

See tabled paper.

## LEGISLATIVE COUNCIL Question On Notice

Tuesday, 12 March 2019

**1922. Hon Robin Chapple to the Minister for Regional Development representing the Minister for Mines and Petroleum**

I refer to the New Standard Energy wells in the Great Sandy Desert and the photographs found at <https://robinchapple.com/new-standard-energy-wells>, and ask:

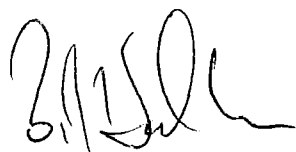
- (a) how many wells did the company drill and what are their names;
- (b) what is the status of the wells;
- (c) in reference to the photograph of the Nicolay 1 gas well showing a Christmas tree and adjacent dam, has the Christmas tree been removed;
- (d) if yes to (c), when was it removed and who removed it;
- (e) if no to (c), who will remove the Christmas tree and who will pay for its removal;
- (f) what was the purpose of the dam in the photograph of Nicolay 1 gas well;
- (g) have the contents of the dam been tested for toxicity;
- (h) has the dam been rehabilitated;
- (i) if yes to (h), when was it rehabilitated, by whom and who paid for it;
- (j) has the well been tested for leaks;
- (k) if yes to (j), what were the results;
- (l) if no to (j), why not;
- (m) what is the estimated cost of rehabilitating the Nicolay 1 drill pad area, wellhead and any associated infrastructure;
- (n) what is the estimated cost of rehabilitating all other New Standard Energy wells and infrastructure;
- (o) what is the estimated timeframe for the rehabilitation of Nicolay 1 and any other New Standard Energy wells;
- (p) will the Minister table the Department of Mines, Industry Regulation and Safety (DMIRS) direction notice provided to New Standard Energy in mid-2018 to rehabilitate the sites drilled by them in the Canning Basin;
- (q) if not to (p), why not;
- (r) was fracking conducted on any of the New Standard Energy wells; and
- (s) how will the Minister ensure that oil and gas companies will rehabilitate wells and well sites in the future?

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### Answer

- (a) Four wells. Gibb Maitland-1, Nicolay-1, Lanagan-1 and Lawford-1.
- (b) Nicolay-1 is suspended. All other wells are plugged and decommissioned.
- (c) No.
- (d) Not applicable.
- (e) New Standard Onshore Pty Ltd have been directed to decommission Nicolay-1.

- (f) To contain drill cuttings and drill fluids.
- (g) No. The sump is lined with an artificial liner to prevent the leaching of liquids from the sump into the environment. The contents of the sump will be tested prior to rehabilitation. If material that poses an environmental risk is detected it will be removed and disposed of offsite at a licensed waste facility. The well was drilled using water based drill fluids.
- (h) No. New Standard Onshore Pty Ltd have been directed to rehabilitate the Nicolay-1 site by 30 November 2019.
- (i) Not applicable.
- (j) Yes.
- (k) No leaks were identified.
- (l) Not applicable.
- (m) The Department of Mines, Industry Regulation and Safety (DMIRS) does not have an estimate of the likely cost of the work as there is no requirement for the company to provide these costs under the *Petroleum and Geothermal Energy Resources Act 1967*. It is the company's responsibility to undertake these works at its own cost.
- (n) Refer to response (m).
- (o) New Standard has been directed to decommission Nicolay-1 by 30 November 2019. All other wells are plugged and decommissioned.
- (p) Yes. See Tabled Papers [       ]
- (q) Not applicable.
- (r) No.
- (s) Rehabilitation requirements are regulated in accordance with the relevant Acts and subsidiary regulations. DMIRS, in conjunction with other regulators, is responsible for ensuring the decommissioning and rehabilitation of oil and gas activities.



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**MINISTER FOR MINES AND PETROLEUM**

1/4/19

STATE OF WESTERN AUSTRALIA

PETROLEUM AND GEOTHERMAL ENERGY RESOURCES ACT 1967

DIRECTION RELATING TO EXPIRED PETROLEUM EXPLORATION PERMIT

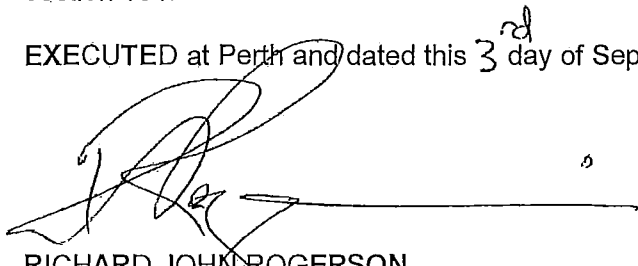
I, RICHARD JOHN ROGERSON, Executive Director Resource Tenure of the Department of Mines, Industry Regulation and Safety of the State of Western Australia DO by this instrument in writing as provided by section 101(1) of the *Petroleum and Geothermal Energy Resources Act 1967* DIRECT New Standard Onshore Pty Ltd (ACN 138 597 047), being former holder of petroleum exploration permit EP 450, to:

1. remove or cause to be removed from the Gibb Maitland 1 location area all property, brought into that area by any person engaged or concerned in the operations authorised by the permit;
2. make provision for the conservation and protection of the natural resources in that area to the satisfaction of the Minister; and
3. to make good to the satisfaction of the Minister any damage to the Earth's crust in that area caused by any person engaged or concerned in those operations.

New Standard Onshore Pty Ltd is required to comply with this direction by 30 November 2019

Please note that it is an offence under the Act to fail to comply with a direction issued under section 101.

EXECUTED at Perth and dated this 3<sup>rd</sup> day of September 2018.



RICHARD JOHN ROGERSON  
EXECUTIVE DIRECTOR RESOURCE TENURE  
DEPARTMENT OF MINES, INDUSTRY REGULATION AND SAFETY

STATE OF WESTERN AUSTRALIA

PETROLEUM AND GEOTHERMAL ENERGY RESOURCES ACT 1967

DIRECTION RELATING TO EXPIRED PETROLEUM EXPLORATION PERMIT

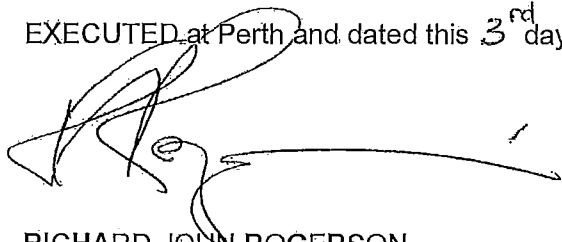
I, RICHARD JOHN ROGERSON, Executive Director Resource Tenure of the Department of Mines, Industry Regulation and Safety of the State of Western Australia DO by this instrument in writing as provided by section 101(1) of the *Petroleum and Geothermal Energy Resources Act 1967* DIRECT New Standard Onshore Pty Ltd (ACN 138 597 047), being former holder of petroleum exploration permit EP 456, to:

1. remove or cause to be removed from the Nicolay 1 well location area all property, brought into that area by any person engaged or concerned in the operations authorised by the permit, including the Christmas tree and wellhead, material and other waste;
2. complete the plugging and abandonment of Nicolay 1 well by setting a series of cement plugs and pressure testing in accordance with good oilfield practice and to the satisfaction of the Minister;
3. make provision for the conservation and protection of the natural resources in that area to the satisfaction of the Minister; and
4. to make good to the satisfaction of the Minister any damage to the Earth's crust in that area caused by any person engaged or concerned in those operations.

New Standard Onshore Pty Ltd is required to comply with this direction by 30 November 2019

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