

# **PROPOSED PETREL DEVELOPMENT**

**Frequently Asked Questions** 

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# 1. Who is Eni Australia?

Eni Australia is part of Eni S.p.A. (Eni), one of the world's major integrated energy companies, operating in 61 countries, employing 32,000 people and with its headquarters in Milan, Italy. Eni Energy Bonaparte Pty Ltd (EEB) is a wholly owned subsidiary of Eni S.p.A. and is operated by Eni Australia from Perth, Western Australia (WA).

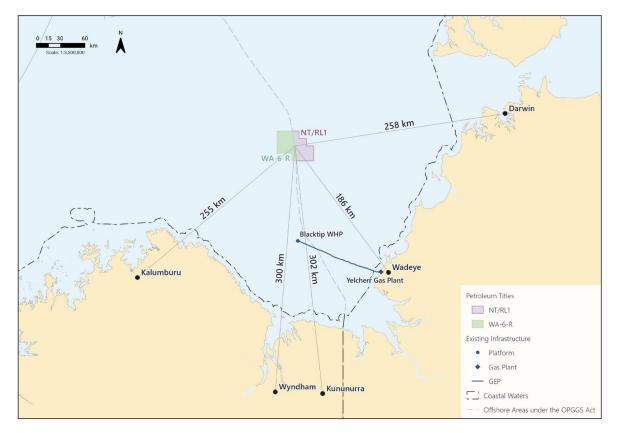
In Australia, Eni through EEB is an owner in the two retention leases over the undeveloped Petrel gas field (Petrel) offshore WA and the Northern Territory (NT) and is proposing to undertake a development of Petrel. Approximately 100km south of Petrel, Eni operates the producing Blacktip gas field, associated offshore gas infrastructure and the onshore Yelcherr Gas Plant (YGP) which supplies gas to the NT domestic market. Eni also holds two offshore retention leases containing the undeveloped gas discoveries of Verus and Blackwood located around 330km north of Darwin.

Eni owns and operates three large scale solar plants in the NT with an installed capacity of about 59MW and owns a minority share in the offshore Bayu-Undan gas and condensate field (in Timor-Leste waters), the Bayu-Undan to Darwin gas pipeline, and the onshore Darwin Liquefied Natural Gas (DLNG) facility, all of which are operated by Santos. Eni also holds a majority stake in the Production Sharing Contract (PSC) TL 22-23 in offshore Timor-Leste waters, which is in the exploration phase.

# 2. Where is the Petrel field?

Discovered in 1969, the Petrel field is an undeveloped gas field located in the northern Australian waters of the Joseph Bonaparte Gulf (JBG). The Petrel field is located in Commonwealth waters, offshore northern Australia within two adjacent retention leases, NT/RL1 and WA-6-R, around 250km west of Darwin in water depths ranging from 92m to 102m.

The retention leases are an estimated 136km to the closest point on the NT coastline, near Wadeye, and around 145km from the closest point on the WA coastline.



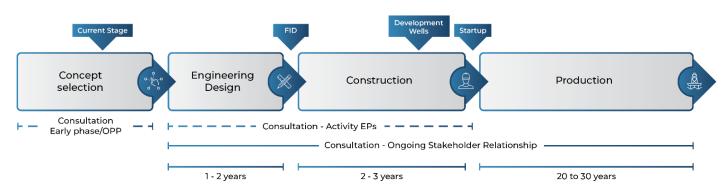


# 3. What is the proposed timeline for the development activities?

Petrel field development studies are currently in progress. The actual timing of the proposed Petrel development activities will depend on a number of factors, including the companies Final Investment Decision (FID), equipment availability and weather conditions. Any construction activities will be subject to the regulator's acceptance of the Offshore Project Proposal (OPP) and other regulatory approvals. The Petrel field is forecast to have a potential operating life of up to 20 to 30 years. Decommissioning activities will occur at the end of the field life.

#### 4. What is the current status of the proposed for the Petrel Development?

Eni is in the early stages of the proposed Petrel field development planning.



# 5. What activities are covered in the Petrel Development OPP?

The following activities are proposed to occur over time. Where required, each individual activity will be the subject of a focussed environment plan and consultation process:

- surveys geotechnical and geophysical
- drilling two production wells in the initial development campaign and up to eight additional wells in future campaigns
- installation and commissioning of new gas infrastructure Petrel platform, gas export pipeline and subsea equipment
- operations
- decommissioning at end of field life
- support activities (over all project phases)

All proposed Petrel infrastructure is located in Commonwealth waters.

At the end of field life, the infrastructure will be decommissioned in accordance with standard industry practice and relevant legislation at the time of decommissioning.

# 6. Are there any other activities taking place in the Petrel permit?

In the second half of 2024, Eni conducted a 3-month environment plan (EP) consultation process regarding the decommissioning of the existing Petrel-3 and Petrel-4 appraisal wells, both of which were drilled and suspended in the 1980's. This activity is a separate activity and is not linked in any way to the Petrel Development Offshore Project Proposal (OPP). The decommissioning will be undertaken according to Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2023 (Commonwealth) (Environment Regulations).

The Petrel-3 and Petrel-4 Monitoring and Decommissioning EP was submitted to NOPSEMA for assessment in October 2024.

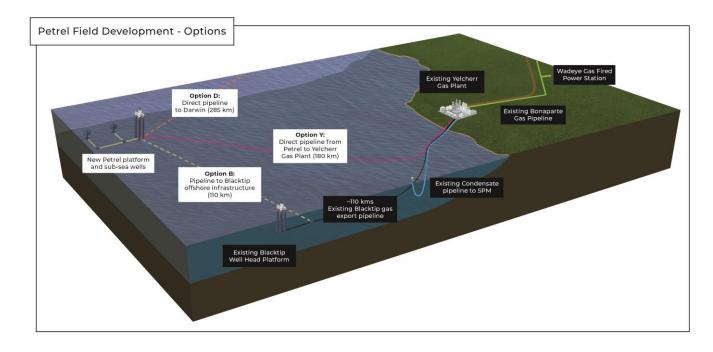
The timing for the decommissioning of the Petrel-3 and Petrel-4 wells may be determined by rig and support services availability, weather, budget and the ability to combine it with other activities.

Information on the decommissioning activity can be found on the landing page at <u>petreleni.com.au</u>. A copy of the associated EP can be found on the NOPSEMA website - <u>https://info.nopsema.gov.au/</u>.

# 7. Which options have been considered for Petrel Development?

The Petrel field has the potential to tie-in to the existing Blacktip gas export pipeline and be transported to the YGP, where Petrel gas could be treated.

Other development options being evaluated and assessed include a new gas pipeline running direct from Petrel to the YGP or a new gas pipeline running direct from Petrel to a new onshore gas plant in Darwin. Utilizing existing Blacktip gas infrastructure could minimize the environmental impact associated with a future Petrel development and optimize operational efficiency and cost-effectiveness. Engineering and environmental studies are progressing to confirm the development concept.



# 8. How big is the operational area and where is it?

The operational area (OA) borders the full extent of all petroleum activities that are outlined in the OPP, including an easement that allows for some flexibility of access and construction within a specified area.

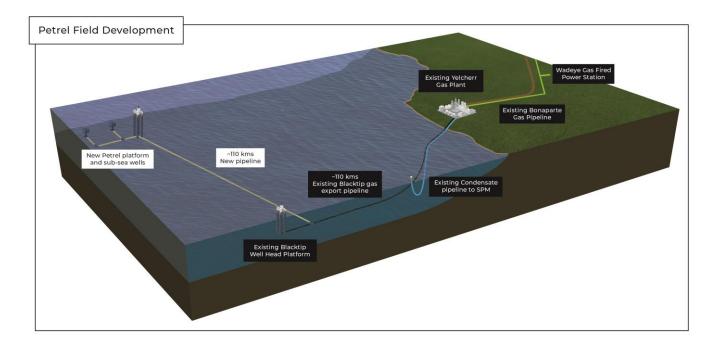
The Petrel Offshore Project Proposal (OPP) OA has been defined to cover:

- Retention leases (WA-6-R and NT/RL1). This area will cover the final locations for infield flowlines and associated subsea infrastructure.
- 5 km wide area either side of the proposed ~110km gas export pipeline route (totalling 10kms in width); from the boundary of the retention lease to the Blacktip tie-in point; and
- The area within a 5 km radius around the Blacktip tie-in point.

As the Petrel Development is in the early planning phases, the exact location and footprint of the infrastructure to be installed are not finalised. These details will be described in future activity-specific EPs following seabed surveys and detailed engineering design. While final well locations and infrastructure may move from the



indicative locations shown in the map below, all installed infrastructure will be located within the OA (refer to EMBA).



# 9. How far is the operational area from shore?

Approximately 100km. The base of the operational area (OA) is located at the proposed tie in point of the existing Blacktip gas export pipeline and is the part of the OA location closest to the shoreline.

# **10.**What is an EMBA and how has the Petrel Development EMBA been defined?

Hydrocarbon spill events have a very low probability of occurrence due to a range of controls that will be implemented on the proposed activities in accordance with standard industry practice.

The environment that may be affected (EMBA) is derived from scientific modelling of different low probability hydrocarbon spill events. This analysis combines hundreds of modelling simulations during a range of wind and current conditions for each season and informs the risk assessment and spill response planning.

The final EMBA map is the outermost boundary of all the spill events considered. The actual footprint of any single spill event would be smaller than the EMBA. The outermost boundary of the EMBA is based on modelling the accidental release of marine diesel oil (MDO) to the environment in the unlikely event of a vessel collision offshore damaging a vessels internal fuel tank.

# 11. What is a zone of potential Impact (ZPI)?

The EMBA also includes within it, a moderate exposure zone, also known as the zone of potential impact (ZPI). This represents a smaller area than the EMBA which may be representative of an area of biological impact from hydrocarbon spills. The ZPI is also derived from modelling multiple hydrocarbon spill events and is not representative of the area of potential biological impact connected to any single hydrocarbon spill event.

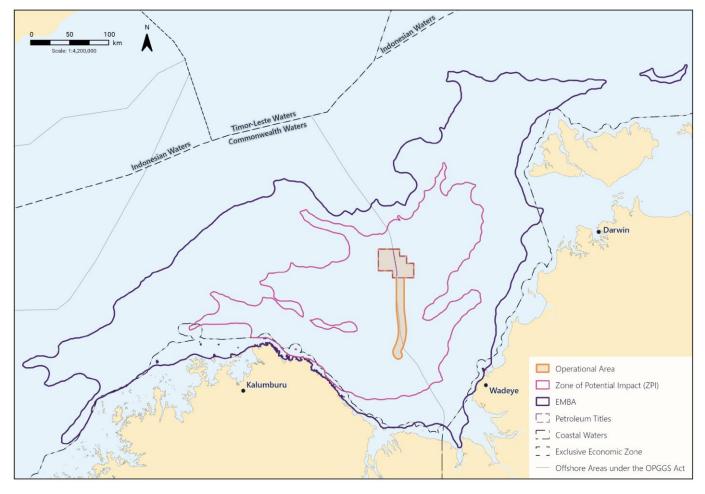
# 12.What does it mean when the ZPI touches the coast?

This means that under certain circumstances, a hydrocarbon spill (which is an unlikely event) could contact the shoreline at concentrations at or above the low threshold. It is important to note that only one of the modelled scenarios predicted any shoreline accumulation at or above the low threshold. This was the spill scenario modelled closest to the shoreline.

This scenario predicted that shoreline accumulation would only have a probability of 23% in winter conditions. Shoreline accumulation is also possible under transitional conditions, but under these conditions the probability reduces to 6%. No hydrocarbon shoreline accumulation is predicted during summer conditions at any threshold. If in the unlikely event there is a spill, then the maximum volume ashore is expected to be 4m<sup>3</sup>.

Under this abovementioned scenario, even if there was a hydrocarbon spill, the fastest time for hydrocarbons to reach any shoreline would be 186 hours. Eni would have over seven (7) days to consider a response to such a spill. The response considered, will be based on the potential impacts of the spill on environmental values, alongside the environmental risks posed by such response efforts. Given the length of time anticipated for the modelled hydrocarbon spill to reach the shoreline, it is predicted that by the time shoreline contact had been made, the hydrocarbon would have been subject to weathering for at least a week. It is unlikely the hydrocarbon would have the same toxicity as freshly released hydrocarbon.





#### 14. What environmental impact assessments have been undertaken?

Eni has assessed the environmental impacts and risks for the proposed development activities covered under the OPP. For the purposes of impact assessment, it is assumed that activities associated with survey, drilling, installation, commissioning and operations phases could occur concurrently within the OA, for short, intermittent durations. Additionally, pre-decommissioning and decommissioning activities may commence on some wells while others are still operational, depending on the timing and nature of any later Petrel development phases.



# 15. Why are unplanned events considered in the Environmental Impact Assessment?

Eni's approach to manage environmental risks is to eliminate or mitigate the risk during the planning phase. Managing risks through design relies on identifying, at an early stage in the project, the sources and pathways by which environmental impacts can occur, and the sensitivities of the environment in which the project is situated.

Where risks and impacts are unable to be eliminated at the project planning phase, Eni's HSE Risk Management and Hazard Identification Procedure provides a robust framework to apply to understand the residual risk and impact from the key project activities covered in this OPP and in future EPs.

Assessment of risks to the environment extends beyond planned events and must allow for potential unplanned events, noting their low probability of occurring. Preventing an offshore oil spill is a fundamental objective for all companies conducting petroleum activities. Nonetheless, environmental consequences of a spill can be, and are, reduced through a coordinated and well-planned oil spill response.

Two examples of unplanned events assessed within the Petrel Development are related to:

- Accidental release of marine diesel oil (MDO) due to an offshore vessel collision.
- Accidental release of condensate during a loss of well control, loss of well integrity or a defect in the gas export pipeline or flowlines.

Assessment of low probability, unplanned events like these, contribute to the environmental impact assessments and to the spill modelling that determines the associated EMBA for the field development OPP.

# 16. What is an OPP?

An offshore project proposal is a key project regulatory document to be developed by Eni and submitted to the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA). NOPSEMA is Australia's independent expert regulator for health and safety, structural (well) integrity and environmental management for offshore petroleum and greenhouse gas storage activities in Commonwealth waters, and in coastal waters where regulatory powers and functions have been conferred.

The Petrel Offshore Project Proposal (OPP) will be developed in accordance with the Commonwealth *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act), the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2023 [OPGGS(E) Regulations] and associated NOPSEMA guidelines<sup>1</sup>. The OPP would then be submitted to NOPSEMA for its initial assessment, public comment and ultimately for its acceptance. The OPP must be accepted by NOPSEMA before the titleholder can submit more detailed environment plans (EPs) to NOPSEMA for review and acceptance.

As a part of the OPP submission, the proponent must demonstrate that potential environmental impacts and risks associated with the project will be managed to acceptable levels. This will allow NOPSEMA to assess the potential environmental impacts and risks of the petroleum activities over the life of the project. The OPP will be open for a public comment period, which assists in identifying environmental values and sensitivities from stakeholders, further ensuring appropriate management of associated impacts and risks.

# 17. Does the OPP give approval to commence any activities?

No. An accepted EP is required before any Petrel Project field activities can commence.

<sup>&</sup>lt;sup>1</sup> Refer to <u>Offshore project proposal content requirements (NOPSEMA, 2020)</u> and <u>Offshore project proposal decision making (NOPSEMA, 2024)</u>.



#### **18.** How is an OPP different to an EP?

The OPP is submitted at the beginning of a project when a company is planning a new offshore petroleum development and provides for the consideration of whole-of-project impacts and risks.

EPs are specifically focused on managing the environmental impacts of a particular offshore activity and multiple accepted EPs may be required to permit the activities that will occur during the lifecycle of the project, from exploration through to, and including, decommissioning.

EPs for petroleum activities, submitted following the OPP process, need to remain consistent with the environmental performance outcomes as they are set out in the OPP. An accepted EP must be in place for any offshore activities associated with the OPP. Activity-specific EP's can be submitted for assessment only after the OPP has been accepted by NOPSEMA, and activities can only commence once the relevant EP has been accepted.

#### 19. What is the purpose of engagement with stakeholders?

In addition to being best practice across the social footprint of our operations, stakeholder consultation can be an important factor in supporting the achievement of some regulatory approvals for activities within a project lifecycle.

Stakeholder comments and feedback will be used as information to further guide project planning and to inform the OPP, to increase the robustness of the considerations and evaluations.

Eni is seeking comment from stakeholders in relation to the Petrel development before submitting its OPP to NOPSEMA to further identify any other potential impacts that the proposed activities may have on stakeholder functions, interests or activities.

### 20. What if I have concerns about the OPP?

If stakeholders wish to provide any comment or feedback on these activities, they may engage with Eni through the contact details provided. If they know of anyone else who may be a stakeholder, they will be requested to make the potential new stakeholders aware of Eni's consultation.

Stakeholder comments and feedback will be used as information to further guide project planning and to inform the OPP, to increase the robustness of the considerations and evaluations.

# 21. I was consulted for the Petrel-3 and 4 Decommissioning – where does that fit into the OPP and overall development timing?

In the second half of 2024, Eni conducted a 3-month environment plan (EP) consultation process regarding the decommissioning of the existing Petrel-3 and Petrel-4 appraisal wells, both of which were drilled and suspended in the 1980's. This activity is a separate activity and is not linked in any way to the Petrel Development Offshore Project Proposal (OPP). The Petrel-3 and Petrel-4 wells decommissioning will be undertaken according to Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2023 (Commonwealth) (Environment Regulations).

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# 22. What other activities occur in the location of the OPP?

Eni considers the interests and activities of other marine users in the vicinity of the Petrel field and who may be impacted by the proposed development activities. This includes, but is not limited to, commercial and recreational fishing, the Department of Defence, the shipping industry (including tourism cruise ships) and potential or approved activities by other oil and gas titleholders.

Whilst the Offshore Project Proposal (OPP) will be subject to an initial public consultation process, each activity described in the OPP will, at a later time in the planning process, be a part of an environment plan (EP), including activity-specific consultation with identified relevant persons that may be impacted or have an interest in the activity location and associated environment that may be affected (EMBA).

# 23. We have vessels that pass through the Operational Area, ZPI and EMBA – How will we be affected by the OPP activities?

Navigational notifications of activities, timing and exclusion zones are integral to the safe planning and risk mitigation. Eni engages directly with the Australian Maritime Safety Authority to ensure activity commencement, duration and conclusion timing is provided for formal notification to mariners.

Individual, approved development activities will feature an activity-based exclusion zone. This localised area will fall completely within the larger easement area for the OA. The following zones apply:

- The Petroleum Safety Zone (PSZ) (500m) around the riser platform and subsea wells (will be long-term)
- Exclusion/cautionary zone (500m) around the vessels within the operational area (OA)
- Exclusion/cautionary zone (2.5km) around the mobile offshore drilling unit (MODU) while on location

Consultation undertaken during the development of an activity-focussed EP will provide relevant persons and stakeholders the opportunity to request industry specific notifications. Stakeholders such as Traditional Owners, government departments and representative industry bodies may request notifications in certain circumstances. These notifications, similar to AMSA requirements, could include activity commencement, duration, conclusion, unplanned events (if any) and subsequent management activities.

# 24. If there is an oil spill, how will the community be informed and who will be the first responders.

Eni will activate their Oil Pollution Emergency Plan (OPEP), which is an operational document and contains all the information necessary for Eni to carry out a response to an accidental oil spill. The OPEP covers actions to stop, assess, report, monitor and combat an accidental oil spill, to ensure the effective and timely management and response to such an unlikely incident.

External communication about HSE matters is typically made to a range of recipients, including governments (including government agencies and regulators), community groups, non-government organisations, customers, industry bodies and the media.