

## NOPSEMA Inspection of Montara Venture Facility

### Inspection details

<b>Duty holder(s) inspected</b>		
<b>Operator</b>	Jadestone Energy (Eagle) Pty Ltd	
<b>Entity inspected</b>		<b>NOPSEMA Inspection No.</b>
<b>Facility</b>	Montara Venture	4794
<b>Permissioning documents</b>		
<b>Safety Case</b>	Montara Operations Safety Case – MV-70-REP-F-0004 Rev.4 25/05/2020	
<b>Inspection dates</b>		
<b>Onshore</b>	27 April 2023 – 28 April 2023	
<b>Offshore</b>	Not Applicable	
<b>Inspection team</b>		
<b>Lead Inspector</b>	[REDACTED]	
<b>Inspection Team</b>	[REDACTED]	
<b>Duty holder contacts</b>		
<b>Operator representative</b>	[REDACTED]	

### Report distribution

Position	Company
Records Management	NOPSEMA
	Jadestone Energy (Eagle) Pty Ltd

### Revision status

Rev	Date	Description	Prepared by	Approved by
A	01-MAY-23	Internal draft	[REDACTED]	[REDACTED]
B	01-MAY-23	Draft for discussion with duty holders	[REDACTED]	[REDACTED]
0	03-MAY-23	Final	[REDACTED]	[REDACTED]

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## 1. Inspection legislative framework and methodology

### 1.1. Legislative framework

NOPSEMA conducts inspections as part of its legislated function to implement an effective compliance monitoring strategy to ensure compliance with NOPSEMA listed laws<sup>1</sup>. Inspections are undertaken by NOPSEMA inspectors appointed by NOPSEMA under Section 602 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGSA).

This report has been prepared as required by the OPGGSA<sup>2</sup> and includes the Inspectors' conclusions from the inspection and the reasons for those conclusions. Where those conclusions indicate that there is non-compliance with the requirements of the OPGGSA, and/or commitments in permissioning document(s), resulting in a risk or potential risk to safety, the Inspectors have provided advice regarding the action(s) or outcomes recommended to address these conclusions.

A list of acronyms and abbreviations used in this report are provided in Appendix A.

### 1.2. Inspection objective and scope

The objectives of this inspection are to ascertain, for the scopes stipulated below, whether risks to safety are being managed by the duty holder(s) as required by their duties under the OPGGSA and in accordance with accepted permissioning document(s); and that the controls described in those documents are effective in reducing these risks to ALARP and to an acceptable level.

The planned scope of this inspection was:

- Compliance assessment that Jadestone have complied with the commitments in their Operational Readiness Plan, Document Number MV-14-REP-S-00001 to enable the re-commencement of hydrocarbon production to ensure that General Direction 1886 has also been fully complied with.

### 1.3. Preparation and conduct of the inspection

The inspection team prepared a planned inspection brief prior to the inspection which included a proposed inspection itinerary and scope. This inspection brief was issued to Jadestone Energy (Eagle) Pty Ltd on 27 March 2023.

On arrival at the premises, an entry meeting was held to communicate the purpose of NOPSEMA's inspection, the powers of the Inspectors under the OPGGSA and to provide an opportunity to discuss and clarify the inspection brief (including the scope of the inspection and proposed itinerary). A list of persons present at this meeting is included in Appendix B:.

NOPSEMA Inspectors reviewed documentation associated with Jadestone Energy (Eagle) Pty Ltd's Operational Readiness Plan.

The Inspectors collected documents in order to aide in their consideration of the topic and to obtain supporting information for their findings and conclusions.

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<sup>1</sup> NOPSEMA listed laws are defined in Section 601 of the OPGGSA.

<sup>2</sup> Under Part 4, Division 4 of Schedule 3.

As per NOPSEMA's inspection policy, a sampled approach was taken to assess the inspection scope and to arrive at the conclusions in this report. The findings and observations in this report provide the basis for the conclusions and compliance advice (where applicable) but are neither exhaustive nor definitive.

Before leaving the premises, the inspection team discussed their findings with key onshore personnel during an exit meeting. A list of persons present at this meeting is included in Appendix B:.

A post inspection meeting to review findings and the draft report was not required for this inspection.

## **2. Inspection results**

The following section contains the detailed observations, findings and conclusions for the topic covered in this inspection.

To ensure compliance with their duties under the OPGGSA and/or the requirements of relevant permissioning document(s), NOPSEMA expects the duty holder to consider the conclusions, and the reasons for those conclusions, and undertake sufficient investigation/action to both fully understand the conclusions presented and to take action to:

- Reduce the risks and impacts to ALARP and acceptable levels
- Ensure compliance with their duties under the OPGGSA and/or the commitments made in relevant permissioning document(s).

### **2.1. Operational context**

Following close out of General Direction 1886 on the 8 February 2023 hydrocarbon production recommenced on the facility on 21 March 2023 initially storing oil in Cargo Oil Tank 5 Centre, with the progressive re-introduction of the remaining cargo oil tanks when they are demonstrated to be fit for service.

### **2.2. Compliance with Operational Readiness Plan**

#### **2.2.1. Objective and summary of requirements**

The objective of this scope was to assess if Jadestone Energy (Eagle) Pty Ltd (JSE) have complied with the commitments in their Operational Readiness Plan to enable the re-commencement of hydrocarbon production to ensure that General Direction 1886 has also been fully complied with.

#### **2.2.2. Observations and findings**

Between 2-7 February 2023, NOPSEMA inspectors conducted an inspection (4790), to enable close out of General Direction 1886. It was established that there were twelve high priority action items as part of the operational readiness plan (ORP) that needed to be closed out prior to the re-commencement of hydrocarbon production.

These twelve high priority action items, which included three key management system documents, were reviewed and it was established that the original number of three management documents was expanded to five because the original Hull Structure Integrity Management Strategy was re-written into three documents: Integrity Management Strategy issued for use on 10/03/2023, Integrity Management Philosophy re-issued for use on 22/03/2023 and an Integrity Management System which was re-issued on 13/03/2023. The other two key management system documents were the Management of Aging Assets Philosophy re-issued on 02/02/2023 and Montara Performance Standards Report which was re-issued on 04/01/2023.



A detailed review of the remaining nine high priority action items was undertaken by assessing the ORP action tracking spreadsheet that had been developed and was being proactively managed by an external marine specialist consultant that had been contracted by JSE to independently manage compliance with the ORP. The detailed review confirmed that all nine actions had also been completed and closed out for Phase 1 of the ORP, with the exception that Cargo Oil Tank 6 Centre still required remedial work before it could be demonstrated fit for purpose and returned to service.

Out of the remaining nine action items, four were re-assigned to "Medium" priority actions following Phase 1 work completion and are now to be completed twelve weeks after re-commencement of hydrocarbon production and will be assessed by [REDACTED] during their follow up audit which is scheduled for mid-June 2023.

These four re-assigned action items were;

- Action Item 47 – Confirm all risk assessments are completed and all action items are closed out and signed off (e.g. Completion of Phase 1 Tank Technical Notes)
- Action Item 61 – Is there a quality assurance process to verify that material and equipment are compliant with specifications and the drawings?
- Action Item 62 – Has the QA process been used through the recovery project?
- Action Item 69 – Have all commissioning tests or inspections been identified, completed, documented and approved, (for example, pressure, or leak test, tank stagger test, etc)? (e.g. Completion of Phase 1 Tank Technical Notes).

The operational readiness checklists which were identified as part of the ORP and which also formed part of the ORP action tracking spreadsheet were reviewed in detail and found to be fully completed, which included tank specific checklists and a Phase 1 Tank Completion Matrix.

The final part of the compliance inspection was a detailed review of the supporting evidence included in Tank Technical Notes, specifically for Cargo Oil Tank 5 Centre, Document Number JSE-MONT-TN007 Rev.1, which was the first oil tank to be made available for re-use for hydrocarbon production.

The 5 Centre Cargo Oil Tank; Inspection Workpack, Inspection Report, Stagger Test Procedure and Combined Results, Anomaly Technical Note, Repair Procedure, Repair Workpack, Class Action Items/Tasks (e.g. Annual Internal Tank Inspections until permanent repairs are completed), Repair Reports / Manufacturing Data Records, QA/QC Final Inspection Checksheet and Outstanding Maintenance/Repair Work (i.e. Pipe Spool Replacements and Bottom Plate Permanent Repairs) in the Computerised Maintenance Management System (BassNett) were all found to be comprehensively documented and formally signed off and issued.

It is also noted that [REDACTED] have been continuously consulted during the ORP implementation and have had ready access to progress status and the completed actions to enable hydrocarbon production re-start.

### 2.2.3. Conclusion

#### Conclusion [4794-C01]

From the detailed review of the evidence provided, which included close out of high priority action items, operational readiness checklists and cargo oil tank 5 centre tank technical note, NOPSEMA inspectors conclude that Jadestone Energy (Eagle) Pty Ltd have complied with the commitments made in their Operational Readiness Plan.



## Appendix B: Summary of meeting attendance

### B.1: Onshore Meetings

The Onshore Entry Meeting provided an opportunity for NOPSEMA to provide an overview of the planned inspection programme and confirm the itinerary. The Onshore Exit Meeting provided an opportunity for NOPSEMA to present the findings from the planned inspection.

A list of personnel at the entry and exit meetings is included below:



FORM

### Entry and Exit Meeting Register and Notification of Entry

Document No: N-02000-FM1941 A745084

Date: 27/08/2020

By initialling the 'Entry' column of the form below, I hereby acknowledge that on entering the facility the inspectors notified the entry meeting attendees of the purpose of entering the facility in accordance with:

- Schedule 3 Clause 50(2) - OHS inspections

of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Note: Page two of this form contains NOPSEMA Privacy Notice

<b>Operator:</b>	Jadestone Energy (Eagle) Pty Ltd	<b>Facility:</b>	Montara Venture	
<b>Entry meeting date:</b>	27/04/2023	<b>Exit meeting date:</b>	28/04/2023	
Name (please print)	Company	Position	Entry	Exit
			(please initial)	
[REDACTED]	NOPSEMA	OHS Inspector	[REDACTED]	[REDACTED]
[REDACTED]	NOPSEMA	OHS Inspector	[REDACTED]	[REDACTED]
[REDACTED]	JADESTONE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	JSE	[REDACTED]	[REDACTED]	[REDACTED]