standards AS/NZS ISO 14000 series, in consultation with the Department of Environmental Protection.
- 4-2 The proponent shall implement the environmental management system referred to in condition 4-1.

5 Environmental Management Plan

In order to plan for the Melanie-1 exploration well and to meet the Environmental Protection Authority's objectives, an Environmental Management Plan is required.

- 5-1 Prior to commencement of construction for the drilling operations, the proponent shall prepare an Environmental Management Plan, to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Minerals and Energy.

This Plan shall address, but not be limited to the following:

- 1 Disturbance to soil and terrain;
- 2 Disturbance to vegetation;
- 3 Spillage of waste or materials;
- 4 Toxic materials in the subsurface environment;

- 5 Knowledge of subterranean fauna;
- 6 Decommissioning and rehabilitation; and
- 7 Performance audit.

5-2 The proponent shall implement the Environmental Management Plan required by condition 5-1.

5-3 The proponent shall make the Environmental Management Plan required by condition 5-1 publicly available prior to commencement of construction for the drilling operations, and throughout the drilling process and decommissioning phase.

6 Work Practices

6-1 Prior to commencement of drilling, the proponent shall prepare a written prescription for contractor work practices covering pre-drilling, drilling and decommissioning, to ensure that work practices are carried out at the level of international best practice, to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection and the Department of Minerals and Energy.

6-2 The proponent shall ensure that pre-drilling, drilling and decommissioning operations comply with the prescription referred to in condition 6-1.

7 Time Limit on Approval

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

7-1 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.

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

8 Compliance Auditing

To help determine environmental performance and compliance with the conditions, periodic reports on the implementation of the proposal are required.

8-1 The proponent shall submit periodic Performance and Compliance Reports, in accordance with an audit programme prepared by the Department of Environmental Protection in consultation with the proponent.

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 Environmental Protection Authority reported on the proposal in Environmental Protection Authority Bulletin 865 (September 1997).

CHERYL EDWARDES (Mrs) MLA
MINISTER FOR THE ENVIRONMENT

25 NOV 1997

Proponent's Environmental Management Commitments

September 1997

**MELANIE-1 PETROLEUM EXPLORATION WELL,
CAPE RANGE PENINSULA
SHIRE OF EXMOUTH (1085)**

SUN RESOURCES NL

SUMMARY OF COMMITMENTS

Environmental Management Plan

The proponent, Sun Resources NL, will prepare and implement an Environmental Management Plan (EMP) to manage potential environmental impacts resulting from the proposal.

The EMP will be prepared to the requirements of the Department of Environmental Protection prior to the commencement of the project, and will be implemented throughout the operations to the satisfaction of the Department of Environmental Protection.

The EMP will contain measures to address the following:

Disturbance to soil and terrain

- 1 The layout of the facilities within the project area will be undertaken on the basis of a site specific assessment, with consideration of terrain features.
- 2 Where possible, wooden or steel duckboards will be used as walkways between operational pads to minimize compaction.
- 3 Dust generation will be suppressed on a needs basis with applications of fresh water.

Disturbance to vegetation

- 4 Vegetation clearing will be confined to a minimum and to only within the project area. Where possible, vegetation will be pruned rather than removed to retain an intact root system.
- 5 Where possible, vegetation will be flattened rather than cleared.
- 6 The surface of essential operational pads will be spread with limestone gravel which will be removed on decommissioning.
- 7 Clumps of shrubs which are not to be damaged will be surrounded with flagging.
- 8 Appropriate care will be taken to prevent the introduction of weeds.
- 9 Photographs of the project area will be taken before and after the drilling operations from identical positions to provide a reference.

Spillage of waste or materials

- 10 All fluid and solid waste recovered from the drilling operation will be deposited in a plastic lined sump, which is surrounded by ringlock fencing.
- 11 Any spillages of oil, fuel or drilling fluids will be contained and removed immediately and disposed of at a site appropriately licenced by the Department of Environmental Protection for the disposal of such wastes.
- 12 All domestic rubbish and similar waste will be disposed of according to the requirements of the Shire of Exmouth.

- 13 All fuel in the project area will be kept within a bunded area which meets with the requirements of the Department of Minerals and Energy.
- 14 All drilling waste and water will be retained in a sump until the retained water has a total suspended solids content of 20 ppm or less. The water will then be released into the exploration well or the adjacent bore. Any waste water discharged back into the well or bore will be essentially free of petroleum hydrocarbons, with an analysed hydrocarbon content <1 mg/L TPH.
- 15 All production oil or gas will be flared in the flare pit.

Disturbance to fauna

- 16 A mesh fence will be placed around the sump to prevent animals from falling in and becoming trapped.

Toxic materials in the subsurface environment

- 17 Non-toxic drilling fluids will be used during the drilling of potentially cavernous formations between the surface and a depth of 250 meters, prior to casing and sealing of the exploration well.
- 18 Prior to casing and sealing of the initial 250 meters of the exploration well, only groundwater from an adjacent bore and a drilling mixture consisting of water, some bentonite and small amounts of lime and caustic soda will be used in the drilling circuit.

Seepage of harmful pollutants in the subsurface environment

- 19 The exploration well will be cased through cavernous formations where there is potential for seepage, thereby preventing a loss of material or pressure.
- 20 The casing will be pressure tested according to the requirements of the Department of Minerals and Energy.

Groundwater contamination

- 21 Should hydrocarbon contamination of groundwater beneath the project area inadvertently occur, the proponent, in consultation with the Department of Environmental Protection, will take action to recover as much hydrocarbon as is practically achievable to restore groundwater quality.

Knowledge of subterranean fauna

- 22 On advice from the WA Museum, the adjacent water bore will be cased, sealed and locked in order to be used in future sampling of subterranean fauna.
- 23 Subterranean fauna which are collected from the adjacent water bore during the operations will be stored and later identified.

Rehabilitation

- 24 As far as is practically possible, all introduced limestone gravel will be removed from the project area and to a site requested by the Shire of Exmouth.
- 25 Topsoil will be respread over areas from where it has been removed.
- 26 Soil surfaces which may have become compacted by the operations will be ripped on a needs basis with care being taken to avoid damage to existing root systems.
- 27 After the first significant rains in the area following decommissioning, an environmental report on rehabilitation progress will be prepared.
- 28 Rehabilitation will be monitored and measured by comparing photos of the area before and after drilling. Rehabilitation to be carried out to the satisfaction of the Department of Environmental Protection.
- 29 If monitoring of rehabilitation, as required by commitment 28 above, shows rehabilitation of the area has not been successful, the proponent will liaise with the Department of Environmental Protection and the Department of Minerals and Energy to identify and implement alternative rehabilitation measures.