



Government of Western Australia
Department of Mines and Petroleum

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Our ref:
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Dr Lorraine Abernethie
Principal Research Officer
Economics and Industry Standing Committee
Parliament House
PERTH WA 6000

Dear Dr Abernethie

TRANSCRIPT OF EVIDENCE

Please find enclosed Mr Haworth's corrections made to the Transcript of Evidence. Please note that I do not have any corrections to make.

In answer to the two questions asked during our appearance please find our answers below:

Question 1 – Page 6 – Mr Fran Logan – Under which section of the Act?

Petroleum and Geothermal Energy Resources Act 1967 (PGERA)

Illegal production:

Division 3 — Production licences

[Heading amended by No. 35 of 2007 s. 44.]

Section 49 (1): Recovery of petroleum or geothermal energy resources in State A person shall not carry on operations for the recovery of petroleum in the State except —

- (a) under and in accordance with a petroleum production licence; or
- (b) as otherwise permitted by this Act.

Penalty: a fine of \$50 000 or imprisonment for 5 years, or both.

Petroleum Submerged Lands Act 1982 (PSLA) Section 39:

Division 3 — Production licences for petroleum Recovery of petroleum in adjacent area

Section 39 A person shall not carry on operations for the recovery of petroleum in the adjacent area except —

- (a) under and in accordance with a licence; or
- (b) as otherwise permitted by this Part.

Penalty: a fine of \$50 000 or imprisonment for 5 years, or both.

000755.jeffrey.haworth - Perth
Release Classification: - Addressee Use Only

Encl

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Question 2 – Page 11 – Mr Fran Logan – When was the approval for Prelude given by DMP?

Prelude FLNG is located in WA Joint Authority Waters and licenced by *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGGS Act). The FLNG facility will be located on Infrastructure Licence WA-2-IL and the field will be developed under Production Licence WA-44-L.

- Exploration Licence WA-371-P was awarded in 2006
- Shell commenced front end engineering design studies in August 2009 and completed them in early 2011
- The Prelude field Location was applied for in October 2009 and declared 16 February 2010
- Shell submitted its preliminary field development proposal in April 2010 for information and consideration by State and Commonwealth petroleum agencies
- The Federal Minister for Environment gave environmental approval for the FLNG project on 12 November 2010
- The Field Development Plan was submitted December 2010 and approved April 2011
- The Production Licence was applied for in December 2010 and granted 20 May 2011
- The Infrastructure Licence was also applied for in December 2010 and granted 20 May 2011

The above occurred while DMP was the Designated Authority (DA) and was undertaken with full consultation of the Offshore Resources Branch, Resources Division of Department of Resources Energy and Tourism with some input from Geoscience Australia.

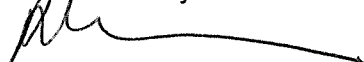
- The safety approval process is ongoing. The facility Validation and Design Safety Case was reviewed by NOPSA in March 2011 with separate approvals from NOPSEMA
- The Field Development Plan was updated in June 2012 to reflect the results of the various well production tests.

Since 1/1/2012 all transfers and operational activities have been approved by NOPTA. In accordance with OPGGS Act procedures, all safety approvals were by NOPTA and now environmental approvals are by NOPSEMA

The current holders from March 2013 (as recorded on NEATS) are:

Shell Development (Australia) Pty Ltd
INPEX Oil & Gas Australia
KOGAS Prelude Pty Ltd
OPIC Australia Pty Ltd

Yours sincerely



Richard Sellers
DIRECTOR GENERAL
DEPARTMENT OF MINES AND PETROLEUM

7 March 2014