

## LEGISLATIVE COUNCIL

### Question on notice

14 AUG 2012

Tuesday, 26 June 2012

5753. Hon Robin Chapple to the Minister for Mines and Petroleum.

I refer to question on notice No. 5123 asked in the Legislative Council on 6 March 2012, and I ask --

(1) Can the Minister confirm if the old causeway (Causeway 1) from Latitude 17.17954 Longitude 123.731804 to Latitude 17.162893 Longitude 123.740001 was assessed by the Department of Mines and Petroleum under 'relevant Petroleum Legislation', as suggested by the answer to question on notice No. 5123 on 1 May 2012?

(2) If yes to (1), on what date was this assessed and what was the result?

(3) If no to (1), why not?

(4) Were any conditions attached to this causeway that passed through mangal systems?

(5) Was there any requirement for the proponent to remove the causeway, drill pad or drill mud pond and rehabilitate the area?

(6) If no to (4) or (5), why not?

(7) If yes to (4) or (5), will the Minister table any conditions or requirements?

(8) If no to (7), why not?

(9) What were the types of drilling fluids used at this site?

(10) Were the drilling fluids removed and where were they removed to?

(11) As the pond no longer exists and if the fluids were not removed, does the Minister consider that release of these drill muds into the mangal and marine ecosystem is acceptable?

(12) Who was the proponent responsible for the environmental management of this causeway, drill pad and drill mud pond?

(13) Will the proponent be prosecuted for environmental contamination, breach of conditions or breach of licence?

(14) If yes to (13), with the Minister table details?

(15) If no to (14), why not?

(16) Can the Minister confirm if the new causeway (Causeway 2) from Latitude 17.152303 Longitude 123.707058 to Latitude 17.162893 Longitude 123.740001 was assessed by the Department of Mines and Petroleum under 'relevant Petroleum Legislation', as suggested by the answer to question on notice No. 5123 on 1 May 2012?

(17) If yes to (16), on what date was this assessed and what was the level of assessment?

(18) If no to (16), why not?

(19) Were any conditions attached to this causeway that passed through mangal systems?

(20) Was there any requirement for the proponent to remove the causeway, drill pad or drill mud pond and rehabilitate the area?

(21) If no to (19) or (20), why not?

(22) If yes to (19) or (20), will the Minister table any conditions or requirements?

(23) If no to (22), why not?

(24) What were the types of drilling fluids used at this site?

(25) Were the drilling fluids and mud removed and where were they removed to?

(26) As the drill mud pond is inundated on king tides and no longer contains any material, and if the fluids were not removed, does the Minister consider that release of these drill muds and fluids into the mangal and marine ecosystem is acceptable?

(27) Who is the proponent responsible for the environmental management of this causeway, drill pad or drill mud and fluid pond?

(28) Will the proponent be prosecuted for environmental contamination, breach of conditions or breach of licence as a result of release of drilling muds and fluids into the marine and mangal environments?

(29) With reference to the causeway 2 borrow pit, were there any requirements to rehabilitate the area?

(30) If no to (29), why not?

(31) If yes to (29), when are the works anticipated to be commenced?

(32) In establishing this borrow pit, was permission sought or granted to remove material from below the water table?

(33) If no to (32), why not?

(34) If yes to (32), will the Minister table the conditions associated with this application?

(35) If no to (32), what action is available to the Minister to force remediation of this situation and will the Minister take such action?

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### **Answer**

- (1) Yes.
- (2) The causeway was approved as part of an application to undertake a petroleum activity on 16 September 1992.
- (3) Not applicable.
- (4) The approval required that the activity was carried out in accordance with the application.
- (5) No.
- (6) The proposal was for the causeway to be left in place to erode gradually over time by wave action.
- (7) Not applicable.
- (8) Not applicable.
- (9) In accordance with the provisions of the authorising legislation, the Department of Mines and Petroleum (DMP) cannot release this information. Since early in 2012, DMP has been consulting with stakeholders on legislative changes so that drilling fluids listed in environment plans will be publicly available in the future.
- (10) Fluids were placed into the evaporation pond located on the pad. The project design was for the evaporation pond to be backfilled and left in place.
- (11) The application was received and assessed by the prevailing policies, schedules and standards at that time and deemed acceptable. The approach however would not be considered acceptable practice today.
- (12) ANZOIL.
- (13) DMP does not consider that a case exists to substantiate a prosecution of the company.
- (14) Not applicable.
- (15) DMP does not consider that there has been a breach of the approval.

- (16) Yes.
- (17) The causeway was approved as part of an application to undertake a petroleum activity on 3 July 2007.
- (18) Not applicable.
- (19) In addition to the approval requiring the activity to be conducted in accordance with the application, specific conditions were attached to the approval requiring compliance with an environmental plan.
- (20) Yes.
- (21) Not applicable.
- (22) The activity was approved on the condition that the proponent would follow the approved Environmental Management Plan. The proponent committed to rehabilitation at the completion of operations. The well is currently suspended. There is no requirement to rehabilitate while suspended.

In accordance with the provisions of the *Petroleum Geothermal Energy Resources Act 1967*, DMP cannot release the Environmental Management Plan. As stated above, since early in 2012, DMP has been consulting with stakeholders on legislative changes to allow environment plans to be publicly available in the future.

- (23) Not applicable.
- (24) The types of drilling fluids used at the site constitute part of the Environmental Management Plan, and DMP is unable to release this information.
- (25) The proponent is required to divert drilling mud into the sump where it is allowed to evaporate, and then it is disposed of on an approved waste site at the completion of drilling.
- (26) DMP understands that the drilling muds were removed from the evaporation ponds in accordance with their approval requirements, and has received no evidence to the contrary.
- (27) ARC Energy constructed the causeway and well site. Buru Energy, as the permit holder, is currently responsible for the management of the site.
- (28) DMP does not consider that there is evidence that the company has failed to comply with its conditions of approval.
- (29) Yes.
- (30) Not applicable.

- (31) The proponent committed to rehabilitation at the completion of operation. The well is currently suspended and there is no requirement to rehabilitate while suspended.
- (32) No, permission was not sought from DMP.
- (33) The proponent committed to the aquifers remaining isolated.
- (34) Not applicable.
- (35) A Direction can be served on the registered holder of a permit when legislation or Environmental Management Plan commitments are breached.



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**MINISTER FOR MINES AND PETROLEUM**