

From: s22
To: Schofield, Lisa; s22
Cc: s22
Subject: RE: Timor Treaty - JC approval [DLM=For-Official-Use-Only]
Date: Monday, 15 July 2019 5:21:15 PM

For-Official-Use-Only

Hi Lisa

Let's discuss this tomorrow. Could I call you at 10am?

s33(a)(iii)

Thanks

s22

From: Schofield, Lisa <Lisa.Schofield@industry.gov.au>
Sent: Monday, 15 July 2019 9:38 AM
To: s22

Subject: Timor Treaty - JC approval [DLM=For-Official-Use-Only]

Morning s22 ,

We spoke a little about the requirement for the Joint Commission to approve elements of the transitional arrangements, in line with the Exchange of Correspondence in the Treaty.

I have drafted the below to address that requirement.

At this stage, I am still assuming there will be a 'final' Joint Commission meeting, but I want to make sure I have something on the record, in case it doesn't happen or gets delayed, or something...so I drafted as an email.

For ease of reference, I have attached the Treaty inc corro.

Grateful for your thoughts/comments by next Friday, 26 July.

Cheers
Lisa

Dear Commissioner Soares, Commissioner Bonito and President da Silva,

I write in my capacity as Australian Commissioner of the Joint Commission.

The *Exchange of Correspondence on Bayu-Undan and Kitan Transitional Arrangements* (Exchange) signed by our respective governments on 13 October 2017, forming part of the *Treaty Between Australia and the Democratic Republic of Timor-Leste Establishing Their Maritime Boundaries In The Timor Sea* (Treaty), sets out a number of steps that the Parties determined would take place prior to the entry into force of the Treaty.

The Exchange states, in part:

The Joint Commission, as established under Article 6(c) of the Timor Sea Treaty, will approve:

- a) the entry into revised production sharing contracts by the relevant Timor-Leste statutory authority, amended as necessary to take into account the terms of the Treaty, relating to the Bayu-Undan Gas Field and Kitan Oil Field;*
- b) the continuation following the entry into force of the Treaty of any approved work programmes, expenditures and regulatory approvals relating to the Bayu-Undan Gas Field and the Kitan Oil Field which are applicable on the date the Treaty enters into force;*
- c) the Interim Petroleum Mining Code as it applies to the Bayu-Undan Gas Field and the Petroleum Mining Code as it applies to the Kitan Oil Field, and any subsidiary instruments entered into under those Codes, amended as necessary taking into account the terms of the Treaty, for the purposes of incorporation into Timor-Leste's domestic legislation; and*
- d) the Interim Regulations as they apply to the Bayu-Undan Gas Field and the Kitan Oil Field, and any subsidiary instruments entered into under those Regulations, amended as necessary taking into account the terms of the Treaty, for the purposes of incorporation into Timor-Leste domestic legislation.*

s33(a)(iii)

With kind regards

Lisa

Lisa Schofield
Lead Negotiator, Timor Treaty Implementation
Department of Industry, Innovation and Science

Industry House
10 Binara St, Canberra City ACT 2601
GPO Box 2013, Canberra ACT 2601

s22

Email: lisa.schofield@industry.gov.au



@resourcesGovAu

The department acknowledges the traditional owners of the country throughout Australia and their continuing connection to land, sea and community. We pay our respect to them and their cultures and to the elders past and present.

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From: s22
To: Schofield, Lisa; s22
Cc: s22
Subject: RE: Timor Treaty - JC approval [DLM=For-Official-Use-Only]
Date: Monday, 15 July 2019 9:39:13 AM

For-Official-Use-Only

Thanks Lisa, will look over.

From: Schofield, Lisa <Lisa.Schofield@industry.gov.au>
Sent: Monday, 15 July 2019 9:38 AM
To: s22

Subject: Timor Treaty - JC approval [DLM=For-Official-Use-Only]

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s33(a)(iii)

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Lisa

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From: [Schofield, Lisa](#)
To: s22
Subject: FW: Response on Timor Leste treaty queries [SEC=UNCLASSIFIED]
Date: Friday, 1 November 2019 12:29:00 PM

FYI

UNCLASSIFIED

From: MediaTeam
Sent: Thursday, 31 October 2019 5:33 PM
To: Schofield, Lisa
Subject: Response on Timor Leste treaty queries [SEC=UNCLASSIFIED]

Hi Lisa,

FYI, below is the final version we sent on to s22, with the one added line from the MO. Note s22 has mentioned more queries from the same journalists to the Minister's office, which we'll get for tomorrow by the look of it.

Thanks so much for your prompt reply.

Regards,

s22

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1 - If an oil and gas operator holds an interest in a field that spans across both Timor Leste waters and Australian commonwealth waters, are they able to produce from both sides of the permit using the same infrastructure ie FPSO?

A - The *Treaty Between Australia and The Democratic Republic Of Timor-Leste Establishing Their Maritime Boundaries In The Timor Sea* (the Treaty) considers the possibility of a straddling deposit. Article 8 of the Treaty notes that in the case of a petroleum deposit extending across the continental shelf boundary (defined in the Treaty), Australia and Timor-Leste shall work expeditiously and in good faith to reach agreement as to the manner in which that deposit is to be most effectively exploited and equitably shared.

2 - Is there any legislation that forbids an operator/titleholder from producing from two permits, one on each side of the border?

A - Offshore oil and gas production in Australia (Commonwealth waters) is governed and regulated by the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGSA). Among other things, the OPGGSA requires approved regulatory and permissioning documentation (approved by the relevant Joint Authority, the National Offshore Petroleum Titles Administrator (NOPTA), and/or the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), as applicable) for appropriate resource management, environmental, safety and well integrity activities. Petroleum activities that obtain such approvals are permissible. **Petroleum activities in Timor-Leste waters are governed and regulated by the relevant legislation and regulatory authorities of Timor-Leste.**

3 - Could you confirm if allegations that you “passed” details of NOPSEMA’s prohibition order on NOGA are true and if so in what context given it is public information?

A - Australia was in negotiations with Timor-Leste and companies affected by the Maritime Boundaries Treaty, including Northern Oil and Gas Australia, for about 16 months. Over the course of that time all parties shared material relevant to the discussions. Australia shared publically available information, including providing links to websites, where that information would be of interest to Timor-Leste. That included information on decisions made by NOPSEMA.

4 - Can you confirm that since the Maritime Border Treaty was signed in Dili August 30 71.5% of NOGA’s WA-18-L permit has been moved into Timor-Leste’s jurisdiction?

A - The Maritime Boundaries Treaty was signed by Australia and Timor-Leste on 6 March 2018 and came into force on 30 August 2019. To enable the Treaty to come into force, both countries needed to finalise their domestic requirements including implementing transitional arrangements for the affected titles. For Australia this included relevant legislative change. The legislation was passed by

Parliament on 29 July 2019 and assented to on 7 August 2019. The legislation includes provisions for the “alteration of permit areas and licence areas to reflect new continental shelf boundary”. This section includes changes to WA-18-L and AC/L5 (Northern Oil and Gas Australia’s titles), as well as WA-523-P. The legislation makes it clear that the licence continues in force. The effect of the new continental shelf boundary places part of the licence in Timor-Leste jurisdiction.

5 - Is it true that you told NOGA they could not move the Northern Endeavour into TL’s waters and still produce oil from the Australian share of the permit?

A - The Department cannot comment on discussions held with titleholders.

Offshore oil and gas production in Australia (Commonwealth waters) is governed and regulated by the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGSA). Among other things, the OPGGSA requires approved regulatory and permissioning documentation (approved by the relevant Joint Authority, the National Offshore Petroleum Titles Administrator (NOPTA), and/or the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), as applicable) for appropriate resource management, environmental, safety and well integrity activities. Petroleum activities that obtain such approvals are permissible.

6 - Do you know if TL’s authorities reverted NOGA’s production license in the permit back into an EP?

A Timor-Leste operates a production sharing regime for the management and exploitation of its offshore oil and gas resources. As such, companies with projects in Timor-Leste operate under Production Sharing Contracts, rather than permits/licences for particular activities as exists in Australia. Questions about the details of the contract should be directed to Timor-Leste and/or the company.

7 - Is it also true that you told the TL authorities not to authorise NOGA’s 25% farmin to the Kitan field and if so why? If yes was it the ANPM you spoke with?

A - Prior to the Maritime Boundaries Treaty coming into force, the Kitan field was located in the Timor Sea Treaty Joint Petroleum Development Area (JPDA). As such, consideration of changes to contractors/projects would have been done by the Timor Sea Treaty Joint Commission, of which Australia was a member. The Joint Commission was advised that negotiations were underway in relation to changes with Kitan but no decision request was put to the Joint Commission before the Maritime Boundaries Treaty entered into force. The Timor Sea Treaty ceased to have effect when the Maritime Boundaries Treaty entered into force and therefore there is no longer the JPDA or the Joint Commission. Any changes to contracts/projects in Timor-Leste waters are a matter for Timor-Leste.

ENDS

Media Team

Department of Industry, Innovation and Science

s22

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Internet: www.industry.gov.au

UNCLASSIFIED
UNCLASSIFIED

From: [Schofield, Lisa](#)
To: s22
Subject: RE: PM phone call and proposed letter to Treasurer [SEC=PROTECTED]
Date: Thursday, 30 May 2019 3:12:14 PM

Hi s22

Words for the letter and background as requested and discussed this morning.

Grateful for your thoughts on Plan B you mention below.

Happy to discuss.

Cheers

Lisa

For the letter
s33(a)(iii)

For background

The Department of Industry, Innovation and Science (DIIS) is leading the work to implement the 2018 Maritime Boundaries Treaty between Australia and the Democratic Republic of Timor-Leste (the Treaty). Senator the Hon Matthew Canavan, Minister for Resources and Northern Australia has responsibility for this matter. For the Treaty to come into force the following must be completed:

1. the complex transitional arrangements negotiations between Australia, Timor-Leste and the affected petroleum operations; and
2. our respective domestic processes:
 - a. for Australia, the passage of implementing legislation and associated regulations; and
 - b. for Timor-Leste, the passage of implementing laws through its Council of Ministers (Executive) and Parliament. This work is well advanced and we expect it to be concluded by 30 August.

Transitional Arrangements

There are six affected operations: Bayu-Undan (operated by ConocoPhillips), Greater Sunrise (operated by Woodside), Kitan and 11-106 (both operated by Eni) in the Joint Petroleum Development Area (JPDA), and the Buffalo Field (operated by Carnarvon Petroleum) and Corallina/Laminaria fields (operated by Northern Oil and Gas Australia) in Australia.' The JPDA, and portions of the Australian, projects will transition to exclusive Timorese jurisdiction (with the exception of Greater Sunrise, an area of joint jurisdiction) upon entry into force of the Treaty.

The Parties have been meeting approximately every month and working hard to finalise, as soon as possible, this necessary and complex work, which is close to being finalised.

s42

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From: s22

Mail received time: Wed, 28 Aug 2019 09:46:15

Sent: Wed, 28 Aug 2019 09:46:14

To: s22

Subject: Brief update pre-PSC signing [SEC=PROTECTED]

Importance: Normal

Sensitivity: None

Attachments:

s22

Good morning colleagues,

Please see the email below from Lisa Schofield.

Kind regards,

s22

Assistant Manager

Timor Sea Section

Resources Division

s22

[@industry.gov.au](mailto:s22@industry.gov.au)

Department of Industry, Innovation and Science

Location: 10 Binara Street, Canberra ACT 2601

Postal address: GPO Box 2013, Canberra, ACT, 2601



Morning colleagues,

We are looking good for the PSC signing ceremony today (starting at about 3pm Dili time). s22 and I were also given a full rehearsal last night (think wedding rehearsal...), complete with Timor-Leste national anthem! See banner for the ceremony attached.

It was with much relief that all of Timor-Leste's relevant laws were printed yesterday. This is a key step in their process, and some of the companies were not comfortable to initial or sign their contracts before that had happened. Fortunately the

government printing presses worked hard and the documents rolled off the presses at about 4pm local time. LFX-73883-1 FOI Document 5

Seeing the printed laws dissolved any lingering concerns from the companies and by late-ish yesterday evening we saw the initialling of all of the relevant documents for Bayu-Undan, Kitan, 11-106 and Buffalo.

s33(b)

s42

Finally, all relevant approvals have been received to enable the signing of the cooperation agreements (BU Pipeline, geoscience and taxation information exchange). I will be initialling the geoscience and BU Pipeline ones this morning with the relevant counter-parties ahead of signature this afternoon. The taxation one is only being initialled this afternoon so it is ready to go as is.

We're gearing up for a big, long day today. Keep us on your thoughts ☺

Cheers

Lisa

Lisa Schofield

Lead Negotiator, Timor Treaty Implementation

Department of Industry, Innovation and Science

Industry House

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s22

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