



Our Reference: RECORDS#142672
Your Reference:

2 September 2009

Mr Jerry Whitfield
Director of Energy
NT Department of Regional Development Primary Industry Fisheries and Resources
5th Floor, Centrepoint Building
48-50 Smith Street Mall
DARWIN NT 0800

Dear Jerry

Montara Development Installation and Commissioning Environment Plan – Water Deluge operations at Wellhead Platform

We refer to the Montara H1 well release incident notified in our correspondence RECORDS#142365.

PTTEP Australasia (Ashmore Cartier) Pty Ltd (“PTTEPAA”) proposes to carry out water deluge operations utilising equipment and personnel on up to two support vessels with DP capability which will be located in the vicinity of the Montara Wellhead Platform facility. The objectives of this proposed activity are the dispersal of the flammable gas cloud surrounding the facility, the reduction of the risk of ignition at the facility and/or the adjacent West Atlas MODU facility and fire-fighting operations in the event that of ignition of a petroleum release emanating from a well at the facility. Enclosed for information is a presentation made to NOPSA which outlines the water deluge operations.

With reference to the accepted Environment Plan for the Montara Development Installation and Commissioning activities in licence areas AC/L7 and AC/L8, document number TM-CR-GEN –G-091-00002, June 2009 Rev 1 (“Environment Plan”), PTTEPAA has assessed the environmental risks associated with the proposed operations. The assessment identified the potential environmental risk of fire extinguishing agents on board one of the deluge vessels. The fire extinguishing agents will only be used in the case of a pool fire on the WHP and MODU facility and have been assessed as having low environmental impact. The agents are low in toxicity, readily biodegradable and have not been identified with any persistent or bioaccumulative components.

PTTEPAA has therefore concluded that:

- a) the proposed operations are comparable in nature and environmental effect to the other installation and commissioning operations described in the Environment Plan;
- b) the contractor support vessels and equipment that are to be used to carry out the proposed operations are of the kind contemplated as being used to carry out the other installation and commissioning operations described in the Environment Plan;
- c) supplementing the installation and commissioning operations described in the Environment Plan with the proposed operations will not result in any material differences in terms of environmental impact or management of the construction activity at the Montara Development location.

Accordingly, in carrying out the proposed operations, PTTEPAA intends to apply the management actions and performance criteria specified in the Environment Plan. PTTEPAA has developed a HSE

Management Plan for Montara H1 Well Water Deluge Operations which provides for the communication and implementation of the safety control measures identified by the HAZID and the environmental management actions specified in the Environment Plan through interface with the PTTEPAA contractor's HSE management systems for the support vessel.

Enclosed is an addendum to the Environment Plan which documents the matters addressed in this letter. PTTEPAA makes application pursuant to regulation 17(1) of the Petroleum (Submerged Lands) (Management of Environment) Regulations 1999 for the acceptance by the Designated Authority of this submission as a revision to the Environment Plan for this *new stage* of the existing Montara field development construction activity.

PTTEPAA notes that the commencement of these operations is also contingent upon each of PTTEPAA and Atlas Drilling (S) Pte Ltd obtaining NOPSA's approval that its Prohibition Notices in relation to the Wellhead Platform facility and the West Atlas facility cease to have effect to the extent that any person is placed at a workplace at the part of the facility (which includes an associated offshore place in relation to a facility) in the manner described in the enclosed HAZID report, for the purposes of the proposed activity.

PTTEPAA anticipates that, subject to regulatory approvals, it would be able to commence these water deluge operations on or about 4 September 2009.

Please contact the undersigned if you have any queries regarding this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andy Jacob', written in a cursive style.

Andy Jacob
Chief Operating Officer