

Marley-2 Exploration Well Environment Plan: Public Summary April 2008

This summary of the Marley-2 EP has been submitted to comply with Regulation 11(7)(8) of the Petroleum (Submerged Lands) (Management of Environment) [P(SL)(MoE)] Regulations 1999.

Introduction

Apache Energy Limited (Apache) proposes to drill the exploration well, Marley-2, in State waters off the Western Australian coast in permit area TL/5. Marley-2 is located 9 km to the west of the Montebello Islands (**Figure 1**).

Apache's generic Environment Plan (EP) for its drilling program on the North West Shelf (NWS) in State and Commonwealth waters will be used to manage the well (EA-00-RI-164). A bridging document to this EP for Marley-2 was approved by DoIR, in accordance with the Petroleum (Submerged Lands) (Management of Environment) (PSLMoE) Regulations 1999.

Project Description

The proposed Marley-2 drill site is located at 200 25' 24.0" S and 1150 41' 25.01" E (GDA 94, Zone 50) in a water depth of 43 m.

The drilling procedure for the well will be to drill a 914 mm (36") hole to 97 m measured depth below rotary table (MDRT) with seawater and pre-hydrated gel (SW/PHG), with a 762 mm (30") conductor run in and cemented just below the seabed. From here, a 660 mm (26") hole will be drilled to 1,381 m depth, and 508 mm x 473 mm casing will be run in and cemented. The hole will then be displaced to potassium chloride (KCI)/polymer WBM. A 406 mm (16") hole will then be drilled to 2,954 m depth using water-based mud (WBM) and a 340 mm (13 3/8") casing run and cemented. The hole will then be displaced with SBM (LAO 14-16-18) followed by a 311 mm (121/4") hole drilled to 3,248 m depth with synthetic-based mud (SBM). 244 mm (9 5/8") casing will be run in and cemented, followed by drilling of the 216 mm (81/2") hole to a total depth of 4,136 m. The well will be evaluated using vertical seismic profiling (VSP) and logged then plugged and abandoned.

Marley-2 may be sidetracked to core and tested. Cuttings injection of the centrifuge underflow will be undertaken down the 762 mm (30") annulus and a cuttings dryer installed on the rig. Coarse material from the dryer will be discharged to the seabed. The well may also be production tested dependant upon pressures encountered in the reservoir.

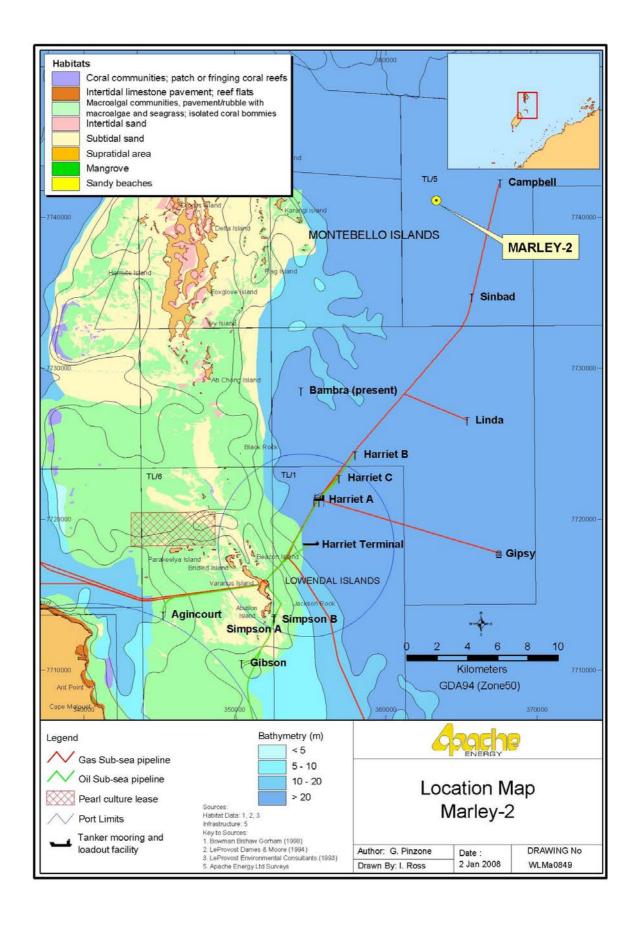


Figure 1: Location of the Marley-2 drill site

Receiving Environment

Physical Environment

The NWS lies in the arid tropics region of Australia, which experiences high summer temperatures and periodic cyclones (with associated rainfall). Rainfall is generally low, with evaporation exceeding rainfall. Mean ocean temperatures range from a minimum of 11°C in winter to a maximum of 37°C in summer. Shelf waters are usually thermally stratified at a depth of about 20 m.

Wind patterns are monsoonal with a marked seasonal pattern. From October to March, the prevailing non-storm winds are from the south-west, west and north-west at an average speed of less than 10 knots. From June to August, winds are generally lighter and more variable in direction than in spring and summer. Non-storm winds prevail from north-east through to south-east at average speeds of 5-6 knots. Transitional wind periods, during which either pattern may predominate, can be experienced in April, May and September each year. The seabed across the Marley-2 site is predominately composed of thin veneer of gravelly, fine to coarse sand over smooth calcarenite and there are no coral pinnacles or significant seabed features.

Biological Environment

Diverse assemblages of benthic fauna are likely to exist at the site, especially if unconsolidated sediments are present. Mobile burrowing species that may be present include crustaceans (crabs and shrimps), worms, sea stars, sea urchins and other small animals. Spatial and seasonal distribution of such species depends on factors such as substrate composition, season, water depth and temperature.

The demersal habitat of the NWS hosts a diverse assemblage of fish, many of which are commercially exploited by trawl and trap fisheries, for example the genera *Lethrinus* (emperor) and *Lutjanus* (snapper). Pelagic fish in this area include tuna, mackerel, herring, pilchard and sardine. The inshore habitats in this region are not considered to be significant nursery grounds for commercially important deeperwater fish species.

Whale sharks (*Rhincodon typus*) are oceanic and cosmopolitan in their distribution; however, they aggregate in and near the waters of the Ningaloo Marine Park during autumn, around the Exmouth region. They are occasionally observed from Apache's offshore oil and gas facilities on the NWS such as the Stag platform.

Four species of marine turtle nest on sandy shore sites of the Dampier Archipelago, Montebello Islands, Lowendal Islands, Barrow Island, and other coastal islands in the Exmouth region. These are the green turtle (*Chelonia mydas*), flatback turtle (*Natator depressus*), hawksbill turtle (*Eretmochelys imbricata*), and the loggerhead turtle (*Caretta caretta*). All four species are on the National List of Threatened Species. The leatherback turtle (*Dermochelys coriacia*) may also visit the open waters of the shelf. The loggerhead, flatback and leatherback turtles are known to feed on midwater plankton and benthic animals, and can forage in continental shelf waters, so may occur around the Marley-2 location.

The nationally threatened dugong (*Dugong dugong*) occurs across the tropical coastal waters of Australia from Shark Bay to Queensland. They are herbivorous and are generally associated with seagrass beds, upon which they feed. Dugongs are commonly found in shallow sheltered areas (less than 5 m deep), often near islands or large bays. They are not likely to be present around the proposed Marley-2 location.

Dolphins are relatively common in the region. Species known to occur in the region are the bottlenose dolphin (*Tursiops truncatus*), common dolphin (*Delphinus delphis*), Indo-pacific humpback dolphins (*Sousa chinensis*) and the striped dolphin (*Stenella coeruleoalba*). A number of whale species, including the short-finned pilot whale (*Globicephala macrorhynchus*), false killer whale (*Pseudorca crassidens*), tropical byrdes whale (*Balaenoptera edeni*), southern minke whale (*Balaenoptera acutorostrata*) and humpback whale (*Megaptera novaeangliae*), also occur in the region, the most commonly sighted of these being the humpback whale. This species migrates between the Antarctic waters and the Kimberly region of Western Australia. The peak of their northerly migration between the Exmouth Gulf and the Dampier Archipelago occurs around late July to early August, while the southerly return migration peaks around late August – early September with a later subsequent cow/calve peak migration occurring from early to mid October. The Marley-2 well is not located within the migration corridor and the timing of the drilling is outside of any whale migration periods.

Eighteen species of seabird have been recorded over the NWS waters. These include petrels, shearwaters, tropicbirds, frigatebirds, boobies and terns, and silver gulls. Of these, eight species occur year round and the remaining 10 are seasonal visitors.

Socio-Economic Environment

The population centres adjacent to the region in which the drilling program is located are the Port of Dampier and Port Hedland and the smaller coastal and fishing towns of Onslow and Point Samson. Dampier, Karratha and Port Hedland are the main service and population centres for the region. Local people seeking aquatic recreation such as boating, diving and fishing use the coast and islands of the Pilbara. The open waters of the Commonwealth permit areas do not support significant recreational or tourism activity.

Commercial fisheries are active along the Pilbara coast; however fishing effort in the open Commonwealth waters is low, with operators favouring the inshore areas.

No marine or terrestrial conservation areas are located in the vicinity of the drill site.

Table 1 summarises the biological and socio-economic features of the NWS.

Table 1: NWS biological and human activity seasons

SPECIES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Dugong		bree	ding							bree	ding	
breeding												
Hawksbill												
turtle nesting												
Flatback												
turtle nesting												
Green turtle												
nesting												
Loggerhead												
turtle nesting												
Coral												
spawning												
Whale							N	so	uth	S		
migration							rt			u		
							h			t h		
Whale								,				
sharks												

Algae	growing			shedding fronds				growing				
Seabird nesting												
Prawn trawling												
Tourism												
Marley-2												

Key	
	Peak activity, presence reliable and predictable
	Low level of abundance/activity/presence
	Activity not occurring within the area

Major Environmental Hazards and Controls

The potential environmental impacts resulting from offshore drilling on the NWS are outlined in detail in the Generic Drilling Program EP. **Table 2** summarises the potential impacts of the Marley-2 drilling program.

Table 2: Summary of potential environmental impacts from offshore drilling on the NWS

Potential	Potential environmental effect	Risk ranking			
hazard (risk)	(consequence)	- The training			
Drill rig and vessel anchoring	Localised disturbance to seabed, such as shallow furrows, dependent on seabed type. Effects are temporary.	Negligible – semi- submersible rig with anchoring to seabed.			
Artificial lights from drill rig (must be kept on 24 hrs due to safety regulations)	Potential disorientation of fauna by lights at night, especially turtle hatchlings.	Negligible – wave direction and magnetic cues are primary influences on turtle hatchlings once they have left the beach. Marley-2 is distant from nesting beaches.			
Impacts to marine species from noise generated by the drill rig and support vessels	Potential short-term physiological effects or disruption to behaviour patterns of cetaceans, birds, turtles, fish and other marine life.	Negligible – observations have shown whales resting and swimming in close proximity to operating rigs.			
Drill cuttings and fluid discharges	Drilling activities and disposal of drill cuttings and fluids will produce suspended sediments in the water column increasing turbidity, will bury and smother infauna and epifauna and may lead to toxicity and bioaccumulation to marine organisms.	Acceptable – WBMs and SBMs used. Studies on NWS reveal few long-term impacts on benthic fauna from WBMs. SBM on cuttings reduced through use of cuttings dryer/centrifuge system. Centrifuge underflow injected into 762 mm (30") conductor annulus.			
Sewage, putrescible and solid domestic wastes	Potential localised reduction in water quality - nutrient enrichment. Modification of feeding habits of local fauna.	Negligible – sewage treatment available on rig.			
Waste oil, chemicals and oil-contaminated drainage water	Potential localised reduction in water quality.	Negligible – decks kept clean during operations, oily-water separator collects any spilled material.			
Cooling water and atmospheric emissions	Potential localised reduction in water quality. Emissions of greenhouse gases. Potential localised reduction in air quality.	Negligible – discharged above water line to allow cooling and oxygenation.			

Potential	Potential environmental effect	Risk ranking
hazard (risk)	(consequence)	NI P TI
Introduction of foreign marine	Competition with local marine life and absence of natural predators	Negligible
organisms from drill rig and	can alter ecological balance of flora and fauna communities, favouring	
support vessels	the introduced species and resulting in loss of flora and fauna diversity	
	and abundance.	
Impacts to humpback	VSP is a more benign activity than conventional seismic surveys.	VSP carried out in accordance with DoIR
whales from	Potential short-lived impacts include	guidelines for minimising
vertical seismic	disruption to navigation and	acoustic disturbance to
profiling (VSP) noise	communication, with some research indicating no disruption from normal	fauna.
	activities when seismic activity is	
	occurring several kilometres away.	
Oil or diesel	Severe damage of marine habitats	Acceptable – oil spill
spills	(e.g., coral reefs, mangroves,	modelling indicates spills
	beaches) and death or injury to	would be unlikely to reach land.
	marine life (e.g,. birds, mammals).	iaiiu.

Environmental Management

Extensive environmental management guidelines are prepared for each Apachedrilled well. Apache management documents used to guide the implementation of well-specific environmental management procedures are listed below:

- Environmental Management Policy (April 2006).
- Contaminated Waste Management Procedure (VI-SA-ON-EN-000).
- Incident Reporting Procedure (AE-91-IF-002).
- Lighting Management Plan (EA-60-RI-153).
- OSCP Volume 1 Operations (NWS) (AE-OO-EF-008).
- OSCP Volume 2 Resource Atlas (NWS) (AE-OO-EF-008/2).
- Quarantine Procedure (AE-91-IQ-189).
- Refuelling Management Plan (DR-91-IG-001).
- Refuelling Operational Procedure Guide.
- Vermin Management Plan (EA-60-RI-131).
- Waste Management Plan (EA-60-RI-167).

Consultation

In preparing the Generic NWS Drilling Program EP, Apache consulted with numerous stakeholder representatives, including:

- DolR
- Department of Environment (DoE)
- CALM (Marine branch)
- Fisheries WA
- Marine and Coastal Community Network
- Environment Protection Agency (EPA)
- Marine Parks Reserve Authority (MPRA)
- CALM (Environmental protection)
- WA Fishing industry Council

Further Details

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