

Barossa Development Drilling and Completions Campaign

Environment Plan – Notice of Consultation
June 2019

Overview

Barossa is an offshore gas and condensate project located 300 kilometres north-west of Darwin that proposes to provide a new source of natural gas to the existing Darwin LNG (DLNG) facility.

The project is being progressed by joint venturers ConocoPhillips Australia Barossa Pty Ltd (Operator), SK E&S Australia Pty Ltd and Santos Offshore Pty Ltd. The Development Area is located in Commonwealth Waters and encompasses petroleum retention lease NT/RL5 (the Barossa Field), where initial development would occur, and potential future development to the south in retention lease NT/RL6 (the Caldita Field).

In March 2018, the Barossa Offshore Project Proposal (OPP) was accepted by the Commonwealth Government's offshore oil and gas industry regulator, the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), following an eight-week public comment period.

The OPP describes the project activities and provides an assessment of the potential environmental impacts and risks associated with the project. It defines measurable, project specific key management controls and environmental performance outcomes (EPOs) that will be applied to manage the potential environmental impacts and risks associated with the project to ensure they are of an acceptable level and consistent with the principles of ecologically sustainable development (ESD) as set out in the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act). The OPP is the over-arching environmental management plan that guides the preparation of more detailed Environment Plans (EPs) for each project activity. This notice marks the start of consultation by ConocoPhillips Australia Barossa to help prepare the Development Drilling and Completions EP prior to its submittal to NOPSEMA for assessment under the OPGGS Act 2006.

ConocoPhillips recently concluded formal consultation on the Barossa Gas Export Pipeline Installation EP. Further EPs will be developed to cover subsea structure installation, hook up of the FPSO facility, commissioning, operations and decommissioning.

Development Concept

Gas and condensate would be gathered from subsea wells and brought to a Floating, Production, Storage and Offtake (FPSO) vessel via a network of subsea flowlines and risers. Initial processing would then occur on the FPSO to separate the gas, water and condensate.

The condensate would be transferred from the FPSO to specialised tankers for export. The resulting dry gas would be sent to Darwin via a new 260 km pipeline connected to the existing Bayu-Darwin pipeline.

Regulatory Process

The Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 require a titleholder to have an accepted EP, including a corresponding Oil Pollution Emergency Plan (OPEP), accepted by NOPSEMA before any petroleum activity or greenhouse gas activity can commence.

During the development of each EP, the proponent must undertake consultation with relevant persons and provide them with information about the proposed activities, the potential impacts and risks and the control and mitigation measures proposed to reduce the impacts and risks to as low as reasonably practicable and acceptable levels.

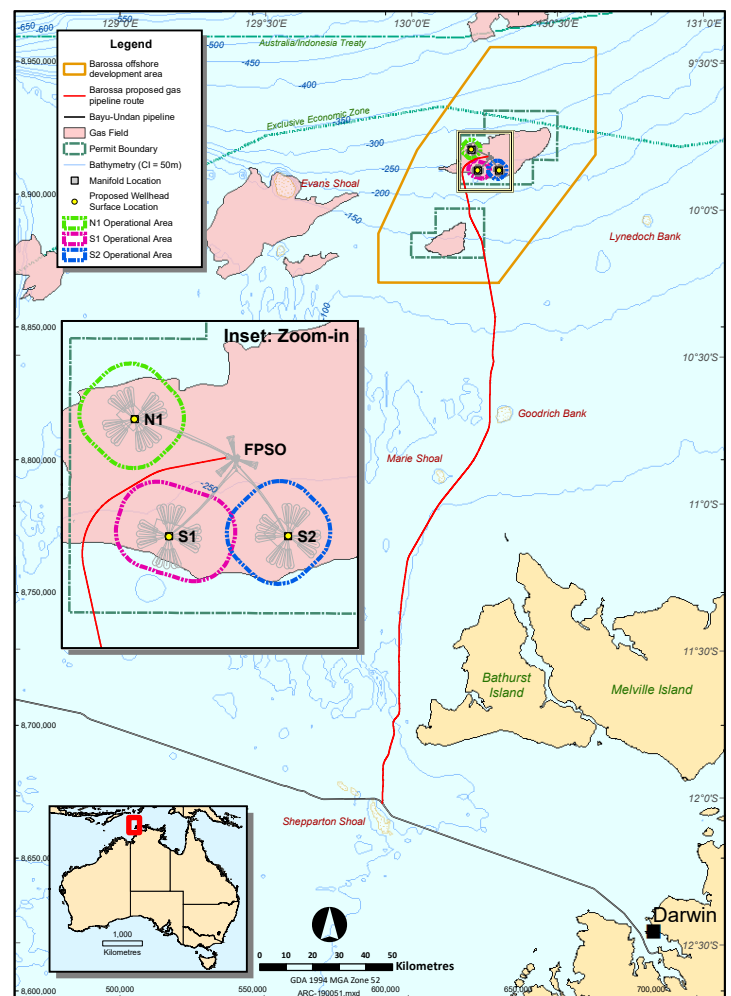


Figure 1: Development Drilling Area. Two wells will be drilled within each of the areas shown (N1, S1, S2). If two additional wells are required they will also be drilled in these areas.



Development Drilling and Completions Activity Scope

The Barossa Drilling and Completions Campaign involves drilling and completing 6-8 development wells in the Barossa offshore development area. During the campaign, the mobile offshore drilling unit (MODU) will operate 24 hours a day, 7 days a week. The MODU will be supported by up to three marine support vessels which will transit between the drilling area and the supply base as required (vessel transit outside of the operational area is outside the scope of the EP).

Activities associated with the drilling and completions campaign will occur within the Drilling Operational Area which is a 2.5km radius area around each well. Six wells will initially be drilled within a two year period with potential for a further two infill wells to be drilled at a later date, still within the five year period covered by this EP. The Drilling Operational Area will include the well head location and extend to incorporate the MODU anchoring pattern.

During drilling and completions, there will be a 500 m exclusion zone (called a petroleum safety zone or PSZ) around the MODU. Once the wells have been drilled and completed, they will be suspended awaiting hook up and commissioning to the FPSO (which will be addressed in a separate EP).

A permanent 500m petroleum safety zone will be effective around each of the well heads once the wells have been completed.

Timing

Subject to the Barossa project being selected as the preferred backfill option for DLNG and a positive Barossa final investment decision, development drilling activities are expected to commence as early as Q1 2021 and be completed as late as Q1 2023. Each well is expected to take approximately 90 days to drill. The initial six well drilling and completions campaign is expected to take approximately 2 years. The schedule is indicative only; exact timing and duration of drilling activities is subject to rig availability, sea state, weather conditions and operational efficiencies.

Consultation

ConocoPhillips understands the importance of thorough, meaningful and ongoing consultation with relevant and interested stakeholders as part of its regulatory commitments and social licence to operate. For the Barossa project, consultation has been ongoing for a number of years, including through the approval process for the OPP.

The accepted Barossa OPP includes additional detail relevant to development drilling activities and the preparation of this EP. The full document is available on the [NOPSEMA website https://www.nopsema.gov.au/assets/OPPs/A598152.pdf](https://www.nopsema.gov.au/assets/OPPs/A598152.pdf)

This stage of consultation will assist ConocoPhillips in preparing the Barossa Development Drilling and Completions Campaign EP prior to its submittal to NOPSEMA in early 2020. The initial step in that process is distribution of information (this document) to all interested and relevant stakeholders.

Full details of the requirements and guidelines for public consultation on EPs is available on the NOPSEMA website at www.nopsema.gov.au/environmental-management/assessment-process/environment-plans/. All correspondence received by ConocoPhillips during the consultation period will receive a written response and be considered in the preparation of the EP prior to its formal submittal to NOPSEMA.

During and following the initial consultation period, ConocoPhillips will also make further contact with all relevant stakeholders to ensure they are provided opportunity to submit their feedback. A further written communication will also be provided to all relevant and interested stakeholders closer to the submittal of the EP.

Please provide written feedback on the Barossa Development Drilling and Completions Campaign via email to barossa@conocophillips.com by the initial closing date of Friday, 19 July 2019.

If you would like information additional to that provided in this documentation please email or telephone ConocoPhillips on (08) 6363 2407.

About ConocoPhillips

For more information about ConocoPhillips go to www.conocophillips.com.au