



Our ref: MER F2012/000076
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13- April-2017

Mr Kevin Welsh
General Manager Production
Beach Energy Limited
GPO Box 175
ADELAIDE SA 5001

Dear Kevin,

**EXTENSION OF TIME FOR COMPLETION OF FITNESS FOR PURPOSE ASSESSMENT
AND EMERGENCY RESPONSE EXERCISE FOR THE KATNOOK FACILITY (PPL 62)**

I refer to Beach Energy's letter dated 7 April 2017 requesting a retrospective extension of time to undertake the Fitness for Purpose (FFP) assessment (Regulation 30) and Emergency Response Exercise (ERE) (Regulation 31) for the Katnook Gas Plant and associated facilities, licenced under Petroleum Production Licence (PPL) 62 until such a time that Beach intends to recommence the operation of these facilities.

This extension has been requested as Beach Energy have no immediate plans to commence operation the Katnook Gas Plant. Beach have performed integrity assessments and ensured that the Facilities are in an adequate state so as to be safely mothballed until production is to recommence. The Katnook Gas Plant has been depressurised, the gas wells isolated at the wellhead and the flowlines filled with nitrogen. Beach have advised that their Field Operators conduct regular inspections of the Katnook Gas Plant and surrounding well sites to ensure the locations remain in an environmentally safe and secure state.

In this regard, pursuant to Section 134 of the *Petroleum and Geothermal Energy Act 2000*, I hereby grant an extension of time for completion of the FFP assessment and ERE for the Katnook Gas Plant and associated facilities (PPL 62). It is a condition of this extension that the Fitness for Purpose assessment must be completed to the Department of the Premier and Cabinet's (DPC, formerly Department of State Development) satisfaction prior to recommissioning of the Katnook Facility, including associated Flowlines and Wells.

If you have any questions in relation to this matter please do not hesitate to contact William Hughson on (08) 8226 1613 or William.Hughson@sa.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Malavazos', enclosed in a circular scribble.

Michael Malavazos
Director – Engineering Operations Branch
Energy Resources Division
Department of the Premier and Cabinet
Sub Delegate of the Minister for Mineral Resources and Energy