



GRUMBY & HEYTESBURY ASSETS DECOMMISSIONING OPERATIONS NOTICE OF OPERATION

INTRODUCTION

This **Notice of Operation Plan** provides information on the proposed petroleum operation – the Heytesbury and Grumby 1 well decommissioning (HDCOM) project in PPL's 1, 4, 6, 7, 9 and 10, as required under sections 161 and 163 of the Petroleum Act 1998 (Act) and section 23, 24, 25, 26 and 27 of the Petroleum Regulations 2021 (Regulations).

WHAT IS AN OPERATION PLAN?

An Operation Plan is a document required under the Act in relation to a proposed petroleum operation. A plan identifies the risks that the operation may pose to the environment, to any member of the public and to land or property in the vicinity of the operation. It also identifies the risks to any petroleum, source of petroleum or reservoir in the vicinity of the operation.

The plan outlines what the holder of the authority (Lochard Energy) will do to eliminate or minimise those risks. It also specifies what the holder of the authority will do to rehabilitate land that will be affected by the operation. The plan also sets out any other matters required by the regulations.

WHAT IS THE HDCOM PROJECT?

The HDCOM Project is the permanent decommissioning of a number of existing wells within PPL 1 (Grumby 1) and PPL's 4, 6, 7, 9 and 10 (Heytesbury wells; Croft 1, Fenton Creek 1, Lavers 1, Mylor 1, McIntee 1, Tregony 1), which are currently suspended or shut in and used for monitoring purposes. These petroleum operations will occur at existing well locations, and will complete with the rehabilitation of the wellsites. A map showing the location of these wells is attached to this notice.

Lochard will seek regulatory approval for the Grumby 1 Well Decommissioning Operation Plan and the Heytesbury Assets Operation Plan to undertake works required to decommission and rehabilitate these wells. Information on the project can be found in this Notice of Operations.

WHAT DOES THE HDCOM PROJECT INVOLVE?

Lochard employees located at the Iona Gas Plant and the Lochard head office in Melbourne will be directly involved in overseeing the project. Lochard will engage

Authority Holder Details:

PPL 1 - Lochard Energy (Iona Operations) Pty Ltd, Level 10, 2 Southbank Boulevard Victoria 3006.
PPL4, PPL6, PPL7, PPL9, PPL10 - Lochard Energy (Iona Heytesbury) Pty Ltd, Level 10, 2 Southbank Boulevard Victoria 3006.

For more information or to contact Lochard: **By phone:** 1800 848 879

By email: info@lochardenergy.com.au **Or website:** www.lochardenergy.com.au

a service rig contractor and third-party services that are appropriately skilled and qualified to manage decommissioning operations and associated works. The number of people on site will vary according to the project stage. Peak numbers are expected to be during the rig operations phase where up to 15 project personnel may be on site.

All decommissioning works will be completed at the existing established wellsites. Some additional workspace may be required at each site to ensure safe operations and to accommodate the service rig and ancillary equipment and services. Portable offices to support the decommissioning operations will be located at the wellsite. It is anticipated that rig crew and other service providers will be based in accommodation at nearby locations.

A rigless campaign will be conducted using a slickline and pumping unit to evaluate the existing steel casing and cement within the wellbore, and to prepare the wells for the rig based decommissioning work. The rig based work will then be carried out. Decommissioning will take place by retrieving downhole equipment as required, and placing cement within the wellbore as required to isolate the discrete hydrocarbon and water bearing zones from each other and surface.

When operations are completed existing above ground wellhead and 'Christmas Tree' equipment will be removed and the well cut and capped below ground level in

line with regulatory requirements. All equipment associated with the project will be removed from each location, and the well sites rehabilitated back to pasture.

Key stages of the project will be:

- A rigless campaign to evaluate the condition of existing installed downhole equipment, and prepare the well for rig based decommissioning.
- Conducting civil works at each wellsite to accommodate the service rig and associated equipment.
- Decommissioning up to seven wells, subject to regulatory approvals.
- Rehabilitation of each well site.



WHEN IS THIS PLANNED TO HAPPEN?

Lochard aim to obtain all required

The planned project schedule for 2023 is:

- January 2023 - DJPR approval of Operations Plans.
- January-February 2023 – Rigless campaign.
- February 2023 - Commence civil works for Heytesbury & Grumby well locations.
- March-July 2023 – Rig based decommissioning campaign.
- March-November 2023 – Final site clean-up and rehabilitation. Commencing at each site on completion of rig based activities.
- 2024 – Site Reviews, additional rehabilitation (if required) and final hand back to landholders

regulatory approvals for the project by early 2023, and for the first round of works to commence and complete within the first half of 2023. Those wells not to be decommissioned in 2023 will be decommissioned during a subsequent campaign. A separate notice of proposed operations would be issued prior to any subsequent campaign.

The rigless work is planned to be completed in January/February 2023, following approval of the Operations Plans.

Civil works for the project are planned to commence in February and March 2023, prior to rig based activities commencing.

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The service rig is expected to mobilise in March 2023 and be on location through to July 2023. The service rig will operate 12 hours a day (daylight hours), 7 days a week once rig operations commence.



Typical Service Rig

HEALTH, SAFETY AND ENVIRONMENTAL CONSIDERATIONS

Lochard is committed to supporting sustainable environmental practices and continually strives to ensure that it uses best practice approaches to health, safety and the environment at the Iona Gas Plant and associated projects.

The Iona Gas Plant Safety Management System (SMS) and Iona Gas Plant Environment Management System (EMS)



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provide for the overarching management of health, safety and environment risks for the Iona Gas Plant and associated gas storage sites. The HDCOM project utilises these systems and will be conducted in accordance with relevant regulatory approvals.

An essential component of compliance is the identification of potential risks and impacts to the health and safety of personnel, contractors and the public, to land or property in the vicinity and to the environment (including potential effects on the amenity of the local surroundings). Actions taken to reduce these risks and impacts as much as possible are built into the overall project plans. These are outlined in the Grumby 1 Decommissioning Operation Plan and Heytesbury Assets Operation Plan. These plans also include a Well Operations Management Plan (WOMP) and an Environment Management Plan (EMP). There is a project specific Health, Safety, Environment Management Plan (HSEMP) which outlines HSE management expectations on aspects such as training, supervision, risk assessment and control, protective equipment and specific hazardous tasks.

Cultural heritage and environmental studies will be undertaken ahead of site works commencing.



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A summary of potential environmental, social and public safety risks and impacts along with mitigating actions are provided in the table below.

Potential risk	Risk category	Sources	Lochard Actions
Ground water contamination	Environmental Public safety	Contamination of aquifers during decommissioning works.	<ul style="list-style-type: none"> Existing Steel casings are cemented in place from the bottom of the well to surface. Installation and testing of cement barriers to isolate hydrocarbon bearing zones and aquifers. Both casings and cement are pressure tested to ensure a strong seal. Installation of well control equipment installed/tested per API requirements. Monitoring of well integrity is ongoing once the well is established. Monitoring of ground water quality through the existing monitoring program which tests for several indicators on a monthly or quarterly basis.
Increased traffic and heavy vehicles	Public safety	Rig mobilisation and demobilisation. Heavy vehicle movements. Local traffic between the Project accommodation and wellsites.	<ul style="list-style-type: none"> Activities will be conducted in line with the Iona Gas Plant Traffic Management Plan and project-specific Traffic Management Plan which establish traffic curfews and routes. Lochard will advise regional and local residents of the increased traffic movements ahead of rig mobilisation. Activities will be conducted in accordance with the National Heavy Vehicle Regulator, VicRoads requirements.
Excessive noise/vibration	Environmental Social	decommissioning operations and flaring.	<ul style="list-style-type: none"> Noise monitoring during operations Noise control assessment Noise awareness training is to be conducted for rig crews. Operations are planned for daylight hours only



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Potential risk	Risk category	Sources	Lochard Actions
Management of wastes	Environmental	Wastes from the project are expected to be operational (such as fluids, excess cement and prescribed wastes) and general waste from the site offices.	<ul style="list-style-type: none"> • The generation of waste fluids and excess cement will be minimised. • All waste will be captured onsite and disposed of in accordance with EPA requirements. • Designated bins will be provided for hazardous materials or other contaminated waste that needs special treatment or disposal. • Waste contractors licensed and approved by EPA Victoria will be used where required as per Lochard's Waste Management and Reporting Procedure. • Disposal of general and recyclable waste from the offices will be through dedicated waste/recycling bins.
Land and surface water contamination	Environmental	Sources include loss of well control, runoff/surface spills and spills from storage of hazardous materials	<ul style="list-style-type: none"> • Storage of materials will comply with Lochard standards and requirements. • Temporary storage at the project sites will be within bunded areas and double-skinned tanks used for fuel, with quantities to be kept to a minimum. • Spill kits will be kept on site and immediate clean ups will be initiated if a spill or leak occurs.
Interruption of nearby land use	Social Environmental	Well sites and access on private property. Traffic.	<ul style="list-style-type: none"> • Lochard will access each well from existing sites and access routes, to minimise additional impact on landowners. • Additional area for operations will be minimised as much as possible. • No road closures are planned. • A Property Management Plan will be produced for each site ahead of site works.
Excess lighting disturbing the amenity of the	Social	Flaring and lighting during night works.	<ul style="list-style-type: none"> • Light during operations is required to ensure a safe work place for the operation teams.



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Potential risk	Risk category	Sources	Lochard Actions
local surroundings			<ul style="list-style-type: none"> Lighting used on site is to be oriented to minimise offsite lighting. Operations are planned to be conducted during daylight hours, minimising additional lighting requirements and durations. Flaring is not planned, and is a contingent operation only.
Incident involving the transport of dangerous goods and hazardous materials	Public safety Environmental	Hazardous materials could include diesel fuel, fluids, lubricants and maintenance/cleaning related chemicals.	<ul style="list-style-type: none"> All hazardous material is transported in compliance with the Australian Code for the Transport of Dangerous Goods by Road & Rail (ADG7.7) Materials transported are checked for appropriate safety data sheets (SDS) and packaging requirements. Lochard only uses approved contractors and evaluates contractors to ensure compliance with the Australian Dangerous Goods Code.
Contribution to adverse climate change due to greenhouse gas emissions	Environmental	Potential activities that may contribute to emissions include flaring, combustion of diesel and venting.	<ul style="list-style-type: none"> No flaring is planned. This will be a contingent operation only. Minimal venting only planned. As required to establish/verify barriers. Emissions will be tracked, recorded and reported in accordance with regulations. Wells to be decommissioned in an appropriate time and manner Ongoing routine monitoring and maintenance for wells which have not been decommissioned.
Impact on flora and fauna	Environmental	Construction, operational or clearance works.	<ul style="list-style-type: none"> In 2014, Origin Energy, the previous operator of the Heytesbury wells undertook a flora and fauna study which determined the sites exist on land that has largely been cleared of native vegetation and is dominated by grazed pasture. A baseline study of flora and fauna found in PPL-1 and PPL-2 found no



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Potential risk	Risk category	Sources	Lochard Actions
			<p>listed flora or fauna and no habitats of significance or biodiversity.</p> <ul style="list-style-type: none"> The rig and other service equipment will be contained within or adjacent to existing fenced areas, in previously disturbed areas – no additional clearing is required. A study is being conducted by Lochard Energy for potential flora and fauna in the work areas. If issues are identified, then suitable controls will be implemented.
Disturbance of aboriginal and non-aboriginal cultural heritage sites	Social	Construction, operational or clearance works.	<ul style="list-style-type: none"> Aboriginal and non-aboriginal cultural heritage values have been assessed at each wellsite via an Environmental Effects Statement (EES) in 1998 and a Cultural Heritage Survey (CHS) in 2019. A desktop study is being conducted on the workspace areas by a suitably qualified consultant. If issues are identified, then suitable controls will be implemented. Work will be conducted at existing previously disturbed locations.
Impact on visual amenity of surrounding area	Social	The rig and service equipment may be visible from various vantage points on roads leading past each well location.	<ul style="list-style-type: none"> Visual impacts at the lower level are mitigated by natural land undulation and the tree screen around wellsites. The rig may be visible, dependent on wellsite, from the Curdievale-Port Campbell Rd, Boundary Rd, East & West Rd, Goonans Rd, Baileys Rd.
COVID 19 safety	Public safety	Personnel, contractors/service providers and visitors entering the project site	<ul style="list-style-type: none"> The Lochard COVIDSafe Plan provides an assessment of risks to health and hygiene at Lochard worksites and appropriate controls, including arrangements for increased health monitoring and hygiene practices. Safety rules govern the conduct of employees, contractors and visitors to Lochard sites.



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Potential risk	Risk category	Sources	Lochard Actions
			<ul style="list-style-type: none"> Controls and their implementation for the HDCOM project are outlined in the project HSEMP. Lochard will continue to monitor and follow government advice.
Foot and Mouth Disease	Biosecurity	Personnel, contractors/service providers and visitors entering the project site	<ul style="list-style-type: none"> Personnel not permitted onto location if they have been in a foot-and-mouth disease (FMD) infected country within the last seven days. Vehicle and people movement onto and off location documented. Vehicle and personnel movement restricted to work space areas and access road areas Ensure personnel arrive onsite with clean footwear and clothing.
Impact on existing infrastructure during operations	Public Safety	Impact on existing above ground infrastructure	<ul style="list-style-type: none"> Risks associated with the impact on operation of adjacent existing Lochard infrastructure is managed through a live risk register. Wellsites have single wells only, and no adjacent production infrastructure is present on location. Lochard will use an experienced rig contractor and competent personnel.
Site rehabilitation	Environmental Social Public Safety	Decommissioning	<ul style="list-style-type: none"> Each wellsite will be rehabilitated following well decommissioning. Rehabilitation works for the sites will be completed in accordance with all relevant regulatory requirements and to the reasonable satisfaction of landholders and in accordance with the Property Management Plan. Rehabilitation acceptance criteria have been established with respect to extent of revegetation, site stability and visual appearance.

MORE INFORMATION ON KEY CONSIDERATIONS WHEN PLANNING FOR THE HDCOM PROJECT ARE PROVIDED BELOW.

GROUND WATER AND AQUIFERS

The Port Campbell Limestone and Dilwyn Formation are important aquifers in the region, providing water for farmers and the domestic water supply for several towns. The deeper formations of the Pebble Point, Paaratte and Nullawarre Greensand are saline and not beneficial use aquifers in the area. The Waarre Formation, which contains the gas reservoir, is deeper at depths of 1,500 to 2,000 metres, which is more than 800m metres below the Dilwyn aquifer at all locations and separated by three aquitards or sealing layers.

Lochard's decommissioning practices are designed to ensure the isolation and protection of aquifers and hydrocarbon resources.

The initial rigless campaign will confirm the location and condition of existing installed barriers, and allow for additional mechanical barriers to be installed downhole. During the rig based campaign decommissioning of the well will be completed by placing additional cement barriers as required to isolate aquifers and reservoirs as required.

Each barrier will be verified prior to proceeding to the next, to ensure required isolation is achieved.

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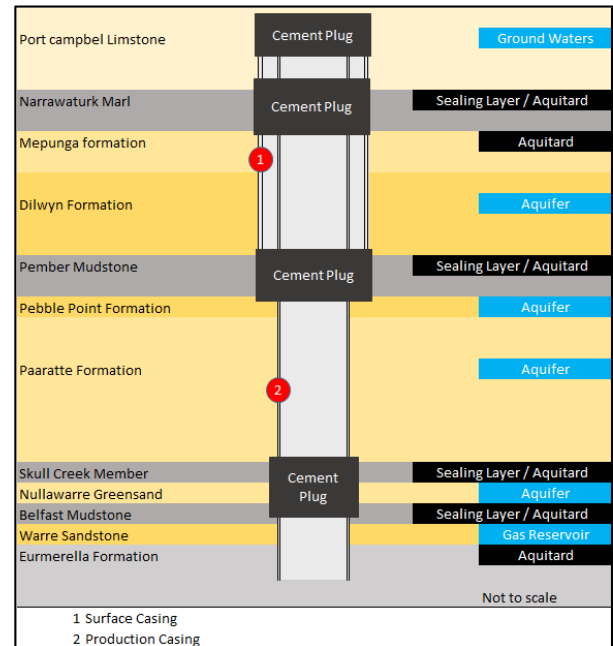


Image above: Diagram of showing indicative cement barriers installed to prevent communication between hydrocarbon and water bearing formations.

TRAFFIC

The project will involve movement and utilisation of a service rig and a number of service providers to and from the project site. Decommissioning works will involve a number of personnel and some heavy vehicle movements.

The rig will be transported by truck to the site in approximately March 2023. Rig mobilisation and demobilisation phases are expected to last approximately one week each. There will be additional truck movements into and out of the sites during March to July 2023. Lochard will advise regional and local residents of the increased traffic movements ahead of rig mobilisation.



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To minimise the risk of incidents involving transport and public vehicles these activities will be conducted in accordance with the National Heavy Vehicle Regulator (NHVR), VicRoads requirements and Lochard's Traffic Management Plan which prioritise public safety and minimise disruption to the local community. All existing local traffic curfews will be adhered to for the project. The NHVR restricts rig movements during public holiday periods.

There will be some increase in traffic movement in the localised area. The location of the project accommodation means that the majority of traffic is contained between Peterborough and the project wellsites, further mitigating the traffic movement risk.

NOISE

Initial civil construction works planned to commence in February 2023 are not expected to impact the community to any greater extent than normal operations. The rig will be on location during March – July 2023 running 12 hours per day and will contribute to higher noise than during normal operations.

The main sources of noise relate to operation of the diesel electricity generation unit, heavy forklift movement and the occasional clanging of metal pipes. Lochard will assess noise data obtained from an equivalent rig to determine if further controls are needed,

conduct a baseline noise assessment at the wellsites prior to decommissioning activities, noise monitoring during the operations.

Community members are encouraged to contact Lochard if they have concerns.

LAND, REHABILITATION AND SURFACE WATERS

Remote sites are currently established with either gravel or grass hard stand areas. There is no capture of surface water on-site with water infiltrating to ground. During the decommissioning operations additional hard stand may be established, and matting may also be utilised to reduce the requirement for further civil works.

Site-specific environmental management plans will be developed to manage environmental risks.

Prior to rehabilitation soil sampling will be undertaken to ensure any contaminant issues are identified prior remediation works.

The transport and storage of fuel and hazardous chemicals are controlled activities and must be conducted in accordance with Lochard's procedures to reduce the potential of an incident releasing materials into the environment.

Spill kits compatible with the material being stored and handled will be available at each location during operations. Personnel are trained to respond in the event a spill or leak occurs in a bund or to



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ground. All releases are recorded by Lochard and reported to the regulator as required.

All equipment, fuel and chemicals associated with the project will be removed at the end of the decommissioning program.

Lochard is committed to ensuring that the sites are rehabilitated to a standard similar to what existed prior to the development. A site specific Property Management Plan will be developed for each location that details the approach for the work and rehabilitation.

Rehabilitation of the wellsites will involve the following:

- Removal of all remaining facilities including the wellhead, fencing and other remaining facilities;
- Removal of hardstand material as required by the landholder;
- Import of replacement soil material and re-seeding in accordance with the landholder's preferred seed mix;
- The rehabilitated area will remain fenced off until the grass is re-established and is suitable for grazing;
- At completion of rehabilitation, Lochard will seek formal sign-off from the landholder.

TRADITIONAL CUSTODIANS

Lochard would like to respectfully acknowledge the Eastern Maar people, the

Traditional Owners of the lands on which the Heytesbury and Grumby 1 wells are located. "Eastern Maar" is a name adopted by the people who identify as Maar, Eastern Gunditjmara, Tjap Wurrung, Peek Whurrung, Kirrae Whurrung, Kuurn Kopan Noot and/or Yarro waetch (Tooram Tribe) amongst others.

Lochard acknowledges the cultural, spiritual, historical and ongoing connection to the country and would like to pay respect to their Elders past, present and emerging.

COMMUNITY INVESTMENT

Benefits from the project are expected to include provision of additional income streams to the Western Victorian region via the use of accommodation, food outlets, conference facilities, personnel hire and local services.

Lochard supports the ongoing employment of local people at the Iona Gas Plant (more than 50 people are directly employed at the Iona Gas Plant and live in the region) and by local businesses providing services including water, labour, catering, fencing, rubbish

For general project inquiries, updates or to speak with the project team:

Project Team Representative: Rod Harris

By phone: 1800 848 879

By email: info@lochardenergy.com.au

Or website: www.lochardenergy.com.au



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removal, security, cleaning, and flora and fauna experts.

IF YOU HAVE CONCERNS OR WANT MORE INFORMATION

Submissions concerning this Notice must be made in writing to Lochard Energy by 30 September 2022.

Submissions will be reviewed and considered from 01 October 2022 and replied to in the preparation of the Grumby 1 Decommissioning and Heytesbury Assets Operation Plans.

Please address your submission to:

By mail:

HDCOM Project Ops Plan submission,
Iona Gas Plant,
285 Waarre Road,
Port Campbell, VIC, 3269

By email: info@lochardenergy.com.au

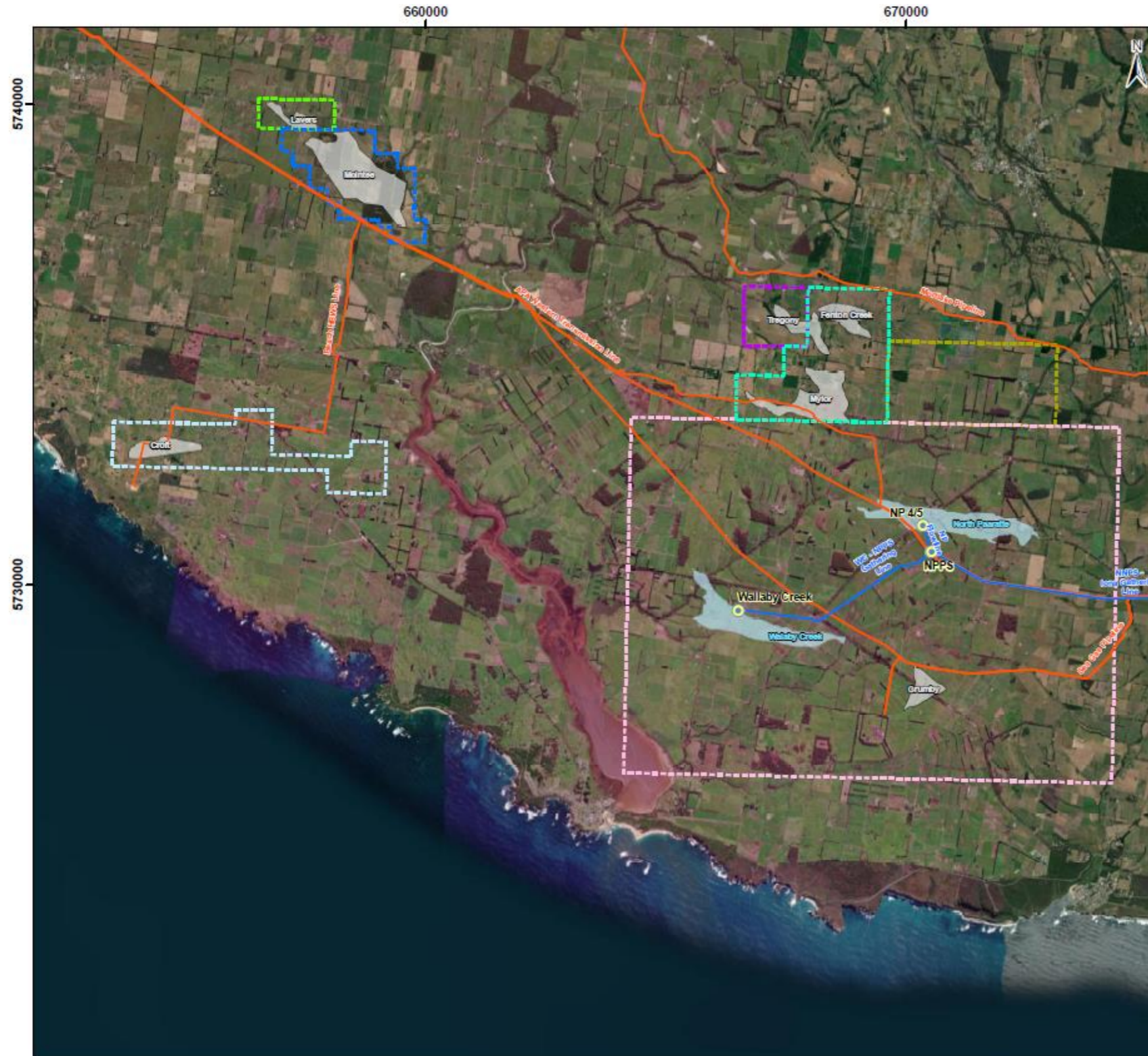
KEEPING IN TOUCH
















Lochard will continue to engage with local landowners, community members, councillors and government officials and are committed to keeping stakeholders informed of project activities and answer your questions.

The Iona Community Liaison Committee (CLC) meetings are the primary interface with community members and updates on decommissioning works have been and will continue to be provided at this forum. In addition, the CLC will be the forum for ongoing consultation once the decommissioning work is in operation.

Notifications will be provided to neighbours in advance of the works commencing.

HDCOM Work Area



PROJECT				
Heytesbury & Grumby Decommissioning				
DWG TITLE				
Lochard Remote Field Locations				
LEGEND				
	Wellsites			
	Existing Lochard Pipelines			
	Existing Other Pipelines			
	Operating or Under Development Fields			
	Non-Operating Fields			
PPL Boundaries				
	PPL1			
	PPL4			
	PPL5			
	PPL6			
	PPL7			
	PPL9			
	PPL10			
				
				
				
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