

s22

---

**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 and 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

UNCLASSIFIED  
From: s22  
Sent: Thursday, 31 October 2019 5:09 PM  
To: MediaTeam <MediaTeam@industry.gov.au>; s22 @industry.gov.au>  
Cc: s22 @industry.gov.au>  
Subject: RE: Planed Response on Timor Leste treaty queries [SEC=UNCLASSIFIED]

Hi guys – the response below is right to go back to the journo from the Dept. Note s22 additional line in red.

I'll send on similar questions which I've just seen, directed to the Minister, from the same journo. In the interests of consistency I'd appreciate the Dept's assistance in drafting responses please!

s22  
Senior Media Adviser  
Office of Senator the Hon Matthew Canavan Minister for Resources and Northern Australia P s22 | M  
s22 > Suite M1 45 Parliament House | CANBERRA ACT 2600<x-apple-data-  
detectors://1/1>

UNCLASSIFIED  
From: MediaTeam  
Sent: Thursday, 31 October 2019 1:34 PM  
To: s22 @industry.gov.au<mailto:s22 @industry.gov.au>; s22  
s22 @industry.gov.au<mailto:s22 @industry.gov.au>>  
Cc: MediaTeam <MediaTeam@industry.gov.au<mailto:MediaTeam@industry.gov.au>>; s22  
s22 @industry.gov.au<mailto:s22 @industry.gov.au>>  
d Response on Timor Lest [SEC=UNCLASSIFIED]

Hi s22 (CC s22 )

Below is our full response to the two media queries from the Energy News Bulletin about issues to do with the Timor Leste treaty. This includes the reply for s22, that you passed onto us this morning.

There were slightly more complex queries on the same subject from s22 editor s22 . So we will send the response below to both of them, if all OK with you. That way the answers are consistent.

Regards,

s22

RESPONSE:

Dear s22 and s22

Thank you for your queries. We have the following responses to your queries. You can quote a spokesperson for the Department of Industry, Innovation and Science.

Please note, the replies address s22 query to Minister Canavan's office.

Regards,

s22 .

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

Ph: s22

Email: [mediateam@industry.gov.au](mailto:mediateam@industry.gov.au)<mailto:mediateam@industry.gov.au>

Internet: [www.industry.gov.au](http://www.industry.gov.au)<http://www.industry.gov.au/>

UNCLASSIFIED

UNCLASSIFIED