

### NOTICE OF OPERATION - Preparatory Works

This **Notice of Operation Plan** provides an overview of the proposed Heytesbury Underground Storage (HUGS) Project, with specific focus on the preparatory stage of the new wellsite development. The purpose of this Notice is to provide information to project stakeholders. The information included is as required by 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 ('plan') is a document required under the Act in relation to a proposed petroleum operation. A plan must be approved by regulators before work can commence, and the plan:

- identifies risks to the environment, any member of the public and to land or property in the vicinity of the operation;
- identifies risks to any petroleum, source of petroleum or reservoir in the vicinity of the operation;
- outlines what the holder of the authority (Lochard Energy) will do to eliminate or minimise those risks;
- specifies what the holder of the authority will do to rehabilitate affected land; and
- sets out any other matters required by the Regulations.

#### WHAT IS THE HUGS PROJECT?

The HUGS Project will increase the underground gas storage capacity of the Iona Gas Storage Facility (IGSF) near Port Campbell through the development of the existing Heytesbury depleted gas fields. The proposed new wellsite and pipeline is shown in Figure 1. The HUGS Project involves development of a new wellsite, a new licenced pipeline to connect the wellsite to Lochard's existing gas infrastructure, upgrades to the IGSF and upgrade to the North Paaratte Wellsite and Production Station for connection to the HUGS pipeline.

The new wellsite, the "MFCT wellsite" will have the potential to access the Mylor, Fenton Creek and Tregony fields (refer Figure 2), however the Mylor field is the primary development target. Lochard employees from the Iona Gas Plant and head office in Melbourne will be directly involved in overseeing well development which has 5 key stages:

1. Preparatory works
2. Drilling and completion of the gas storage well(s)
3. Wellsite construction work
4. Ongoing operation
5. Decommissioning and rehabilitation

#### Authority Holder Details:

Lochard Energy (Iona Operations) 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](mailto:info@lochardenergy.com.au) **Or website:** [www.lochardenergy.com.au](http://www.lochardenergy.com.au)

**The proposed MFCT wellsite will be located within the boundaries of Petroleum Production Licence Number 4 (PPL4).**

Lochard will seek regulatory approval for the first stage of the MFCT wellsite development, described in this Notice of Operations, which involves the preparation of the site. The HUGS Preparatory Works Operation Plan will provide all details related to this stage.

**Figure 1 HUGS Project sites and location**



### WHAT ARE THE PREPARATORY WORKS?

Preparatory works are anticipated to take approximately 70 days and include:

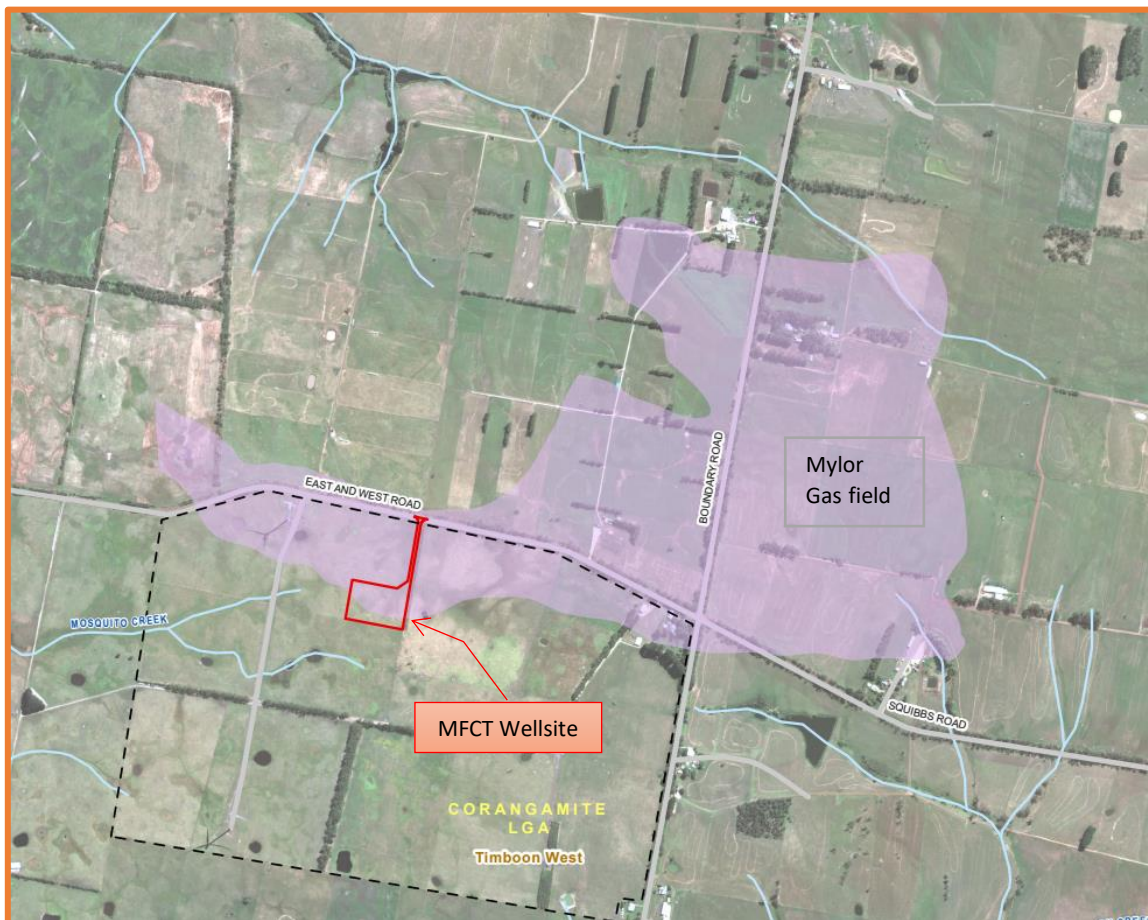
- site and equipment setup, including mobilisation to site;
- installation of fencing and gates;
- construction of an access road; and
- construction of a hardstand area (drill pad).

Development of a drill pad will facilitate the next stage of drilling the appraisal well(s) (to confirm subsurface geology) and, if viable, completing the well(s). Lochard is considering a program of 1-2 wells to be drilled from the same location. Drilling works will be completed under a different Operations Plan and Notice of Operations Plan, which will also include rehabilitation works for the broader project area when it is no longer required upon drilling completion.

Lochard will engage an engineering contractor, civil works contractor, geotechnical contractor, surveyor and third-party services that are appropriately skilled and qualified to design and implement the preparatory works. The number of people on site will vary with site activities, peak numbers expected to be onsite is around 15.

The site is at 464 Boundary Road, Timboon West. Access is off East, West Road (see Figure 2). The initial project area is 1.75ha, this includes provision for space required for soil stockpiles, ancillary equipment laydown and portable offices to support the works. The permanent project area will be 0.97ha on completion of drilling and subsequent wellsite construction (see Figure 3)

**Figure 2 MFCT Wellsite location and gas field**



It is anticipated that the team undertaking the bulk of the preparatory works will be local civil construction contractors and therefore accommodated at home. Small numbers of other service providers will be based in accommodation at nearby locations such as Timboon or Port Campbell.

On completion the new well pad will be security fenced and managed until the next stage begins. All equipment will be removed from worksite.

### WHEN IS THIS PLANNED TO HAPPEN?

Lochard aims to obtain all required regulatory approvals for the preparatory work by December 2023. Works are planned to commence in February 2024 and finish in April 2024 and will operate for up to 12 hrs a day (daylight hours) and 6 days a week.

Dates for drilling operations are to be confirmed, however are indicatively planned for the middle of 2024.

**Figure 3 MFCT Wellsite location and dimensions**



## 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) provide for the overarching management of health, safety and environment risks for the Iona Gas Plant and associated gas storage sites. The HUGS 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 local amenity). Actions taken to reduce these risks and impacts as much as possible are built into the Operations Plans associated with project stages. A Preparatory Works Health, Safety, Environment Management Plan (HSEMP) which outlines HSE management expectations on training, supervision, risk assessment and control, protective equipment and specific hazardous tasks will be developed.

A Cultural Heritage due diligence study has been undertaken for the HUGS project. The MFCT wellsite project area is not in an area of Aboriginal Cultural Heritage sensitivity, however areas of the HUGS project pipeline require that a mandatory Cultural Heritage Management Plan (CHMP) be developed and the MFCT wellsite will be included in this CHMP. The MFCT wellsite is not listed on the Victorian Heritage registry or inventory as a place of interest.

A desktop and site Ecology Assessment was undertaken to assess the biodiversity values of the site, including an assessment of any potential impacts to native vegetation and/or significant flora, fauna and ecological communities. It determined that the subject site was highly modified and cleared and that no threatened flora, fauna or ecological communities are likely to occur on the site. There are no plans to remove any native vegetation as part of Preparatory Works. A summary of potential environmental, social and public safety risks and mitigating actions are provided in Table 1.

**Table 1 Summary Risk Assessment**

Potential risk	Risk category	Sources	Lochard Actions/Risk Mitigation Steps
<b>Vehicle/road traffic incident</b>	Public safety	Heavy vehicle movements for crushed rock. Local traffic between the project accommodation and wellsite.	<ul style="list-style-type: none"> <li>Activities will be conducted in line with the Iona Gas Plant Traffic Management Plan and preparatory works Traffic Management Plan which establish traffic curfews and routes.</li> <li>Lochard will advise regional and local residents of the increased traffic movements ahead of the project commencing.</li> <li>Speed reduction to 60 km/hr on East and West road proposed.</li> <li>Activities will be conducted in accordance with VicRoads requirements.</li> </ul>
<b>Excessive noise/vibration</b>	Environmental Social	Operating earth moving equipment	<ul style="list-style-type: none"> <li>Noise monitoring in lead up to establish baseline and during project works</li> <li>Response to noise complaints received to determine source and mitigate so far as is reasonably practical</li> <li>Equipment inspections and maintenance.</li> <li>Operations planned for daylight hours only.</li> </ul>
<b>Activities will result in excessive generation of waste</b>	Environmental	Wastes from the project are expected to be general waste from the site offices and minor operational waste.	<ul style="list-style-type: none"> <li>All waste to be captured onsite and disposed of in accordance with EPA requirements.</li> <li>Designated bins to be provided for hazardous materials or other contaminated waste needing special treatment or disposal.</li> <li>Waste contractors licensed and approved by EPA Victoria will be used where required as per Lochard's Waste Management and Reporting Procedure.</li> <li>Disposal of general and recyclable waste from the offices will be through dedicated waste/recycling bins.</li> </ul>

Potential risk	Risk category	Sources	Lochard Actions/Risk Mitigation Steps
<b>Land and surface water contamination</b>	Environmental	Sources include surface spills and spills from storage of hazardous materials such as diesel for equipment refuelling	<ul style="list-style-type: none"> <li>Storage of materials will comply with Lochard standards and requirements.</li> <li>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.</li> <li>Spill kits will be kept on site and immediate clean ups will be initiated if a spill or leak occurs.</li> </ul>
<b>Activities will impede existing land use</b>	Social Environmental	Well site development and access on private property. Traffic.	<ul style="list-style-type: none"> <li>Single landholder with agreement in place.</li> <li>Site design has considered required footprint for wellsite and ancillary buildings and equipment and provides a dedicated access track that will prevent petroleum operations from impeding the landowner uses. The reduction in site size will be completed post construction of the permanent facilities</li> <li>Lease includes a long term lease for the permanent facility plus access track with a shorter temporary lease for the additional workspace needed for drilling works.</li> </ul>
<b>Excess lighting disturbing the amenity of the local surroundings</b>	Social	Equipment lighting / lighting during night works.	<ul style="list-style-type: none"> <li>Operations are planned to be conducted during daylight hours, minimising additional lighting requirements and duration.</li> <li>Light during operations may be required to ensure a safe work place for operation teams.</li> <li>Lighting orientation to minimise offsite lighting.</li> </ul>
<b>Contribution to adverse climate change due to greenhouse gas emissions</b>	Environmental	Combustion of diesel	<ul style="list-style-type: none"> <li>Emissions will be tracked, recorded and reported in accordance with regulations.</li> </ul>
<b>Uncontrolled soil movements including run-off</b>	Environmental	Stockpiles of subsurface clays and topsoil	<ul style="list-style-type: none"> <li>Erosion and sediment controls such as silt fencing, drains and sediment traps.</li> <li>Separation of topsoil and subsoil.</li> <li>Planned stockpile areas for most appropriate locations (eg. away from drainage lines).</li> </ul>
<b>Impact on flora and fauna</b>	Environmental	Well pad and access construction works.	<ul style="list-style-type: none"> <li>Earth works equipment to be contained in a fenced area within previously disturbed areas – no additional clearing is required.</li> <li>Due diligence studies commissioned by Lochard identified a single Western Peppermint near the site entrance. The design has been developed to avoid this tree.</li> <li>Works do not require removal of native vegetation.</li> </ul>
<b>Disturbance of aboriginal and non-aboriginal</b>	Social	Well pad and access construction /clearance works.	<ul style="list-style-type: none"> <li>A Cultural Heritage Due Diligence report was commissioned by Lochard and no areas of Aboriginal Cultural Heritage sensitivity or of</li> </ul>

Potential risk	Risk category	Sources	Lochard Actions/Risk Mitigation Steps
<b>cultural heritage sites</b>			<p>non-aboriginal heritage were located within the MFCT wellsite project footprint.</p> <ul style="list-style-type: none"> <li>HUGS Project mandatory CHMP is under development, which includes the MFCT wellsite area.</li> </ul>
<b>Impact on visual amenity of surrounding area</b>	Social	The earth moving equipment may be visible from various vantage points on roads leading past the well location.	<ul style="list-style-type: none"> <li>Visual impacts are mitigated by natural land undulation and existing tree line located nearby</li> <li>The works are expected to be visible from East West Road only.</li> <li>A vegetation screen around the wellsite will be developed post drilling and construction of the final site</li> </ul>
<b>Dust</b>	Public safety Environmental	Dust generated during works	<ul style="list-style-type: none"> <li>Dust suppression activities during construction will be implemented as required and outlined in the HUGS Preparatory Works Operation Plan.</li> </ul>
<b>Bush/grass fires due to site activities.</b>	Public Health and Safety Environmental	Site activities cause grassfire impacting on adjacent properties	<ul style="list-style-type: none"> <li>Control of work via permit to work process</li> <li>On-site fire fighting equipment</li> <li>Cleared area with limited flammable materials</li> </ul>

### KEY CONSIDERATIONS FOR THE MFCT WELLSITE PREPARATORY WORKS

#### TRAFFIC

The project will involve movement and utilisation of a civil contractor and a number of service providers to and from the project site. Works will involve a number of personnel and some heavy vehicle movements.

It is expected key materials and equipment will be delivered to the site via East and West Road, off Boundary Road. It is not planned to utilise the western access to East and West Road off Timboon-Curdievale Road.

To minimise the risk of incidents involving transport and public vehicles these activities will be conducted in accordance with VicRoads requirements. Lochard's Iona Gas Plant Traffic Management Plan and preparatory works Traffic Management Plan prioritise public safety and minimise disruption to the local community. All existing local traffic curfews will be adhered to for the Project.

There will be some increase in traffic movement in the localised area for the duration of the works, however the overall traffic burden on East West Road will remain low. The location of the project accommodation means that the majority of traffic is contained between Port Campbell and the project area, further mitigating the traffic movement risk.

#### NOISE

Preparatory works are not expected to impact the community to any greater extent than normal operations. The main sources of noise relate to operation of the diesel earth moving equipment and roller/compacting equipment.



## HEYTESBURY UNDERGROUND STORAGE PROJECT

Lochard will complete a baseline noise assessment at the wellsite prior to the start of work and complete ongoing noise monitoring activities during project works.

Community members are encouraged to contact Lochard if they have any queries.

### LAND AND SURFACE WATERS

The HUGS Preparatory Works Operation Plan will incorporate an environmental management plan to outline management of environmental risks.

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 during operations. Personnel are trained to respond in the event a spill or leak occurs in a bund or to ground. All releases are recorded by Lochard and reported to the regulator as required.

All equipment, fuel and chemicals will be removed at the end of preparatory works.

Erosion and sediment controls will be installed to prevent contamination of land or surface waters such as silt fencing, diversion of stormwater runoff and sediment traps or basins.

Rehabilitation of part of the land will be undertaken after the drilling stage. Subsoil and topsoil will be separated to facilitate effective rehabilitation. Re-seeding of rehabilitated areas will occur at the most appropriate time of the year in consultation with the landowner and specialist consultants.

### TRADITIONAL OWNERS

Lochard acknowledges the Eastern Maar people as the Traditional Owners of the land on which the MFCT wellsite is located. The Eastern Maar are the Registered Aboriginal Party and Native Title holders for the south west Victoria region.

Lochard has been in discussions with the Eastern Maar for this project and the development of the CHMP.

### COMMUNITY INVESTMENT

Project benefits 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 and live in the region) and local businesses providing services including water, labour, catering, fencing, rubbish removal, security, cleaning and flora and fauna experts.

### KEEPING YOU INFORMED

Lochard has developed a Project Stakeholder Engagement plan to identify and engage with project stakeholders to keep affected parties informed on project progress.

The Project Stakeholder Engagement plan aims to both inform and consult with stakeholders over the life of the project and ongoing operations. Lochard has conducted stakeholder identification to ensure those affected by the Project are kept informed or consulted. Please get in touch with the Project team as shown below should you require more information.





## HEYTESBURY UNDERGROUND STORAGE PROJECT

### HOW TO GET IN TOUCH WITH LOCHARD

Submissions concerning this Notice must be made in writing to Lochard Energy by **10 October 2023**

Submissions will be reviewed and considered and replied to in the preparation of the HUGS Preparatory Works Operation Plan.

Please address your submission to:

**By mail:**

HUGS Preparatory Works Operations Plan Submission

Attention: Susie Bartlett

Iona Gas Plant,

285 Waarre Road,

Port Campbell, VIC, 3269

**By email:** [info@lochardenergy.com.au](mailto: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.

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

**Project Team Representative:** Susie Bartlett

**By phone:** 1800 848 879

**By email:** [info@lochardenergy.com.au](mailto:info@lochardenergy.com.au)

**Or website:** [www.lochardenergy.com.au](http://www.lochardenergy.com.au)