Environmental Protection Order

This environmental protection order is issued by the administering authority pursuant to section 358 of the Environmental Protection Act 1994.

Longreach Oil Limited ACN 000 131 797
Level 27, 25 Bligh Street
SYDNEY NSW 2000

Email: lgo@longreachoil.com

Your reference: EPPG00745213

Our reference: C-CPLPO-100538089 – 101/0033911-001(E)

29/01/2024

Dear Directors,

Take notice: that under the *Environmental Protection Act 1994* (EP Act) this environmental protection order (EPO) is issued to Longreach Oil Limited (you) by the administering authority. The administering authority is the Chief Executive of the Department of Environment, Science and Innovation (the department).

The EPO is issued with respect to the activities of Longreach Oil Limited on land described as Petroleum Lease (PL) 280 situated at approximately 35km northeast of St George, Queensland (the premises).

A. Grounds

This EPO is issued on the following grounds:

1. To secure compliance with section 319 of the Act pursuant to section 358(d)(i) of the Act. Section 319 of the Act states:
    a. *A person must not carry out any activity that causes, or is likely to cause, environmental harm unless the person takes all reasonable and practicable measures to prevent or minimise the harm (the **general environmental duty**).*
2. To secure compliance with conditions of environmental authority EPPG00745213 pursuant to section 358(d)(iii) of the Act, specifically conditions 62 ,64 and 66.

The facts and circumstances forming the basis for these grounds are:

1. Longreach Oil Limited is a holder of environmental authority (EA) EPPG00745213 effective 2 March 2016.
2. EA EPPG00745213 provides authorisation and obligations in relation to activities carried out under the EP Act on the former petroleum tenure known as Petroleum Lease (PL) 280.

Queensland Government

3. The Resource Authority Public Report for the relevant tenure indicates that at the time the tenure ended, you held 50% of the share in the relevant tenure and Brisbane Petroleum Ltd also held a 50% of the share of the relevant tenure.
4. EA EPPG00745213 continues in effect, despite the currency of the relevant tenure, as per section 201(2) of the EP Act.
5. On 14 November 2019, Brisbane Petroleum Ltd was issued a Notice by the department requiring a surrender application for EA EPPG00745213 by 16 December 2019.
6. Between 12 May 2020 and 17 June 2020, Brisbane Petroleum Ltd advised the department that there were outstanding decommissioning requirements to McWhirter-1 well. On 4 June 2020, Brisbane Petroleum Ltd submitted a Covid-19 Event Compliance Notification Form for circumstances relating to the pandemic that were preventing the completion of the surrender application, which was acknowledged by the department 17 June 2020.
7. On 31 May 2022, the department conducted an announced inspection of activities on historic PL280 where authorised officers observed outstanding disturbance surrounding petroleum well McWhirter-1.
8. On 13 June 2022, the department issued you and Brisbane Petroleum Ltd formal correspondence recommending that you take all reasonable and practical steps to rectify the potential non-compliance.
9. On 27 June 2022, Brisbane Petroleum Ltd submitted a revised surrender application submission timeframe to the department stating timeframes as follows:

Action	**Outcome sought**	**Anticipated timing**
Contact landholder	Agreement to either decommission McWhiter-1 or convert to water bore for landholder's use	By mid Sept 2022
Request quote	Cost to decommission or conversion and transfer confirmed	By mid Sept 2022
Book works	Scope and timing of works confirmed with contractors and landholder	By end Oct 2022
Commence works	Decommission or conversion of McWhirter-1 commences	By end November 2022 (subject to contractor availability)
Complete works	Well successfully decommissioned or converted and transferred to landholder. Environmental disturbance remediated	By end February 2023 (TBC with contractor and subject to completion of applicable notification or reporting requirements and final inspection by Department)
Lodge surrender application	EPPG00745213 successfully surrendered	Within one month of works being completed

10. On 9 November 2022, Brisbane Petroleum Ltd advised the department that due to consultant availability the provided timeframes for application submission would be extended for an additional 3 months.
11. On 21 June 2023, Brisbane Petroleum Ltd submitted email correspondence to the department stating: *BP has received quotes to decommission/convert McWhirter to a water bore. These costs are however in excess of what was expected and quite prohibitive. BP is currently considering options to progress*

including funding arrangements. For this reason, our anticipated timeframes to surrender the EA have now changed.

12. On 6 November 2023, liquidators for Brisbane Petroleum Ltd advised disclaimer of its interest in EA EPPG00745213.
13. The rehabilitation of McWhirter-1 remains outstanding.
14. The department considers that you have failed to take all reasonable and practicable measures to prevent or minimise environmental harm.
15. The department considers that it is appropriate to secure your compliance with the general environmental duty to ensure the stated remediation and decommissioning is carried out within a stated reasonable period.
16. Longreach Oil Limited is a current joint holder of environmental authority EPPG00745213, has continued to be a holder from grant and is a registered suitable operator under the Act.
17. EA condition 62 requires the holder to, amongst other things, 'develop a monitoring program that will demonstrate compliance with the conditions of the environmental authority and document monitoring and inspections carried out under the monitoring program and any actions taken.
18. Longreach Oil Limited has not demonstrated that it had complied with condition 62 in ensuring that the conditions of the EA have been complied with as a holder of the EA.
19. EA Condition 64 requires 'that as soon as practicable after the end of petroleum activities that have caused significant disturbance to land, the holder of the environmental authority must:
    a) remediate contaminated land caused by petroleum activities in accordance with EP Act requirements and this authority; and
    b) undertake works to establish a safe, stable, non polluting landform similar to that of surrounding undisturbed areas……'
20. The development activities at the McWhirter-1 well include significant disturbance to land because the activity caused disturbance and human intervention is required to rehabilitate it.
21. Petroleum activities are no longer permitted because PL 280 was cancelled pursuant to section 798 of the Petroleum and Gas (Production and Safety) Act 2004 on 6 September 2019 for failure to comply with sub sections 155, 156 and 588 of that Act.
22. The significant disturbance to land is continuing because:
    a) the condition of McWhirter-1 well cannot be said to comply with condition 66 of the EA because a well cable of producing oil (whether economical or otherwise) is not safe, stable or non polluting; and
    b) that this continuing disturbance was observed during the department's inspection on 31 May 2022.
23. EA condition 64 places a joint obligation on Longreach Oil Limited to commence rehabilitation and complete rehabilitation to a standard that complies with condition 66.
24. Each holder of an EA has statutory liability for compliance with the EA and the Act. This remains so, irrespective of any underlying agreements of interest that the holders may have.
25. EA condition 66 requires Longreach Oil Limited as a joint holder to achieve successful rehabilitation for a period of at least 3 years.

26. Longreach Oil Limited has not demonstrated that it has implemented measures to comply with condition 64 to achieve the rehabilitation outcome required by condition 66.
27. The McWhirter-1 oil well forms part of the petroleum activities conducted on petroleum tenure PL 280 which was jointly held and an under EA which is also jointly held and therefore is responsible for securing compliance with the conditions of the EA.
28. This EPO requires you to secure compliance with EA conditions 64, 65 and 66 by undertaking the actions in Part B of this notice

B. Requirements

In accordance with this EPO, you are required to do the following:

1. By **1 March 2024**, commence rehabilitation of Mc-Whirter-1 well and any other outstanding disturbed areas, by an **appropriately qualified person**[1].

2. By **1 June 2024**, complete rehabilitation of McWhirter-1 well and any other outstanding disturbed areas in accordance with Condition 64 of EPPG00745213.

3. By **2 August 2024**, submit a surrender application that meets the requirements of section 262 of the EP Act for environmental authority EPPG00745213 to the administrating authority.

   [1]**NOTE: appropriately qualified person** means a person who has qualifications, training, skills and experience relevant to the nominated subject matter and can give authoritative assessment, advice and analysis to performance relative to the subject matter using the relevant protocols, standards, methods or literature.

C. Obligations

If you propose to dispose of the place or business to which the EPO relates, you **must** advise the buyer of the existence of this EPO.

If you cease to carry out the activity to which this EPO relates, you **must** give written notice of ceasing to carry out the activity to the department within 10 days of ceasing the activity.

Take notice:

- the requirements of this order take effect immediately upon service of the order;
- failure to comply with this order is an offence under the EP Act;
- this order remains in force until further notice from the administering authority.

D. Penalty

It is important that you know the impact to you personally as an individual or as a corporation for not meeting your obligations.

Failure to comply with an EPO is an offence.

- The maximum penalty for wilfully contravening an EPO is 6250 penalty units, totalling $ $967,500 or five years imprisonment for an individual or $ $4,837,500 for a corporation.
- The maximum penalty for contravening an EPO is 4500 penalty units, totalling $696,600 for an individual or $3,483,000 for a corporation.

Failure to provide written notice to the buyer of the existence of the order is an offence.

- The maximum penalty is 50 penalty units, totalling $7,740, for an individual or $ $38,700 for a corporation.

Failure to provide written notice to the department within 10 business days of ceasing the activity to which an environmental protection order relates is an offence.

- The maximum penalty is 50 penalty units, totalling $7,740 for an individual or $38,700 for a corporation.

Section 3 of the *Penalties and Sentences Regulation 2015* prescribes the monetary value of a penalty unit.

E. Reviews and appeals

The provisions regarding reviews of decisions and appeals are found in sections 519 to 539 of the EP Act.

A person who is dissatisfied with an original decision made by the Department of Environment and Science (the department) may apply to have that decision internally reviewed.

Information about initiating an appeal in relation to this notice is contained within the Internal Reviews and Appeals Information Sheet (available at www.qld.gov.au using the publication number ESR /2015/1742 as a search term)

A request for review or appeal is to be made using the approved form 'Application for review of original decision' (available at www.qld.gov.au using the publication number ESR/2015/1573 as a search term.

Applications for reviews are to be sent to Permit and Licence Management, Department of Environment and Science: via email at palm@des.qld.gov.au , or by mail to the following address: GPO. Box 2454, Brisbane, QLD, 4001.

Where an application has been made for a decision to be reviewed, the applicant may also apply to the relevant court for a stay of the decision to secure the effectiveness of the review.

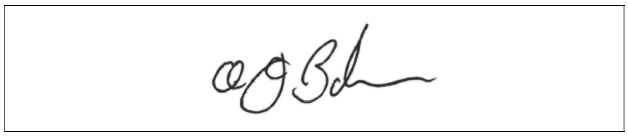
Once the original decision has been reviewed, a person who is dissatisfied with the review decision may be able to appeal against that decision to the relevant court within 22 business days after receiving notice of the review decision.

A person whose interests are or would be adversely affected by a decision of the department may be able to request a statement of reasons for a decision or a statutory order review under the *Judicial Review Act 1991*.

You may have other legal rights or obligations and should seek your own legal advice.

Pursuant to section 540 of the Act, the department is required to maintain a register of certain documents and information authorised under the Act. A copy of this document will be kept on the public register. The register is available for inspection by members of the public who are able take extracts, or copies of the documents from the register. Documents that are required to be kept on the register are published in their entirety, unless alteration is required by the Act. There is no general discretion allowing the department to withhold documents or information required to be kept on the public register. For more information on the department's public register, search 'public register' at www.qld.gov.au. For queries about privacy matters please email privacy@des.qld.gov.au or telephone 13 74 68.

Should you have any queries in relation to the notice, please contact Zali Domrow on 07 4529 8396 telephone number.



Signature

29 January 2024

Date

Anthony Baker

Director

Delegate of the Chief Executive

Department of Environment, Science and Innovation

Environmental Protection Act 1994

Enquiries: Zali Domrow

COMPLIANCE CENTRE: Toowoomba
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