

**Environmental Impact Classification
Pursuant to Section 98 of the *Petroleum Act 2000***

Acrasia #1 Initial production test - Cooper Basin, South Australia

9th July 2002

INTRODUCTION

Pursuant to section 98 of the *Petroleum Act 2000* (the Act) the Minister must classify the regulated activities covered by a prepared Environmental Impact Report (EIR) as either low, medium or high impact.

The classification must be made on the basis of:

- The prepared Environmental Impact Report (EIR);
 - Criteria established for classifying the level of environmental impact of regulated activities, a copy of which is found on the PIRSA Petroleum Group web page:
<http://www.pir.sa.gov.au/dhtml/ss/section.php?sectID=437&templD=8>;
- and
- Comment received from Department for Environment and Heritage (DEH) and Department for Water Land and Biodiversity Conservation (DWLBC) in accord with established administrative arrangements between these respective departments and PIRSA.

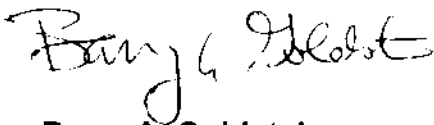
This document summarises the classification made by PIRSA on Acrasia 1 Initial Production Test Operations in the Cooper Basin. This classification is based on the information provided in the EIR and draft Statement of Environmental Objectives (SEO) both dated June 2002 as submitted to PIRSA by Stuart petroleum on 19th and 21st June 2002, respectively.

SUMMARY OF CLASSIFICATION

- 1) From an analysis of the environmental significance of the various potential impacts associated with this operation – summarised in attachment #1 against the classification criteria – this regulated activity has been classified as **low impact**.
- 2) Comments received from DWR concur with this classification.
- 3) Comments received from DEH also supported this classification on condition that the following comments were taken into consideration. DEH comments were forwarded to Stuart Petroleum to be addressed in their EIR.
 - That the wilderness value of the area should be given due consideration in the EIR. DEH felt its status was being downplayed.
 - Non European heritage should be referred to as non-indigenous

- Consideration should be made on the potential impact of trucks using the Cordillo Road.
- 4) The most significant threat to the environment was assessed to be from oil spills at the well head, and as a result of loading and accidents during trucking activities. The management strategies outlined in Table 1 of the EIR, including bunding and no trucking at night or in wet conditions, have been assessed as being adequate for reducing the risk of these incidents significantly impacting the environment.

Therefore pursuant to delegated powers dated 28th March 2002 and Gazetted 11th April 2002, I hereby classify this regulated activity as low impact.



Barry A. Goldstein

Director - Petroleum Group

Office of Minerals and Energy Resources

Delegate of the Minister for Minerals and Energy

11 JUL 2002

BY:

09-Jul-02

Chief Executive
Department of Primary Industries and Resources
GPO Box 1671
ADELAIDE SA 5001

Dear Sir,

The Department for Environment and Heritage has considered the application described below by consulting with the various groups within the Department.

The following comments are offered:

DME reference: SR27/4/7780/0B **type:** PEL90EIRSEOtest

locality: Cooper Basin, Acrasia 1

applicant: Stuart Petroleum NL

application type: Initial Petroleum Production Test, Acrasia 1

comments:

In accordance with the terms of the Memorandum of Administrative Arrangement between PIRSA and DEH, we are in agreement with PIRSA's assessment that the proposal is one of low impact, only if due attention is paid to comments below:

Comments on the Environmental Impact Report

The EIR fails to recognise that the landuse of the site is conservation, not just cattle production. The lack of pastoral infrastructure means this area has a higher than average wilderness quality for this landtype and as such needs to be recognised. Table 1 contains broad claims to relieve Stuart Petroleum of future responsibility. Statements relating to wilderness status (lack of) and lack of wildlife or habitat values are questionable.

The biophysical environment section states that there is no record and no expectation of rare or threatened species. While there are no current records of Rare and Endangered species there is a likelihood of an occurrence. The statement of no expectation should be deleted.

Throughout the report heritage is referred to as Aboriginal or European. This should be amended to reflect non european heritage such as Afghans and other peoples who operated in the Outback through the area. May we suggest the use of indigenous and non-indigenous heritage.



Use of the Cordillo Road. Traffic to the south may impact little as the road has a traditional

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use by trucks. However if Stuart Petroleum intend carting trucks to the north this will need to be reassessed as there is no established oil tanker traffic use north of Acrasia/Reg Sprigg and impact, particularly in the Marqualpie landsystem, would be significant. Cordillo Road is not a designated road-train route. Use by articulated transport poses a public safety hazard and may cause damage, reparation of which may be charged to the trucking contractors under the Highways Act.

It is recommended that, prior to transporting oil tankers to Queensland from Acrasia 1 Well, early contact is made with Mr Bob Paul, the Regional Area Coordinator, Transport SA (sat tel 0414 459 531) to arrange a joint inspection of the route to assess feasibility. If the route is utilised, a commitment to avoid diverting around fragile sections and reinstating any resulting damage will be necessary.

The EIR has adequately covered the issues relating to possible emergencies in a remote corner of the Cooper Basin Gas and Oil Field.

In summary it is felt the application is downplaying the environmental status of the site and the impact of activities in that landscape. The real issue for this trial is access along the Acrasia 1 access road and potential impact on the Cordillo Road especially if sending trucks to the north.

Comment on the Statement of Environmental Objectives

The Draft SEO is considered adequate, if the following comments are taken into consideration, for THIS TRIAL ONLY. Ms Crafter has requested more time to absorb the proposed further test activities.

Access track:

There is some maintenance occurring on this access at the moment however the damage has been significant as trucks try to avoid bulldust holes and patches by continually going wider to the point the track is 20m or more wide. This is unacceptable and the track needs to be repaired to a suitable standard to withstand the expected load and 20% additional.

In addition to the above, comments previously forwarded for the Code of Environmental Practice still apply:

The well application area is located within the Innamincka Regional Reserve, an area of considerable environmental significance.

Special attention needs to be given to safeguarding this sensitive landform against detrimental impacts. The well location is in a remote area of the reserve and does have higher than average wilderness values and being relatively undisturbed has high biological values.

There is to be no deposition of any foreign material (eg: pollutants such as fuel, oil or chemicals) including soil, into any form of natural wetland catchment or drainage lines. This includes no blading of earth into drainage channels which disrupts natural flows and in time may lead to silting of claypan, lake or bed of any other wetland.

Significant species of wildlife, are known to occur here and are deserving of special attention to minimise disturbance to themselves and their gibber plain habitat.

Observe all National Parks and Wildlife Act legislation pertaining to correct conduct in a reserve and observe all Fisheries legislation regarding conduct in waterways in the reserve. For further information please contact Senior Ranger Christine Crafter at Innamincka, telephone 08 8675 9909. Providing the above comments are taken into consideration, there is no objection to the Code of Environmental Practice.

Prior to commencing works and for further information please contact Ms Christine Crafter, A/District Ranger North East Deserts, telephone 86759909.

It is assumed that the above comments will be incorporated into the documentation and updated ones provided for the long term production test. Prior to approval from our Minister on the Production EIR and SEO all DEH comments should have been included in the documentation.

Yours sincerely



Brian Moore
SENIOR PLANNER, RESERVE PLANNING
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Resource Management

02WLBC0604

5 July 2002

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Dear Mr Goldstein

I write in response to your request for comment on the ACRASIA 1 Initial Production Test Environmental Impact Report (EIR) and Draft Statement of Environmental Objectives (SEO).

The initial production test comprises a short flow and shut-in operation, run over a few hours with limited volumes of oil being produced, and is the initial step in moving to full production. PIRSA has classified this operation to be one of 'low environmental impact'. Subsequent extended testing will be the subject of an expanded Environmental Impact Report.

The Initial Production Test EIR and SEO gives attention to avoidance, contamination and remediation of any oil spills occurring at the well site, and during subsequent transportation of the oil produced during the test. It is not anticipated that formation water will be produced during the test, however in this event the test will be terminated.

The assessment of the Initial Production Test EIR and SEO indicates the protection of surface and groundwater resources has been adequately addressed. Provided the test is conducted in accordance with the safeguards specified in the EIR and SEO, there is unlikely to be any impact on surface or groundwater resources.

Considering the above the Department has no objection to PIRSA's assessment and classification of the initial production test to be conducted at Acrasia #1 as being of 'low environmental impact'. Furthermore the Department has no comment to make on the draft SEO.

For further information on this matter please contact Mr Vince Rigter on telephone 8463 6856 or email rigter.vince@saugov.sa.gov.au.

Yours sincerely

Bob McLennan
DIRECTOR, RESOURCE MANAGEMENT DIVISION
DEPARTMENT FOR WATER, LAND AND
BIODIVERSITY CONSERVATION