

Enterprise Project

Notice of Operation



Wellsite facilities preliminary concept layout

Notice of Operation | February 2022

Introduction

The Enterprise Project is part of a program of work to develop additional offshore natural gas reservoirs in the Victorian Otway Basin.

The Enterprise reservoir is located offshore, up to 3 nautical miles (5.55 km) from the coastline. The wellsite is located onshore, approximately 4 km west of Port Campbell and approximately 7 km east of Peterborough.

In December 2020 the Enterprise exploration well was successfully drilled and tested, and assessment of the well delivered a positive result. This result will help ensure the continued supply of raw gas to the Otway Gas Plant for processing and supply to the Australian domestic natural gas market.

The Enterprise Project includes the addition of well management facilities at the existing wellsite and the construction of a pipeline to the Otway Gas Plant. Where possible, the pipeline route will follow existing easements to minimise impacts to landholders.

Beach has been consulting with local communities regarding the drilling of Enterprise Project since early 2018, and more recently regarding the planned site facilities.

Notice

This Notice of Operation provides information on the proposed petroleum operation - the development of the wellsite facilities at the Enterprise wellsite - as required under section 161 (1A) of the *Petroleum Act 1998* (Act) and regulation 23 of the *Petroleum Regulations 2021* (Regulations).

This document provides a formal notice in accordance with Regulations, for the next phase of development at the Enterprise Project wellsite.

The installation of the pipeline, production at the Otway Gas Plant from of the reservoir and ongoing operation of the well and pipeline is not included in the scope of this activity Notice. These activities will be addressed in separate approvals and associated consultation processes.

What is an Operation Plan

An Operation Plan (Plan) is a document required under the Act that must be prepared by the holder of the authority (petroleum production licence) in relation to a proposed 'petroleum operation' and submitted to the Department of Jobs, Precincts and Regions for approval prior to the operation commencing. A 'petroleum operation' is a specific activity relating to the exploration, development or production of oil or gas. Beach's 'petroleum operations' in Victoria involve exploration and production of gas to produce natural gas (Heating/Cooking), Propane (BBQ) and AutoLPG (Transport) and condensate (diesel-like fuel).

An Operation 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.

An Operation Plan outlines what the holder of the authority (Beach 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 and also sets out any other matters required by the regulations.

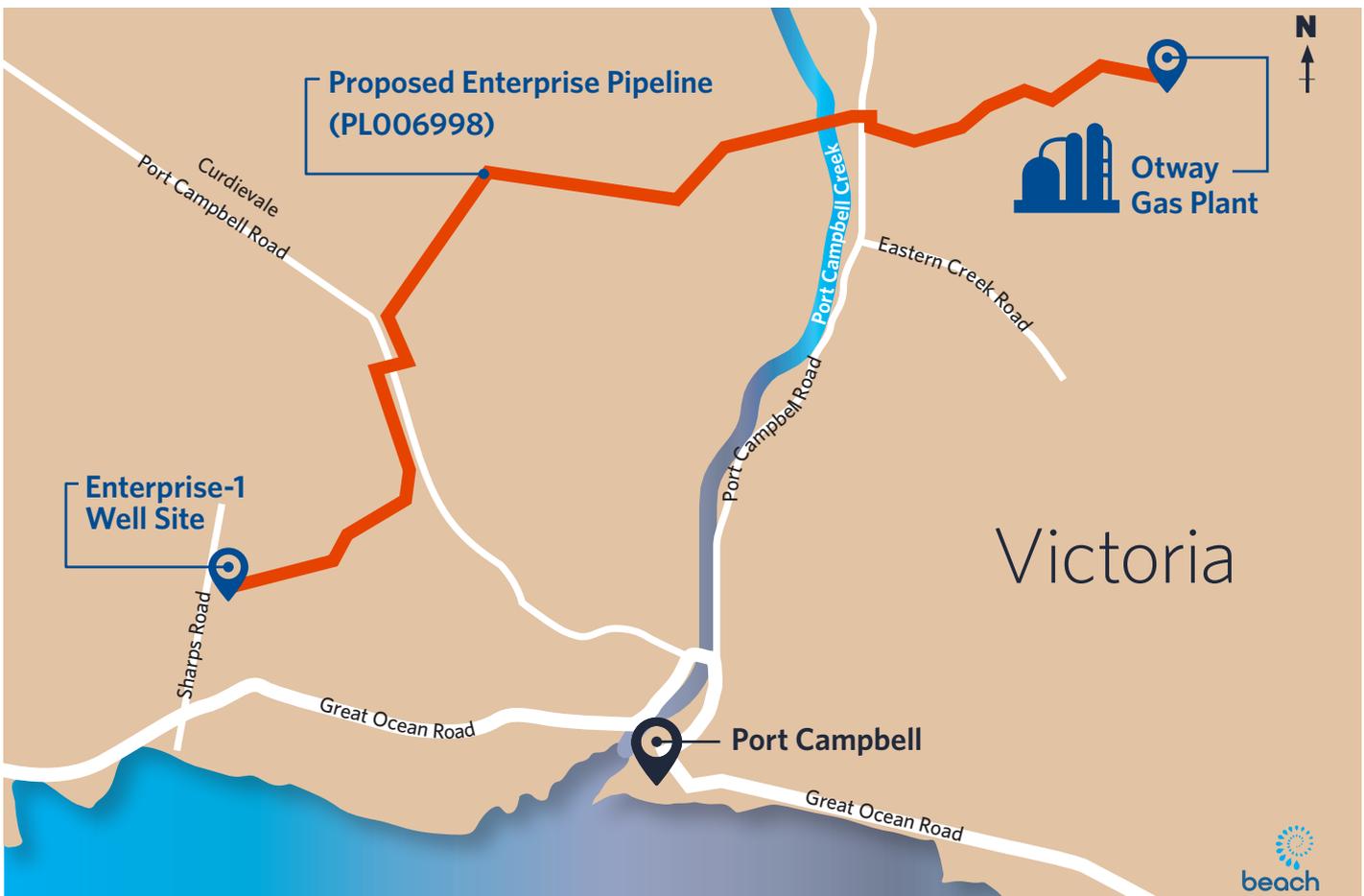
The Plan will outline what Beach will do to eliminate or minimise those risks and rehabilitate land that will be affected by the operation, along with any other matters required by Regulations.

What does the development of the wellsite involve?

Wellsite development activities that will be described in the Operations Plan include:

- Construction of a second access to the wellsite.
- Installation and preliminary pressure testing of the facilities and pipework that are required to transfer the gas from the well to the pipeline.
- Installation of a control room containing equipment to enable the well to be remotely managed from the Otway Gas Plant.
- Installation of prefabricated workshop and amenities buildings.
- Replacement of the temporary valves and controls at the wellhead with permanent ones, and the removal of isolating plugs from the Enterprise well bore to enable production.

The wellsite activity will require a range of equipment including light and heavy vehicles and semi-trailers to bring equipment and goods to site, and excavators and cranes for the construction and installation of the above facilities.



Wellsite and proposed pipeline location.

When is it planned to occur

The Project is currently progressing through the design phase, with a focus on finalising design scope and progressing with the required regulatory approvals processes.

Wellsite activities are expected to be completed over a 4-5 month period subject to approvals and the finalisation of the construction schedule during the 'detailed design' phase of the Project. Works may commence as early as November 2022 and are expected to be completed by mid 2023.

Key activities of the Project planned for November 2022 through to mid 2023 are:

Wellsite activities

Additional wellsite access works.

Civil works (preparation of the wellsite and supports and footings for facilities installation).

Production valves and controls installed and plug retrieval.

Delivery, offloading and placement of prefabricated facilities.

Installation of connecting pipework between prefabricated facilities.

Installation of control room, amenities and workshop.

Installation of electrical and control equipment cabling.

Pressure testing of facilities.

Health, safety and environmental considerations

Safety and the environment

For Beach Energy, the safety of people and the local environment are the highest priorities for its operations and projects. Beach operates within a highly regulated industry and has a proud track record of meeting stringent environmental and safety standards.

The Health and Safety Policy and Environmental Policy is available at: www.beachenergy.com.au or by scanning the QR code.



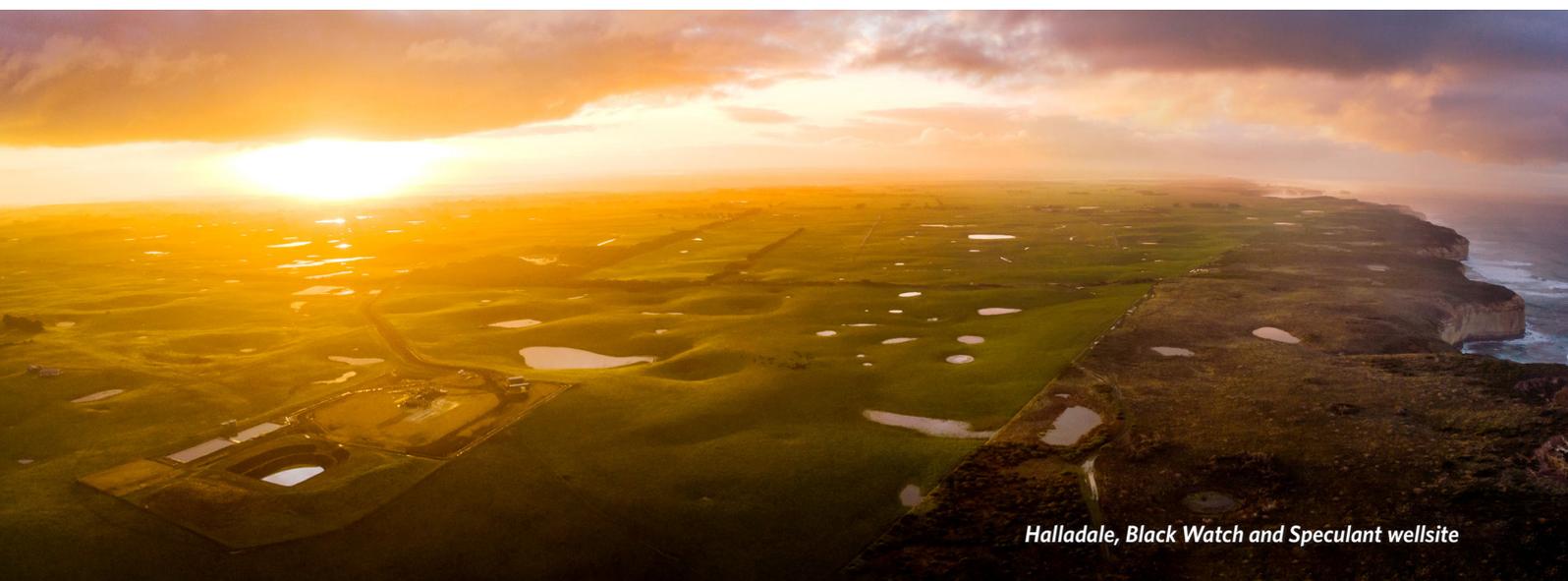
Emmissions

As a natural gas explorer and producer across Australia and New Zealand, Beach is committed to sustainably delivering energy for communities. Beach recognises that climate change is one of the global challenges of this century and understand the role we must play in managing our carbon emissions.

Beach Energy has an aspiration to reach net zero emissions by 2050 and a target to reduce 2018 operated emissions 25% by 2025. See further information in Beach's Sustainability Report.

Staying COVID-19 Safe

As an essential service provider, Beach has been operating under strict COVID-19 management procedures since March 2020. Those procedures go above and beyond the minimum requirements and have ensured that our people and contractors can continue to operate within strict health and safety standards.



Halladale, Black Watch and Speculant wellsite

Summary of Impacts and Risks

All Beach projects and activities are undertaken in accordance with the Beach Energy Operations Excellence Management System (OEMS). The OEMS documents the Health, Safety and Environment (HSE) policy, HSE Standards, HSE Directives and the key HSE processes and requirements for all activities. The Enterprise Project, including the wellsite construction activity will be conducted in accordance with the OEMS and all relevant regulatory requirements.

The Wellsite Construction Operation Plan, which includes a Well Operations Management Plan (WOMP),

Environmental Management Plan (EMP) and a Rehabilitation Plan are being prepared specifically for the wellsite development activity and will require acceptance from the Department of Jobs, Precincts and Regions before the activity can commence.

The Operations Plan will include an identification of the potential impacts and risk associated with the wellsite construction and the identification of measures to ensure that these risks and impacts are reduced so far as reasonably practicable. The potential impacts and risk and management measures are summarised in the table below.

Potential Risks or Impact	Description of Source of Risks or Impact	Beach Management Measures
Impact		
Disturbance to native flora and fauna	<ul style="list-style-type: none"> Noise and vibration sources associated with the activity such as plant, equipment and vehicles. Artificial lighting that may be required at night time or during emergency situations. Loss of fauna habitat and native flora associated with clearing of native vegetation required for the new wellsite access gate. 	<ul style="list-style-type: none"> Reducing speed limits for project vehicles to minimise noise and vibration impacts and reduce potential for vehicle fauna strikes. Ensure that in the unlikely event that night lighting is required that it is directed to avoid light spill. Minimise the amount of vegetation clearance required for the second wellsite access and selecting a location with vegetation assessed as having lowest habitat quality.
Disturbance to community	<ul style="list-style-type: none"> Noise generated by construction activities and vehicle and equipment movements. Presence of construction personnel on local roads. Presence of wellsite infrastructure. Generation of dust from traffic or construction. 	<ul style="list-style-type: none"> Undertaking wellsite construction activities in daylight hours as much as possible. Reducing speed limits for project vehicles to minimise dust generation. Implementing dust control measures as conditions require. Use of the perimeter fence to screen the wellsite construction activity from view. Ongoing engagement with near neighbours and the community with respect to construction activities. Development of a project specific Traffic Management Plan. Avoidance of heavy vehicle movements during school bus times.
Disturbance to Port Campbell National Park (PCNP)	<ul style="list-style-type: none"> Noise generated by increased traffic and construction activity. Presence of additional vehicles impacting fauna. 	<ul style="list-style-type: none"> No works to be undertaken within the PCNP. Avoidance of the use of the Great Ocean Road for construction vehicles.
Air emissions <ul style="list-style-type: none"> Equipment exhausts 	<ul style="list-style-type: none"> Combustion exhausts from generators and other stationary engines. Mobile and fixed plant and equipment Vehicle exhaust. 	<ul style="list-style-type: none"> Planned maintenance schedule ensuring all equipment is maintained and operating efficiently. Recording and reporting of fuel use Reporting GHG emissions as required by legislation.

Summary of Impacts and Risks (continued)

Potential Risks or Impact	Description of Source of Risks or Impact	Beach Management Measures
Risk		
Introduction and establishment of weeds and pathogens	<ul style="list-style-type: none"> Contaminated vehicles entering the wellsite. Importation of contaminated soil. 	<ul style="list-style-type: none"> Inspection of vehicles entering the wellsite. Utilising licenced quarries to source materials for civil construction works.
Accidental release of materials and waste	<ul style="list-style-type: none"> Spills or leaks for fuels or chemicals due to inappropriate handling and storage. Spread of wastes due to ineffective containment, transportation and disposal. 	<ul style="list-style-type: none"> Implementing appropriate storage of hazardous materials including bunding. Procedures and designated areas for refuelling. Waste Management procedures including designated waste storage areas, waste tracking and use of licenced waste contractors. Spill clean-up and incident reporting. Regular inspections.
Disturbance to soils and hydrology	<ul style="list-style-type: none"> Increased sediment discharge to nearby waterways during civil construction activities. 	<ul style="list-style-type: none"> Utilise erosion and sediment control for areas of disturbance. Regular inspection of erosion and sediment control structures.
Disturbance to unidentified cultural heritage	<ul style="list-style-type: none"> Construction in previously undisturbed areas (ie new wellsite access). 	<ul style="list-style-type: none"> Implementation of procedures in the wellsite Cultural Heritage Management Plan. Engagement with Eastern Maar Aboriginal Corporation.
Hydrocarbon and chemical spill	<ul style="list-style-type: none"> Spills or leaks for fuels or chemicals due to inappropriate handling and storage. 	<ul style="list-style-type: none"> Implementing appropriate storage of hazardous materials including bunding. Procedures and designated areas for refuelling. Spill clean-up and incident reporting. Regular inspections.
Loss of well control (during plug retrieval)	<ul style="list-style-type: none"> Release of gas due to emergency event during well activities. 	<ul style="list-style-type: none"> Well control procedures and personnel training. Well Operations Management Plan. Emergency Response procedures.
Emergency event - fire	<ul style="list-style-type: none"> Hot engine or vehicle exhausts. Ignition of stored fuels. Inappropriate cigarette butt disposal. 	<ul style="list-style-type: none"> CFA Permit. Regular site vegetation maintenance. Fire prevention measures including extinguishers on vehicles at site. Weather and fire ban monitoring. Emergency Response procedures.

The Enterprise Project will also have a dedicated Health, Safety and Environmental Management Plan that will outline all of the company and regulatory requirements for the project. These requirements include:

- Employee and contractor inductions to ensure that all personnel are aware of the OEMS and Operations Plan requirements.
- Incident management and reporting requirements.

- Emergency response procedures to ensure that emergency management arrangements are in place in the unlikely event of an emergency.
- Development of project specific plans and procedures (e.g. Traffic Management Plan).
- Personnel capability audits, ongoing training and competency compliance procedures.
- Audit and inspection schedule to assess that all measures are being implemented.

Questions and Answers

Environment

How will environment protection be managed?

The Project will be constructed and operated in accordance with detailed environmental management plans developed and approved by the regulator. These plans will identify potential environmental risks and appropriate management measures to manage any risks to acceptable levels. It is the Project Manager's responsibility to ensure that the Project is constructed in accordance with these plans.

Will native flora be impacted?

There will be minor disturbance to flora to enable construction of the new access from the roadside to the wellsite and this has been minimised by selection of the least sensitive location. Vegetation clearance will be done in accordance with appropriate vegetation clearance permits and native vegetation offsets will be obtained.

Economic impacts

What about impacts to tourism?

Beach understands and respects the tourism and other industries in the region and has actively supported community projects that improve amenity for locals and tourists. The relatively small local gas industry has successfully coexisted with tourism and agriculture in and around the Shipwreck Coast region for over 20 years.

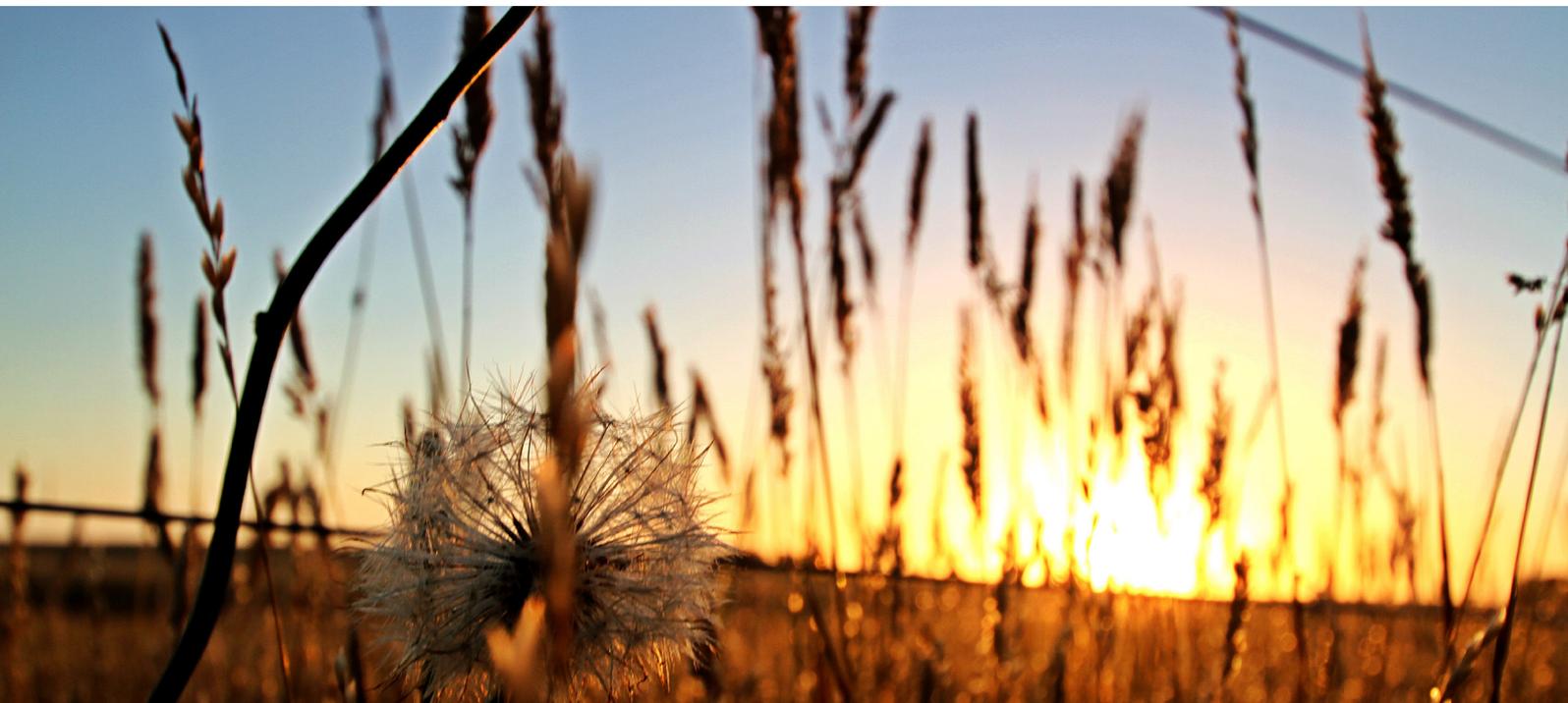
Will there be local job opportunities?

Due to the specialist nature of the site facilities and the technical equipment required, some skills will be sourced from providers outside the local vicinity. However, the Project will provide local job opportunities where skills are available such as for: civil works; traffic management and logistics services. Beach will also use local suppliers for: catering; accommodation camp supplies; use of local accommodation for specialist contractors visiting the site; consumables; waste management and cleaning; logistics and crane hire and other ancillary services.

How does Beach and its projects contribute to the local community and local economy?

The Otway Gas Plant has a multiplier effect in the local economy through: employment of around 40 people from the immediate and surrounding regional communities, whose families all "live, work and play" in the region; use of several local contracting firms for ongoing support services; purchase of local goods where possible; and paying substantial rates to the local shire. This project aims to ensure ongoing supply of raw gas to the plant, thereby continuing to support the local economy.

Beach also contributes to local communities through its community investment programs in the following areas: health and education; environment; sustainable communities; and emergency services.



Questions and Answers

Amenity / Socio-economic

What will I see during wellsite development?

Activity at the wellsite and along the pipeline route is not expected to be visible from Port Campbell, other than a crane which may be visible from the Great Ocean Road and nearby tourist locations.

Will traffic be heavy?

Activities at the wellsite will require movement of heavy vehicles delivering equipment, supply and transit vehicles for an approximate period of up to 5 months. Timing of this activity has not been finalised, but stakeholders will be notified prior to any movement of heavy vehicles.

This movement will be subject to a traffic management plan and advance notices will be given to impacted landholders and community members.

Will the activities be noisy?

Activities and vehicle and equipment movements to and from the construction sites will generate noise in the immediate vicinity. The majority of these activities will take place during daylight hours and are not expected to cause significant disruption.

Will the size of the Otway Gas Plant need to be increased?

The size of the Otway Gas Plant will not be increased to process the gas from the Enterprise Project. This project will help replenish diminishing gas reserves from existing fields to allow the continued operation of the Otway Gas Plant. This project is one of several other projects included in the development cycle of Beach Energy's Victorian Otway Basin assets.

What happens when activity at the wellsite finishes?

Further wells may be drilled from the Enterprise wellsite to connect to the same pipeline once installed. Once all drilling has been completed, all gas from the reservoirs has been depleted and the wells decommissioned, the site will be rehabilitated back to farmland.



Keeping in touch

Beach Energy meets face to face with landholders, nearby neighbours and representatives of the Eastern Maar People (the Traditional Custodians), to explain the project and work with them to identify the best way to manage any impacts. We also consult directly with regulators, relevant government departments and agencies, and local government.

For our local communities, we consult with community representatives, provide briefings at community group meetings, run community drop-in information sessions, email and post out information. All questions, feedback or concerns are considered and responded to. Before, during and after key project phases, we provide updates, including advanced notice of heavy vehicle movements.

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

More information

Submissions concerning this Notice can be made in writing to Beach Energy by midnight on Friday 18 March 2022.

Submissions will be reviewed and considered from the date of receipt and where appropriate will be addressed in the Wellsite Construction Operation Plan prior to submission for assessment and approval by DJPR.

Please address your submission to:

By mail:

Beach Energy
Enterprise Wellsite Construction Operation Plan Submission
80 Flinders Street, ADELAIDE, SA 5000

By email: community@beachenergy.com.au

(Subject: Enterprise Wellsite Construction Operation Plan Submission)

General Project enquiries

Beach representative

Beach's primary contact for the Enterprise Project is:

Blair McNaught

Community Relations Manager - Victoria

P: 1800 848 879

E: blair.mcnaught@beachenergy.com.au

beachenergy.com.au

