

BMG Closure Project Annual Progress Report 2023

BMG Closure | Projects & Operations | Regulatory Report

Purpose and Scope

The purpose of this report is to provide an update on the Basker Manta Gummy (BMG) Closure (Decommissioning) Project, including planning and progress towards meeting the actions required by General Direction 824.

Related Content

BMG Closure Project (Phase 1) EP	https://info.nopsema.gov.au/environment_plans/569/show_public
BMG Closure Project (Phase 2) EP*	https://info.nopsema.gov.au/environment_plans/593/show_public
BMG Petroleum Safety Zone	https://www.nopsema.gov.au/sites/default/files/2021-03/A443819.pdf
Gippsland Operations EP	https://info.nopsema.gov.au/offshore_projects/10/show_public
General Direction 824	https://www.nopsema.gov.au/sites/default/files/2021-09/A800345.pdf

*Under Assessment

Titleholder Contact Details

Details of Titleholder and Liaison Person

Titleholder	Titleholder Details	Liaison Person
Name: Cooper Energy Limited ABN: 93 096 170 295 Lease: VIC/RL13	Address: Level 8, 70 Franklin Street, Adelaide, 5000 Telephone Number: (08) 8100 4900	Nathan Childs Chief Corporate Services Officer Cooper Energy Limited Level 8, 70 Franklin St, Adelaide, SA, 5000 Phone: (08) 8100 4900 Email: nathan.childs@cooperenergy.com.au and Stakeholder@cooperenergy.com.au

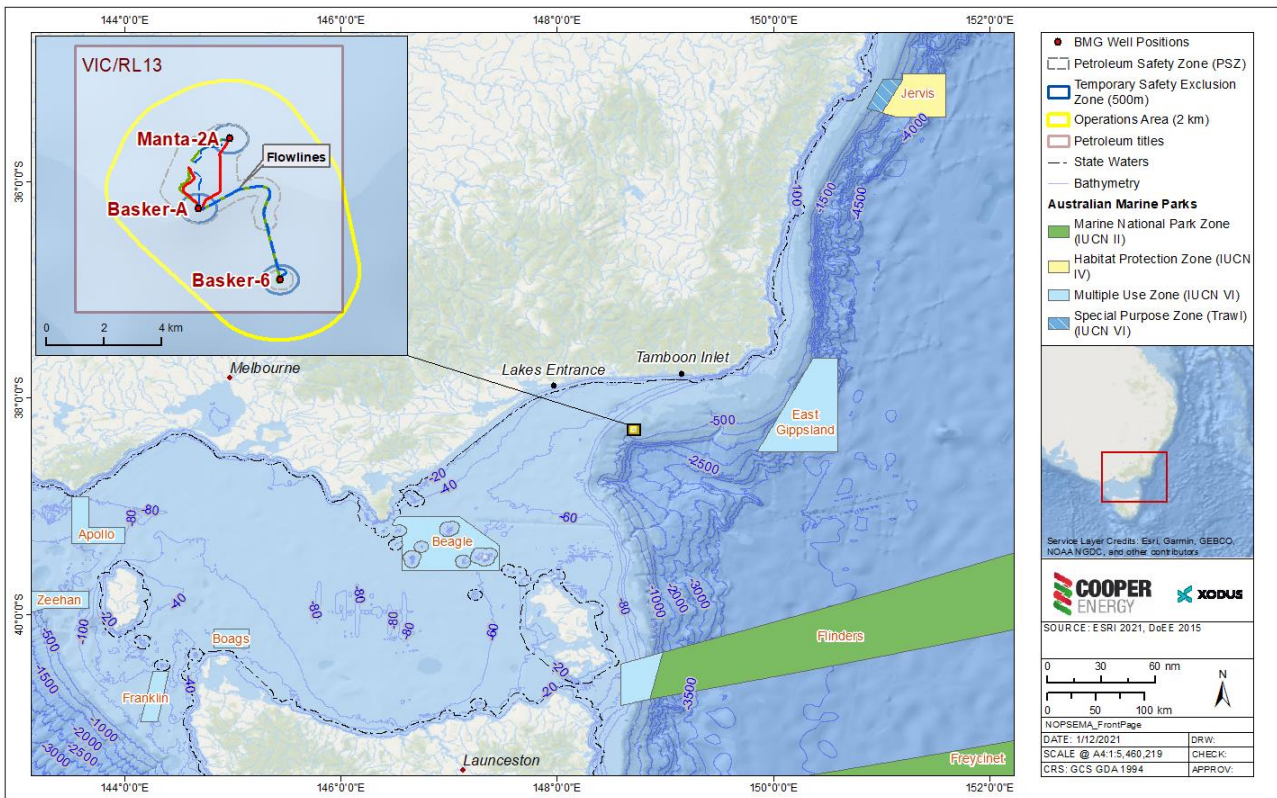
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BMG Development Description

Cooper Energy Limited (Cooper Energy) is the titleholder (100%) of Petroleum Retention Lease VIC/RL13 in the Gippsland Basin. The BMG facilities are entirely within VIC/RL13 in Commonwealth waters, approximately 50 km from Cape Conran off the Victorian coast (Figure 1). The BMG facilities lie in water depths of circa 135 m – 270 m and comprise:

- 5 subsea wells and Basker-A Manifold (BAM) at the Basker-A Drill Centre
- 2 satellite wells; Manta 2A and Basker-6
- interconnecting flowlines and umbilicals
- ancillary structures including pipeline end manifold and umbilical termination units
- stabilisation materials including concrete mattresses and grout bags

Figure 1 – BMG Facility Location



BMG Development History

VIC/RL13 and the BMG subsea facilities were acquired by Cooper Energy from the previous Joint Venture Partner (JVP) in 2014. The BMG facilities were then in the non-production phase and had been partially deconstructed. A summary of the BMG development history is provided in Table 1.

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Table 1 - BMG Field Development Phases

Development Phase		Timing	Activities
Production Phase	Extended Production Test	2005–2006	Basker-2 oil production well with associated gas flared.
	Full Field Development	2006–2008	Basker-2, 3, 4, 5 and Manta-2A oil production wells with gas-lift and gas re-injection. Production via the Crystal Ocean Floating Storage Production Offloading Vessel (FPSO) and the Basker Spirit offtake tanker.
	Oil Development Phase 2	2008–2010	Basker-6 (ST1) oil production well and tie back to the Basker Manifold (BAM).
			Work-over of Basker-3 and Basker-5. Drilling and completion of Basker-7 well and tie back to the BAM at the Basker-A Drill Centre.
Flare Gas Compressor Project	2010	Re-injection of flare gas: installation of one, two stage screw compressor to the FPSO process module, starboard side.	
Cessation Phase and partial deconstruction		2011-2012	Production stopped. Facilities are shut in. Vessels are removed. Moorings and midwater equipment are decommissioned and removed.
Non-Production Phase (NPP)		2012–present	Cooper Energy took ownership in 2014. Routine offshore inspections.
Well decommissioning planned		2017/18	Well decommissioning planned and rig mobilised for the scope. Project recycled following regulator assessment (and non-acceptance) of well operations management plan (WOMP).
Decommissioning		Circa 2023 to 2026	Per Section 572 of the <i>OPGGGS Act</i> , the base case for decommissioning the BMG facilities is to remove all infrastructure *, in phases: <ul style="list-style-type: none"> Phase 1: permanently seal (plug and abandon (P&A)) the wells and remove well equipment. Phase 2: remove remaining equipment. Project milestones and progress is described below. <i>*The sub-seabed components of the wells and Basker-A Manifold Pile will remain in place, as described in project Environment Plans (see related content).</i>
Future appraisal and development Phase		Appraisal and development of Manta gas reserves in accordance with title activity plans and conditions.	

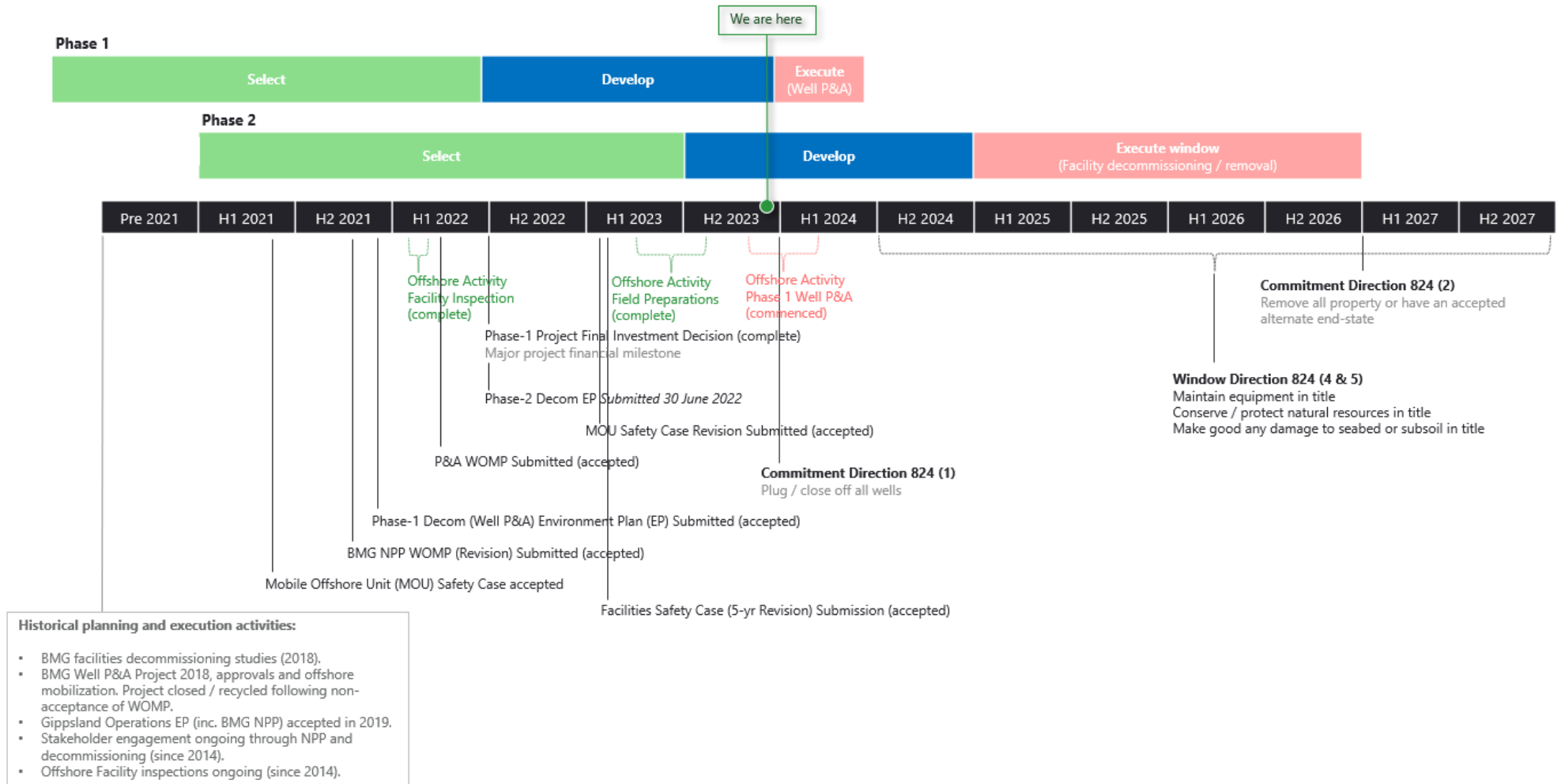
BMG Closure Project Planning and Progress

Figure 2 shows the indicative timeline of milestones and directions for the BMG Closure Project. The schedule shows current and future phases: Select, Develop and Execute. This phased approach ensures activities are planned and conducted in a consistent and repeatable manner with appropriate controls in place to manage all aspects of design, operations and closeout including safety, environment, risk, and change.

Table 2 identifies key work plan items as they align to the requirements of under General Direction 824. For each work plan item there is a summary of progress during the previous 12-months. A look-ahead for the next 12-months is also provided.

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Figure 2 - Indicative Timeline: BMG Closure Project Milestones and Directions



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Table 2 - Project Progress and Look-ahead

Direction	Schedule 1 – Directions	Key Work Plan Items	Lookback on Actions for previous 12-months	Progress	Lookahead next 12-months
1	Plug or close off, to the satisfaction of NOPSEMA, all wells made in the title area by any person engaged or concerned in operations authorised by the title as soon as practicable and no later than 31 December 2023.	Well Operations Management Plan for Well Abandonment	<ul style="list-style-type: none"> Complete writing Task Based Procedures. Complete reviews of methodologies to reduce project risk, improve safety. 	<ul style="list-style-type: none"> Engineering and Technology studies for the offshore execution have been completed and technologies selected. Task based procedures have been developed. The WOMP has been written, submitted and accepted during 2023. 	<ul style="list-style-type: none"> Implement the WOMP and Task Based Procedures during offshore execution.
		Safety Cases	<ul style="list-style-type: none"> Finalise five-yearly revision to the BMG Facility Safety Case for submission Q1 2023. Finalise BMG MOU Safety Case Revision for submission Q1 2023. Safety Case acceptance is required prior to well P&A. 	<ul style="list-style-type: none"> The BMG Facility Safety Case (5-yr revision) has been written, submitted and accepted during 2023. The MOU Safety Case Revision for the planned BMG work scope has been written, submitted and accepted during 2023. 	<ul style="list-style-type: none"> Implement the Safety Cases during offshore execution.
		Major Contracts	<ul style="list-style-type: none"> Monitor long lead equipment orders and services to ensure deliveries remain on schedule. Execute remaining services contracts. Campaign contract management. 	<ul style="list-style-type: none"> Service contracts have been executed for the project. Services have been mobilised for the offshore P&A campaign. 	<ul style="list-style-type: none"> Execute services and evaluate performance.
		Phase 1 Environment Plan (EP)	<ul style="list-style-type: none"> Implement Phase 1 EP and ensure preparedness in line with OPEP. Continue engagement with stakeholders including updates on activity timing 	<ul style="list-style-type: none"> EP and OPEP implementation has commenced for the offshore campaigns. Additional consultation completed during 2023 in line with updated regulator guidelines. Planned notifications are being completed to schedule. 	<ul style="list-style-type: none"> Continue implementation of EP.
		Execute offshore well P&A program	<ul style="list-style-type: none"> P&A wells by 31 December 2023. 	The BMG well P&A preparation works were completed during H2 2023.	<ul style="list-style-type: none"> Complete P&A of wells.

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Direction	Schedule 1 – Directions	Key Work Plan Items	Lookback on Actions for previous 12-months	Progress	Lookahead next 12-months
			<ul style="list-style-type: none"> A schedule of the works is provided at the end of this report. 	<p>Major service contracts for the well P&A program have commenced.</p> <p>The BMG wells P&A activity was scheduled to commence in the window 01 September 2023 – 30 September 2023. There were significant delays in receipt of the well intervention vessel due to weather and operational problems during its previous work scope for the NZ government.</p> <p>The BMG well P&A program will commence in December 2023, and is expected to be completed in H1 2024.</p>	<ul style="list-style-type: none"> A schedule of the works is provided at the end of this report.
2	Remove, or cause to be removed, to the satisfaction of NOPSEMA, from the title area all property brought into that area by any person engaged or concerned in the operations authorised by the title as soon as practicable and no later than 31 December 2026.	Phase 2	<ul style="list-style-type: none"> Progress Phase 2 EP through assessment phase. Progress sea dumping permit application for the Basker Manifold Pile. Continue stakeholder engagement. 	<ul style="list-style-type: none"> Phase 2 EP has been progressed through 4 x requests for further information from the NOPSEMA. The sea dumping permit for the Basker Manifold Pile was issued by DCCEEW in September 2023. Additional consultation was completed during 2023 in line with updated regulatory guidelines. Planned notifications are being completed to schedule. 	<ul style="list-style-type: none"> Progress Phase 2 EP through assessment phase. Continue stakeholder engagement.
3	Until such time as direction 1 and 2 are complete, maintain all property on the title to 'NOPSEMA's satisfaction, to ensure removal of property is not precluded.	Implement the BMG Offshore Facilities Integrity Management Plan (IMP)	<ul style="list-style-type: none"> Continue facility integrity reviews and upkeep of KPI records in accordance with IMP. 	<ul style="list-style-type: none"> Ongoing through NPP. Works completed include facility integrity reviews and maintenance of KPI records. Completed external visual inspections at wells during H2 2023 in preparation for P&A. 	<ul style="list-style-type: none"> Continue facility integrity reviews and upkeep of KPI records in accordance with IMP.
		Implement the BMG Well Operations Management Plan	<ul style="list-style-type: none"> Continue annual risk assessments and management of wells in line with the WOMP. 	<ul style="list-style-type: none"> Ongoing. Works complete include well integrity reviews. 	<ul style="list-style-type: none"> Continue annual risk assessments and management of wells in line with the WOMP until P&A is complete.

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Direction	Schedule 1 – Directions	Key Work Plan Items	Lookback on Actions for previous 12-months	Progress	Lookahead next 12-months
		Implement the Gippsland Operations EP	<ul style="list-style-type: none"> Management of offshore inspection in line with regulatory plans. Continued stakeholder engagement in line with the Gippsland Operations EP. 	<ul style="list-style-type: none"> Ongoing through NPP. Works complete include stakeholder engagement on activities described under that plan. 	<ul style="list-style-type: none"> Management of offshore inspection in line with regulatory plans. Continued stakeholder engagement.
		Implement the BMG Offshore Facility Safety Case	<ul style="list-style-type: none"> Finalise five-yearly revision to the BMG Facility Safety Case for submission Q1 2023. Continued works in line with the safety case. 	<ul style="list-style-type: none"> BMG Facility Safety Case 5-year Revision accepted during 2023. 	<ul style="list-style-type: none"> Continued works in line with the safety case.
4	Provide, to the satisfaction of NOPSEMA, for the conservation and protection of the natural resources in the title area within 12 months after property referred to in direction 2 is removed.	Phase 2 EP preparation and associated studies	<ul style="list-style-type: none"> Progress Phase 2 EP through assessment phase. Progress sea dumping permit application for the Basker Manifold Pile. Continue stakeholder engagement. <p><i>Note, Cooper Energy plans to retain VIC/RL 13 to appraise the Manta gas field.</i></p>	<ul style="list-style-type: none"> Phase 2 EP has been progressed through 4 x requests for further information from the NOPSEMA. The Sea dumping permit for the Basker Manifold Pile was issued by DCCEEW in September 2023. Additional consultation completed during 2023 in line with updated regulatory guidelines. Planned notifications are being completed to schedule. 	<ul style="list-style-type: none"> Progress Phase 2 EP through assessment phase. Continue stakeholder engagement.
5	Make good, to the satisfaction of NOPSEMA, any damage to the seabed or subsoil in the title area caused by any person engaged or concerned in those operations within 12 months after property referred to in direction 2 is removed.				
6	Annual progress reporting until all directions have been met.	Annual Progress Report	<ul style="list-style-type: none"> Prepare and submit 2023 Annual Report by 31 December 2023. 	<ul style="list-style-type: none"> Annual Report prepared and submitted to NOPSEMA in December 2023 	<ul style="list-style-type: none"> Prepare and submit 2024 Annual Report by 31 December 2024.

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Figure 3 - Project Schedule (Offshore Works) showing calendar years 2023 and 2024

