



## Alan Holland

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**From:** Dominic Marozzi  
**Sent:** Friday, 4 September 2009 12:07 PM  
**To:** Alan Holland; Brett Struck  
**Subject:** FW: FW: Application to Drill Montara H1 ST1 RW1  
**Attachments:** DPI Comments on Montara H1 ST-1 RW-1 Drilling Program.pdf

Alan,

I have gone through each one of these points and once again this response is predominantly of very limited help.

All of but 2 of the comments constitute either cosmetics (window dressing), micro management, asking the obvious or asking us stuff that is not our responsibility (Section 4 Q6 is for NOPSAs).

Section 4 Q4 is a fair comment (which we have already addressed) and I accept that we could ask PTTEP to provide a revised "chain of command" for the drilling program. (maybe we do get a little lax here but only because we have such an open and ongoing relationship with all of the key players at PTTEP).

I guess I'm no longer surprised that DPI Vic support GA's equally unhelpful comments.

Regards,

**Dominic Marozzi**

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1 ream of paper = 5.4 kg CO2 in the atmosphere;  
 3 sheets of A4 paper = 1 litre of water

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**From:** David.Wong@dpi.vic.gov.au [mailto:David.Wong@dpi.vic.gov.au]

**Sent:** Friday, 4 September 2009 11:44 AM

**To:** Alan Holland

**Cc:** Andrew.Barrett@ga.gov.au; Cynthia.Crowe@dpi.vic.gov.au; Dominic Marozzi;  
 kristina.anastai@ret.gov.au; martin.squire@ret.gov.au; Terry.McKinley@dpi.vic.gov.au;  
 Donghai.Xu@ga.gov.au

**Subject:** Re: FW: Application to Drill Montara H1 ST1 RW1

Alan

Attached is our comments on the Drilling Program

Because of the many unknowns, we could not come to a conclusion whether the WOMP and the Drilling Program are adequate or complete.

And as we have not sighted any of PTTEP documents including the Emergency Response Plan and the Oil Spill Contingency Plan, we have not commented on whether PTTEP or Seadrill have the appropriate

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documentation to manage such events if these occur when the Montara H1 ST-1 RW-1 is drilled.

We fully support GA's comments that were sent earlier from Dong Hai.

We will be happy to discuss if required.

Regards  
David

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David Wong/DPI/VICGOV1

03/09/2009 10:02 AM

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cc Andrew.Barrett@ga.gov.au, "Dominic Marozzi" <[Dominic.Marozzi@nt.gov.au](mailto:Dominic.Marozzi@nt.gov.au)>, [kristina.anastai@ret.gov.au](mailto:kristina.anastai@ret.gov.au), [martin.squire@ret.gov.au](mailto:martin.squire@ret.gov.au), Terry McKinley/DPI/VICGOV1@VICGOV1, [Cynthia.Crowe@dpi.vic.gov.au](mailto:Cynthia.Crowe@dpi.vic.gov.au)

Subject Re: FW: Application to Drill Montara H1 ST1 RW1 [Link](#)

Alan

A quick assessment of the submitted Montara H1 ST-1 RW-1 WOMP (TM-CR-MON-G-150-00009) had been carried out and found to be either inadequate with no details or not provided or not clearly explained. The submitted WOMP was essentially just a tabulation of the regulatory requirements without providing basis of design of a well, how well activities would be managed, what management system or systems have been put in place or to be followed, what well integrity risks have been analysed or mitigated, how change management would be processed and implemented and what communication or record keeping were in place.

Just to reiterate the basic requirements of the *Petroleum (Submerged Lands) (Management of Well Operations) Regulations 2004* (the WOMP Regulations or the Regulations), we append below extracts from the said Regulations:

### Reg 3 Object of Regulations

*The object of these Regulations is to ensure that, for petroleum exploration, appraisal and production in an adjacent area:*

- (a) *the design of downhole activities is in accordance with good oil-field practice; and*
- (b) *downhole activities are carried out in accordance with an accepted well operations management plan; and*
- (c) *risks are identified and managed in accordance with sound engineering principles and good oil-field practice.*

*Note 1 These Regulations are objective-based, to allow for well activity arrangements to be changed in response to technologies and other circumstances while adhering to the key legislative principles.*

*An essential part of this flexibility is the development of an agreed Well Operations Management Plan (a WOMP) that specifies acceptable methods of conducting well operations in accordance with sound engineering principles and good oil-field practice.*

*Note 2 The requirements of these Regulations are in addition to the requirements imposed on a person by any other regulations made under the Act.*

### Reg 6 Contents of well operations management plan

**(1) A well operations management plan must:**

- (a) *comply with the Act and these Regulations; and*
- (b) *be appropriate for the nature and scale of the well activity; and*

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(c) show that the risks identified by the titleholder in relation to the well activity will be managed in accordance with sound engineering principles, standards, specifications and good oil-field practice.

**(2) The well operations management plan must include the following material, unless the Designated Authority has given the titleholder permission, in writing, not to include material specified in the permission:**

- (a) information about the conduct of the well activity;
- (b) an explanation of:
  - (i) the philosophy of, and criteria for, the design, construction, operational activity and management of the well; and
  - (ii) the possible production activities of the well; showing that the well activity, and all associated operational work, will be carried out in accordance with good oil-field practice;
- (c) performance objectives against which the performance of the well activity is to be measured;
- (d) measurement criteria that define the performance objectives;
- (e) an explanation of how the titleholder will deal with:
  - (i) a well integrity hazard; or
  - (ii) a significant increase in an existing risk in relation to the well; including the possibility of continuing an activity for the purpose of dealing with the well integrity hazard or the risk;
- (f) details of when and how the titleholder will notify the Designated Authority, and give reports and information, about:
  - (i) the well activity; and
  - (ii) well integrity hazards; and
  - (iii) significant increases in existing risks in relation to the well; and
  - (iv) other matters relevant to the conduct of the well activity;
- (g) an explanation of the way in which the titleholder will keep information required by the well operations management plan.

**(3) The well operations management plan may include other material.**

The Management of Well Operations Regulations cover well activity that is carried out during the life of the well as per the definition of well activity and in the the Reader's guide of the Regulations. The WOMP is the document that provide the management of well integrity which can impact on safety and environment if an activity is not carried out appropriately or managed adequately. The life cycle of a well normally consist of the following:

1. design and planning
2. construction - drilling and completion
3. production (*operations*) and maintenance including well intervention (workovers)
4. decommissioning (*abandonment or suspension*)

It is quite clear that under Regulation 22 that a titleholder must not undertake a well activity unless the titleholder has a well operations management plan (WOMP) for the well activity, that is accepted and current. The WOMP should, therefore, cover the above four phases of the life of a well. A WOMP can be for multiple wells or individual well (Regulation 5) in one document or multiple documents (Regulation 5). A WOMP can be for one of the above stages if it is clearly specified in the WOMP and the DA has approved for the titleholder to submit the WOMP in stages (Regulation 5). Most companies submitted a design, drilling and completion WOMP initially and later submit a production and maintenance WOMP for development wells.

It is our view that the WOMP is a framework by which the titleholder will design, construct, manage and decommission a well. Most petroleum companies already have processes, procedures and manuals for well activities throughout the life cycle of the well. Please note that not all well activities require specific activity approval but **all well activities need to have an accepted and current WOMP**. Presumably PTTEP has one such system for the construction (*drilling*) of a well (documents D41 502432 FACCOM and D41 502434 FACCOM that were not provided). If this is the case, then these documents need to be referenced and be part of the WOMP. Without sighting the relevant sections of these documents, we are unable to gauge whether the relevant sections are adequate or have met the requirements of the Regulations. While the WOMP can be as generic as possible, the relevant company's manuals and management systems must be listed or referenced or provided to enable the DA to make the decision to accept or not to accept the WOMP.

If the Safety Case (SC) and the Environment Plan (EP) contain the relevant sections which can be part of the WOMP, reference to such sections of the SC and EP should be provided for in the WOMP without repeating the entire sections.

While the Montara H1 ST-1 RW-1 Drilling Program (TM-CR-GEN-R-150-00015) provided details of the procedural steps in carrying out the drilling and associated activities, it did not provide any basis of the procedures or steps, particularly in section 4 on sequence of operations. Questions one can asked can include:

- Why is the well needing to have 20inch, 133/8inch and 95/8inch casings? What well integrity basis was the casing scheme picked and to be implemented? Any exception to the casing shoe depths?
- What are the bases for cement volume calculation, pressure tests or FITs? For example, casing pressure test to 4000 psi and for 20 minutes - are these PTTEP's standards or based on type of casing ran and formational parameters? Pressure tests for BOP seals are said to be for 5 minutes and 10 minutes for low and high pressure tests - are these part of PTTEP standards or the specification of the BOP used? If the tests failed, what are the alternative or process to ensure that these are rectified? Is BOP tests part of SC and failure of tests covered in the SC? We believe that answers to these are contained in the management system or manuals that PTTEP have and therefore should be referenced in the WOMP as the WOMP is the framework by which the well was designed and to be managed.

It is important that the framework and management of the drilling and its associated activities are adequately presented in the WOMP so that the procedural steps of of drilling, casing and testing of each segment of the well are based on the basis and management framework contained in the WOMP. The WOMP is the management tool by which we normally audit the well integrity and well activities. Drilling Program can be changed or modified at the time each activity is ran based on the information that would be obtained when the well is drilled. However, this change should have been part of the process that is contained in the WOMP (change management process). If PTTEP has such process in their management system, then this should be explained or referenced in the WOMP so that PTTEP and the Regulators (DA) have the basis to audit whether the process has been followed. And that is where a description of how performance can be measured as required by the Regulations. If the risks of such change has increased significantly, how PTTEP will deal with it and how PTTEP will inform the DA.

In addition, we noticed that there have been difficulties in bumping the plugs in previous wells during cementing. Have these been investigated and procedures modified or resolutions thought through and changes made? Is floating shoe and collars a PTTEP standard of running casings for Montara wells? If this is the norm for the Montara wells, then this should be covered by the WOMP as part of the framework of designing and managing well activities for Montara H1 ST-1 RW-1.

We will provide detail comments of the Drilling Program later. Will try to get the detail comments to you by COB Friday 4 September 2009.

I will be happy to discuss the above with you (NT) or GA if required.

Regards  
David

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cc <martin.squire@ret.gov.au>, <kristina.anastai@ret.gov.au>, "Dominic Marozzi" <Dominic.Marozzi@nt.gov.au>, <richard.sellers@dpi.wa.gov.au>

02/09/2009 03:06 PM

18/09/2009

<terry.mckinley@dpi.vic.gov.au>  
Subject FW: Application to Drill Montara H1 ST1 RW1



Andrew and David

Here are the PTTEP's proposed drilling programs for drilling the relief well by the West Triton in the Montara field.

As you would appreciate, time frames for your assistance in reviewing the plans and providing feedback / comments is going to be tight.

PTTPE are hoping that the West Triton will be ready to start drilling on the 10<sup>th</sup> of Sept, so we would require your comments back by COB Friday the 4th of Sept.

If your comments can be returned to me via track changes to the plans or dot points referring to the section of the plans, either way would be good. We will then collate them and prepare feedback to PTTEP.

Obviously the two word documents are not necessarily relevant to Vic and GA but might provide extra info to help in the overall assessments.

Alan Holland  
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**From:** Noonan, Catherine [mailto:Catherine.Noonan@au.pttep.com]  
**Sent:** Wednesday, 2 September 2009 12:36 PM  
**To:** Dominic Marozzi; directorenergy@nt.gov.au; PetroleumOperations DPIFM  
**Cc:** Alan Holland; Breadmore, Christy; Jacob, Andy; Wilson, Chris; Duncan, Craig; Stear, Richard  
**Subject:** Application to Drill Montara H1 ST1 RW1  
**Importance:** High

Dear All

Please find **attached** for your urgent attention.

Regards

**Catherine Noonan**  
**Legal Coordinator**  
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PTTEP Australasia

[attachment "Montara H1 ST-1 RW-1 Drilling Program - Rev 0 - August 2009.PDF" deleted by David Wong/DPI/VICGOV1] [attachment "Application for Approval to Drill Montara-H1 ST1 RW1 (Relief Well).doc.DOC" deleted by David Wong/DPI/VICGOV1] [attachment "Montara H1 ST-1 RW-1 WOMP Well Operations Management Plan Rev 0 - August 2009.PDF" deleted by David Wong/DPI/VICGOV1] [attachment

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"Letter to NTDRDPLFR - Application to Drill Montara-H1 ST1 RW1 (Cover Letter).DOC.DOC" deleted by David Wong/DPI/VICGOV1] [attachment "Transmittal NTDRDPIFR- Application for Approval to Drill Montara H1 ST1 RW1 (Relief Well) 2 Septembe.DOC" deleted by David Wong/DPI/VICGOV1]

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