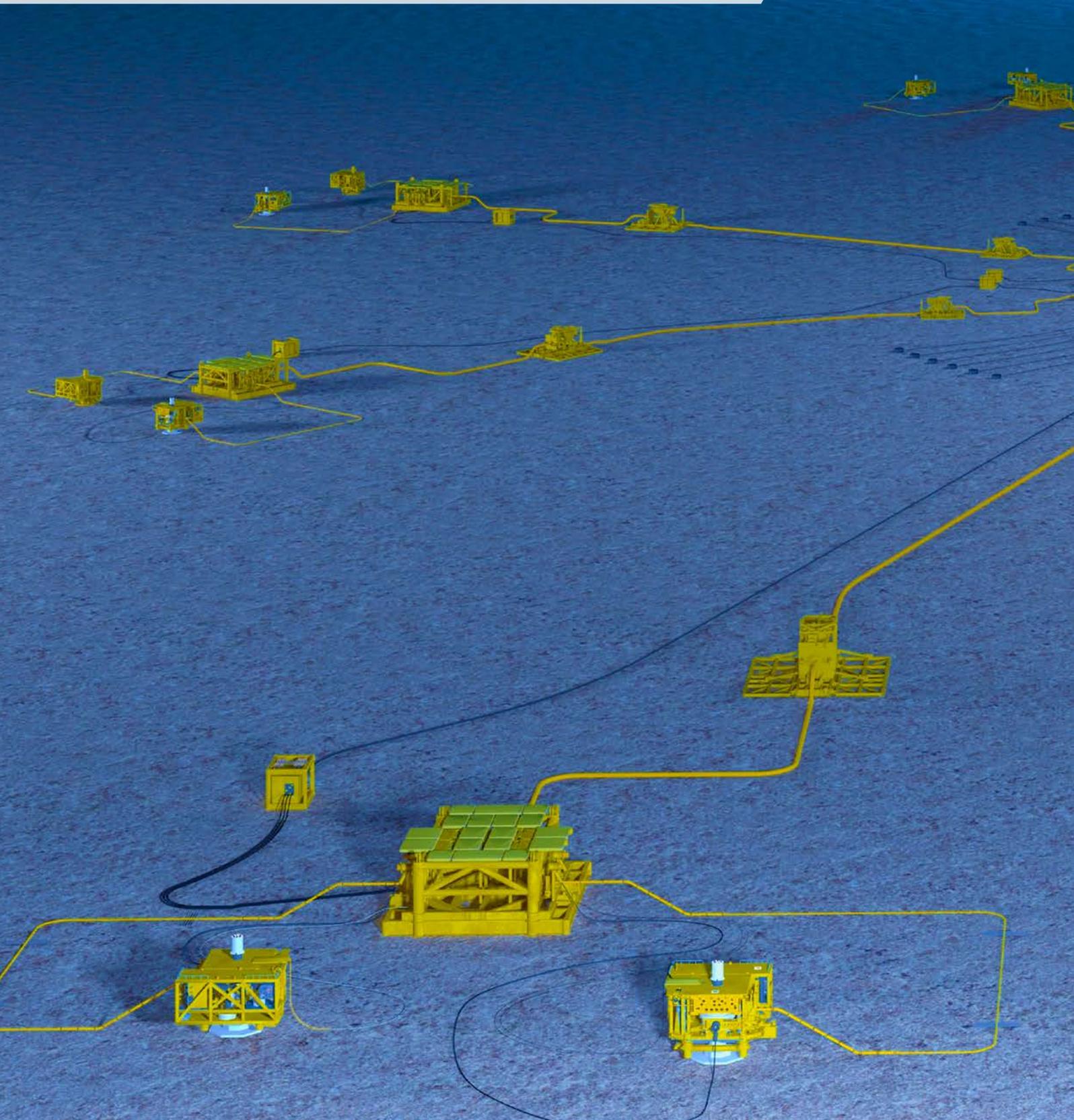


1 Introduction

	Section 1 summary	54
1.1	Overview	55
1.2	Purpose and structure of document	58
1.3	Description of proponent	60
1.4	Proponent contact details	60



Section 1 summary

Purpose:

This section provides an overview of the proposed development, a summary of the content and structure of the document, and a description of the proponent (ConocoPhillips on behalf of the current co-venturers SK E & S Australia Pty Ltd and Santos Offshore Pty Ltd).

Section at a glance:

Proposed development: The Barossa Area Development is a gas and light condensate project that proposes to provide a new source of dry gas to the existing Darwin LNG (DLNG) facility. The project will be located approximately 300 km north of Darwin, 227 km offshore (nearest point to mainland) and 100 km north of the Tiwi Islands.

The development concept includes a Floating Production Storage and Offloading (FPSO) facility, subsea production system, supporting in-field subsea infrastructure and a gas export pipeline, all located in Commonwealth waters. The FPSO facility will separate the natural gas and condensate extracted from the field with the dry gas proposed to be transported via a gas export pipeline for onshore processing. The condensate will be exported directly from the FPSO facility to offtake tankers.

The new pipeline that will transport the dry gas from the Barossa offshore development area will be approximately 260 km–290 km long and while appropriate commercial arrangements are yet to be put in place, it is proposed to connect to the existing Bayu-Undan to Darwin pipeline in Commonwealth waters.

The exact route of the new pipeline is not final and subject to further studies.

The project will continue to help meet current and future global demand for natural gas and contribute income and employment opportunities for Australia.

Summary of content and structure of the document:

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) has prepared a guidance note outlining the Offshore Project Proposal (OPP) content requirements and the information presented in **Section 1** provides an overview of the required information. Subsequent sections will present further detail to address specific content requirements. It is recommended to consider this guidance note in conjunction with this OPP, as it provides context for the structure and content. The guidance note is available on the NOPSEMA website, <https://www.nopsema.gov.au/assets/Guidance-notes/A473026.pdf>.

The OPP is prepared during a project's early design phase and considers all potential environmental impacts and risks over the project's life-cycle. The OPP details the risk assessment undertaken and demonstrates that the project can be undertaken in an environmentally acceptable manner. The OPP process will deliver environmental outcomes equivalent to the assessment process under the *Environment Protection and Biodiversity Conservation Act 1999*.

NOPSEMA first assesses the OPP to make sure it has the required content for public release and comment. It must be easily navigable and comprehensible to the public, which is why summaries have been prepared for each section. The OPP was then released for an eight-week public comment period and was updated and re-submitted to NOPSEMA for assessment of the environmental acceptability of the project. The definition of 'acceptable' is explained in more detail in **Section 6** of this document. Confirmation, through the OPP process, that the project is considered acceptable will give ConocoPhillips and its partners the confidence to continue their financial investment and planning.

Acceptance of an OPP by NOPSEMA does not mean a project can proceed. Acceptance provides approval for the submission of separate Environment Plans (EPs) for project activities to NOPSEMA for assessment. EPs include further detail of how the impacts and risks for each activity will be managed. Only after an EP has been accepted by NOPSEMA, can that activity commence.

Description of proponent: ConocoPhillips, the proponent for this OPP on behalf of the current and future co-venturers, is the world's largest independent exploration and production company and has been conducting activities in Australia and the Joint Petroleum Development Area (JPDA) in the Timor Sea between Australia and Timor-Leste since the mid-1990s. ConocoPhillips operates (on behalf of current and future co-venturers) the Bayu-Undan gas condensate field in the JPDA, the DLNG facility in the Northern Territory, and a 502 km gas export pipeline that links the two facilities.

1 Introduction

1.1 Overview

ConocoPhillips Australia Exploration Proprietary (Pty) Limited (Ltd.) (ConocoPhillips), as proponent on behalf of the current and future co-venturers, is proposing to develop hydrocarbon resources in the Timor Sea into high quality products in a safe, reliable and environmentally responsible manner.

The Barossa Area Development (herein referred to as the “project”) is located in Australian Commonwealth waters within the Bonaparte Basin, approximately 300 kilometres (km) north of Darwin, Northern Territory (NT) (**Figure 1-1**).

This Offshore Project Proposal (OPP) includes in-field infrastructure in the Barossa Field in petroleum retention lease NT/RL5, and a subsea gas export pipeline. While appropriate commercial arrangements are yet to be put in place, it is proposed to connect the new subsea gas export pipeline to the existing Bayu-Undan to Darwin gas export pipeline which feeds the onshore Darwin Liquefied Natural Gas (LNG) facility. This would allow transport of dry gas from the Barossa Field for liquefaction and export from Darwin. Potential future staged development in the smaller Caldita Field to the south in retention lease NT/RL6 has also been accommodated in this OPP.

Throughout this document, the terms ‘Barossa offshore development area’ and ‘gas export pipeline’ (collectively referred to as ‘the project area’) are used to describe the geographic extent of this project (**Figure 1-1**). Refer to **Section 4.2.1.1** for further discussion on the definition of the project area.

The project will:

- meet current and future global demand for natural gas
- develop large discovered resources, thereby contributing substantial income to the region by way of royalties and taxes
- provide employment opportunities in the region
- allow the continued utilisation and operation of the existing Darwin LNG (DLNG) facility following the decline of the Bayu-Undan Field currently supplying dry gas to DLNG.

ConocoPhillips believes the project can be developed and operated in an environmentally sustainable manner and that environmental impacts and risks can be managed to an acceptable level.

Table 1-1 provides a summary of key project information.

Table 1-1: Key project information

Proponent	ConocoPhillips Australia Exploration Pty Ltd. (ConocoPhillips)
Location	Barossa offshore development area: Approximately 300 km north of Darwin, approximately 227 km offshore (nearest point to mainland) and approximately 100 km north of the Tiwi Islands. Gas export pipeline corridor: Connecting the Barossa offshore development area to the existing Bayu-Undan to Darwin gas export pipeline in Commonwealth waters to the south-west of the Tiwi Islands.
Relevant jurisdictions	Commonwealth Government; NT Government (unplanned activities only)
Water depths	Barossa offshore development area: 130 metres (m)–350 m Gas export pipeline corridor: ranging from approximately 30 m to 240 m, with the exception of a shallow water area (approximately 30 km long) immediately east of the Oceanic Shoals marine park where minimum water depths may be as shallow as approximately 5 m

Development characteristics	<ul style="list-style-type: none"> • Floating Production Storage and Offloading (FPSO) facility • Subsea production system tied back to the FPSO facility • Gas export pipeline with proposed tie-back connection to the existing Bayu-Undan to Darwin gas export pipeline • Supporting infrastructure for full field development, including fibre optic cable
Anticipated hydrocarbon	Natural gas and light condensate
Approximate LNG production rate	3.7 million tonnes per annum (Mtpa)
Approximate condensate production rate	1.5 million barrels per year (MMbbl/yr)
Final investment decision	Target 2019
Operating life	Approximately 25 years
First gas	Target 2023

The development concept includes a permanently moored FPSO facility, subsea production system, supporting in-field subsea infrastructure and a gas export pipeline, located exclusively in Commonwealth waters. The FPSO facility will undertake offshore preliminary processing of the reservoir fluids (i.e. hydrocarbons) extracted from the field into separate dry gas and condensate products. It is proposed that the dry gas will then be transported via a new approximately 260 km–290 km long gas export pipeline from the Barossa offshore development area and subject to suitable commercial arrangements being put in place, tie-in to the existing Bayu-Undan to Darwin pipeline for transport to Darwin for onshore LNG processing (**Figure 1-1**). As the new gas export pipeline route is still subject to refinement, a corridor has been identified for the purposes of this OPP to allow flexibility for placement pending further engineering and environmental investigations. The condensate will be exported periodically from the FPSO facility to offtake tankers in the Barossa offshore development area.

While the development concept is in Commonwealth waters, some general aspects of the project have the potential to fall under the jurisdiction of NT legislation. For example, supply vessels may transit through NT waters, and some wastes generated by the project will require onshore management and disposal. Consideration of aspects that fall under NT approvals (including assessing the impacts and risks from those aspects) are outside the scope of this OPP (**Section 4.2.1.1**) and are not considered further in this document as they are subject to separate permitting arrangements.

Furthermore, any modifications related to the onshore DLNG facility for processing the dry gas into LNG is outside the scope of this OPP.

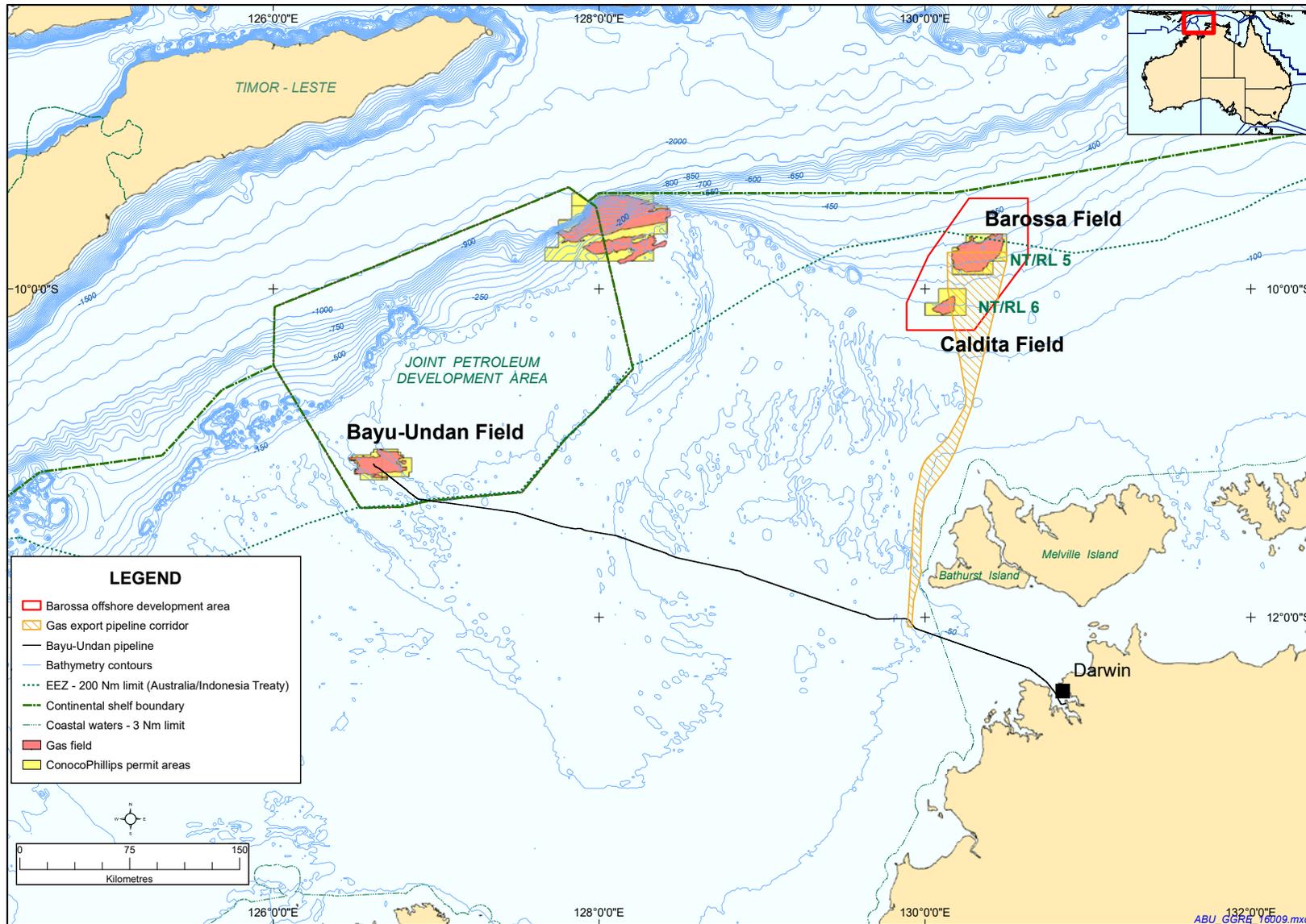


Figure 1-1: Project location

1.2 Purpose and structure of document

This OPP has been prepared in accordance with the requirements of the Offshore Petroleum and Greenhouse Gas Storage (Environment) Regulations 2009 (OPGGS (E) Regulations), administered by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act).

The OPP is intended to be an early-phase environmental assessment of the offshore development, at a whole-of-project life-cycle level.

The purpose of this OPP, in alignment with the NOPSEMA OPP Content Requirements Guidance Note (herein referred to as the 'OPP Guidance Note' (NOPSEMA 2016a), is to:

- demonstrate that ConocoPhillips understands the requirements of the OPGGS (E) Regulations
- provide NOPSEMA and other interested stakeholders with the information required to assess the project against the requirements of the OPGGS Act and associated regulations, including description of the project, feasible alternatives to the project and the existing environment (including any relevant values and sensitivities) that may be affected
- identify the nature and scale of potential environmental impacts and risks associated with the project
- define environmental performance outcomes (EPOs) that will allow the impacts and risks to be managed to an acceptable level
- provide the public an opportunity to review and provide input at an early stage of the proposed project.

The OPP also seeks to provide a level of assessment that delivers environmental outcomes equivalent to the assessment processes under the *Environment Protection and Biodiversity Conservation Act 1999 Act* (EPBC Act) (NOPSEMA 2016b). It achieves this through the requirement to *"identify, assess and consult on all the potential impacts to matters protected under Part 3 of the EPBC Act and the broader environment in a systematic way, which is consistent with environmental impact assessment processes"* (NOPSEMA 2016b).

The proponent of an OPP must demonstrate environmental impacts and risks will be managed to an acceptable level. The acceptance of an OPP does not provide approval for offshore development activities to commence; rather, it provides approval for the submission of the Environment Plans (EPs) for project activities (NOPSEMA 2016b). A project activity cannot commence until a NOPSEMA accepted EP is in place. The nominated titleholder is responsible for submission of the EPs and compliance with the OPGGS Act and OPGGS (E) Regulations during implementation of the petroleum activity. The titleholder must demonstrate in the activity-specific EPs that environmental impacts and risks will be managed to a level that is both acceptable and as low as reasonably practicable (ALARP).

The structure of the OPP and the relevant sections of the OPGGS (E) Regulations are shown in **Table 1-2**.

Table 1-2: OPP structure, content and relevant sections of the OPGGS (E) regulations

OPGGS (E) regulation	Requirements	OPP section
Regulation 5A Submission of an Offshore Project Proposal		
5A (5) (a)	Include the proponent's name and contact details.	Section 1.3 and Section 1.4
5A (5) (b)	Include a summary of the project, including the following: <ul style="list-style-type: none"> (i) a description of each activity that is part of the project; (ii) the location or locations of each activity; (iii) a proposed timetable for carrying out the project; (iv) a description of the facilities that are proposed to be used to undertake each activity; and (v) a description of the actions proposed to be taken, following completion of the project, in relation to those facilities. 	Section 4
5A (5) (c)	Describe the existing environment that may be affected by the project.	Section 5
5A (5) (d)	Include details of the particular relevant values and sensitivities (if any) of that environment.	Section 5
5A (5) (e)	Set out the environmental performance outcomes for the project.	Section 7
5A (5) (f)	Describe any feasible alternative to the project, or an activity that is part of the project, including: <ul style="list-style-type: none"> (i) a comparison of the environmental impacts and risks arising from the project or activity and the alternative; and (ii) an explanation, in adequate detail, of why the alternative was not preferred. 	Section 4.4
5A (6)	Requirement to address particular relevant values and sensitivities [as defined in the EPBC Act].	Section 5
5A (7)	The proposal must: <ul style="list-style-type: none"> a) describe the requirements, including legislative requirements, that apply to the project and are relevant to the environmental management of the project; and b) describe how those requirements will be met. 	Section 2 and Section 3
5A (8)	The proposal must include: <ul style="list-style-type: none"> a) details of the environmental impacts and risks for the project; and b) an evaluation of all the impacts and risks, appropriate to the nature and scale of each impact or risk. 	Section 6
Regulation 11A Consultation with relevant authorities, persons and organisations, etc.		
11A	Consultation with relevant authorities, persons and organisations. [Note while this regulation relates specifically to consultation required for an EP, the general intent can be applied to an OPP]	Section 8

1.3 Description of proponent

For this OPP, ConocoPhillips is the proponent for the offshore project, and as Operator of NT/RL5 and NT/RL6, will most likely be the nominated titleholder (i.e. petroleum production and pipeline licensee) that submits subsequent EPs for implementation of activities undertaken as part of the project, as required under Regulation 4 of the OPGGS (E) Regulations.

ConocoPhillips Company (United States) is the world's largest independent exploration and production company. Through various Australian registered company subsidiaries, ConocoPhillips Company undertakes exploration activities, and holds and operates assets in the Timor Sea, NT, Western Australia (WA) and Queensland. ConocoPhillips has been operating in Australia and the Joint Petroleum Development Area since the mid-1990s. Its activities in Australia are currently managed, operated and administered through its Australian Business Units (BUs): Australia Business Unit-West (ABU-W) and Australia Business Unit-East (ABU-E). The Bayu-Undan gas condensate field in the Timor Sea, the DLNG facility in the NT and the 502 km gas export pipeline linking the two facilities are operated by ConocoPhillips from ABU-W. ABU-W has also been safely and successfully undertaking exploration and appraisal activities (including drilling) in its offshore acreage in both the Bonaparte Basin and the Browse Basin.

Australia Pacific LNG facilities located on Curtis Island in Queensland are operated by ConocoPhillips from ABU-E

1.4 Proponent contact details

ConocoPhillips, as proponent of this OPP, can be contacted at:

Barossa Area Development Project

Phone: + 61 8 9423 6666

Email: barossa@conocophillips.com

Street address

Senior Environmental Specialist,
Barossa Area Development Project

53 Ord Street, West Perth

Western Australia, 6005

Mailing address

Senior Environmental Specialist,
Barossa Area Development Project

ConocoPhillips Australia Exploration Pty Ltd.

PO Box 1102, West Perth

Western Australia, 6872
