

ASX Announcement

Thursday, 3 December 2009

RENEWALS OFFERED FOR BROWSE BASIN RETENTION LEASES

The Browse Joint Venture participants have received renewal offers for Browse Basin retention leases WA-28-R, WA-29-R, WA-30-R, WA-31-R, WA-32-R, TR/5 and R 2.

The terms of the renewals stipulate that certain work commitments are to be made to advance the development of the Browse LNG Project.

The renewals require that within 120 days of the offers the Browse Joint Venture selects the Kimberley LNG precinct as a development concept, unless the venture can demonstrate an alternative development concept is likely to be commercially viable at an earlier time.

The Browse Joint Venture is required to undertake a material work program over the next 30 months, committing \$1.25 billion to ensure the earliest commercialisation of the Browse resources. This includes undertaking a Basis of Design in 2010 and Front End Engineering and Design in 2011 to enable a Final Investment Decision to be made by mid-2012.

As the renewals require significant and detailed expenditure and activities over the next three years, the individual offers have been attached to this announcement. We are advised the relevant maps illustrating the permits are being forwarded separately.

The Browse Joint Venture now has 30 days to accept the renewal offers.

Woodside CEO and Managing Director Don Voelte will host a teleconference for investors and analysts to be held at 8am WST (11am EDST) today. To participate in the teleconference and Q&A session you are requested to dial in using the numbers listed below. When asked for the participant passcode please quote: **44583396**.

Within Australia, please dial 1800 148 258. If you are calling from other countries, please use one of the following numbers:

Hong Kong	800 965 808	Singapore	800 616 2170
Japan	0044 2206 2118	UK	0800 056 9662
New Zealand	0800 667 018	USA	1866 586 2813

For all other countries, please dial +61 2 8524 6650.

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Government of **Western Australia**
Department of **Mines and Petroleum**

Our ref: H0316/200701, H0317/200701, H0318/200701, H0319/200701, H0320/20070,
H0315/200701 & H0321/200701
Contact: Henrietta Wong Tel: 08-9222 3312 Fax: 08-9222 3799
Email: henrietta.wong@dmp.wa.gov.au

Managing Director
Woodside Energy Ltd
Woodside Plaza
240 St Georges Terrace
PERTH WA 6000

Attention: Don Voelte

Dear Sir *Don*

**APPLICATIONS FOR THE RENEWAL OF PETROLEUM RETENTION LEASES
WA-28-R, WA-29-R, WA-30-R, WA-31-R, WA-32-R, TR/5 AND R2**

I refer to applications made under the provisions of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*, the *Petroleum (Submerged Lands) Act 1982* and the *Petroleum and Geothermal Energy Resources Act 1967*.

The Joint Authority and the WA Minister for Mines and Petroleum are prepared to grant the renewal of Petroleum Retention Leases WA-28-R, WA-29-R, WA-30-R, WA-31-R, WA-32-R, TR/5 and R2 and the following documents are enclosed for each lease;

- (i) notification as to the renewal of petroleum retention leases "offer", and
- (ii) pro-forma requests for grant of the petroleum retention leases renewal.

The applications will be approved on the condition that the lessees carry out the work programs and comply with all conditions as detailed in the attached "offer" documents.

In as much as the petroleum operations to be conducted in these areas have varying degrees of environmental impact the title holders (proponents) will need to observe the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 (EPBC) (details of the assessment processes including guidelines are available on the Environment Australia Web site at www.erin.gov.au/EPBC/). Petroleum operations also have the capacity to affect other activities and will need to be carefully scrutinised by this Department and various other agencies.

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The requests for grant of renewal of the leases are required to be lodged within 30 days after the date of service as provided under the provisions of the Acts. Although notices for each renewal have been served on each applicant, only one response for each lease is required to be lodged within the prescribed time.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'W L Tinapple', is written over the typed name and title.

W L Tinapple
EXECUTIVE DIRECTOR
PETROLEUM AND ENVIRONMENT DIVISION

2 December 2009

Encl.

cc: BHP Billiton Petroleum (North West Shelf) Pty Ltd
BP Developments Australia Pty Ltd
Chevron Australia Pty Ltd
Shell Development (Australia) Proprietary Limited



Government of **Western Australia**
Department of **Mines and Petroleum**

REQUEST FOR GRANT OF RENEWAL OF PETROLEUM RETENTION LEASES
WA-28-R, WA-29-R, WA-30-R, WA-31-R, WA-32-R, TR/5 AND R2

(1) **BHP Billiton Petroleum (North West Shelf) Pty Ltd**

(2) Level 45, 152-158 St Georges Terrace, PERTH WA 6000

(1) **BP Developments Australia Pty Ltd**

(2) of Level 29, The Tower, Melbourne Central, 360 Elizabeth Street, MELBOURNE VIC 3000

(1) **Chevron Australia Pty Ltd**

(2) Level 24, QVI Building, 250 St Georges Terrace, PERTH WA 6000

(1) **Shell Development (Australia) Proprietary Limited**

(2) Level 28, 250 St Georges Terrace, PERTH WA 6000

(1) **Woodside Energy Ltd**

(2) of Woodside Plaza, 240 St Georges Terrace, PERTH WA 6000

hereby request the Designated Authority, as delegate for the Commonwealth-Western Australia Offshore Petroleum Joint Authority and the WA Minister for Mines and Petroleum to grant to the applicants the petroleum retention leases in respect of the blocks specified in the instruments of Notice of Intention to Grant Petroleum Retention Leases recorded as applications for the Renewal of Petroleum Retention Leases Nos 14sl/07-8 through 18sl/07-8, 1T/07-8 and 1/07-8 dated the _____ day of December, 2009 served on the applicants, subject to the conditions summarised in the instruments.

Applicant/s
Signature⁽³⁾

Dated: ____ / ____ / ____

Lodgement is required within 30 days of the instruments (offer) being served upon the applicants

To: Executive Director Petroleum and Environment Division
Department of Mines and Petroleum
Mineral House
100 Plain Street
EAST PERTH WA 6004

(1) Here insert the full name of all applicant/s.

(2) Here insert the current business address of all applicant/s.

(3) Here affix the sealing clause/authority of the applicant/s. Note: If not executed under seal, it may be signed by a representative authorised by the applicant/s. The representative's full name, position and signature is required.

COMMONWEALTH OF AUSTRALIA
Offshore Petroleum and Greenhouse Gas Storage Act 2006

**NOTICE OF INTENTION TO GRANT RENEWAL OF PETROLEUM
RETENTION LEASE WA-28-R - APPLICATION NO. 14SL/07-8**

I, **WILLIAM LEE TINAPPLE**, the Delegate of the Designated Authority of the offshore area in respect of the State of Western Australia and on behalf of the Commonwealth – Western Australia Offshore Petroleum Joint Authority,

hereby **offer** to

BHP Billiton Petroleum (North West Shelf) Pty Ltd
Level 45, 152-158 St Georges Terrace, PERTH WA 6000

BP Developments Australia Pty Ltd
of Level 29, The Tower, Melbourne Central, 360 Elizabeth Street, MELBOURNE
VIC 3000

Chevron Australia Pty Ltd
Level 24, QVI Building, 250 St Georges Terrace, PERTH WA 6000

Shell Development (Australia) Proprietary Limited
Level 28, 250 St Georges Terrace, PERTH WA 6000

Woodside Energy Ltd
of Woodside Plaza, 240 St Georges Terrace, PERTH WA 6000

a retention lease for petroleum in respect of the blocks described hereunder, being blocks within the abovementioned offshore area, subject to the conditions set out hereunder to have effect for a period of five (5) years.

INTERPRETATION

In this document, "the Act" means the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and includes any Act with which that Act is incorporated and words used in this document have the same respective meanings as in the Act.

The lessee shall at all times comply with:-

- (a) the provisions of the Act; and
- (b) all directions given to him under the Act and all regulations for the time being in force under the Act.

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Your application for a petroleum retention lease will lapse 30 days after the date of service of this instrument, or after the expiration of such further period as the Designated Authority allows, unless you make a request under Section 260 of the Act for the grant of the lease.

DESCRIPTION OF BLOCKS

The reference hereunder is to the name of the map sheet of the 1:1,000,000 series prepared and published for the purposes of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and to the numbers of graticular sections shown thereon.

BRUNSWICK BAY MAP SHEET

Block No.	Block No.	Block No.	Block No.
2178	2179	2251	2324

Assessed to contain 4 blocks.

CONDITIONS

During the term of the retention lease, the lessees shall carry out the minimum work requirements specified below in, or in relation to the retention lease area, to a standard acceptable to the Designated Authority:

- (1) Within 120 days of this Notice of Intent to grant this retention lease renewal by the Joint Authority, the lessee shall select the development concept likely to be commercially viable at the earliest time. This shall be the concept whereby gas is processed at the Kimberley LNG precinct unless the lessee can demonstrate to the satisfaction of the Joint Authority that an alternative development concept is likely to be commercially viable at an earlier time.
- (2) The lessee shall prepare and submit a report to the Joint Authority on progress against barriers to commercialisation within 30 days of the completion of Year One of the retention lease period.
- (3) The lessee shall prepare and submit a re-evaluation of commercial viability of petroleum production from the Browse Title Areas to the Joint Authority within 30 days of completion of Year Two of the retention lease period.
- (4) The lessee shall undertake activities to achieve the earliest commercialisation of petroleum from fields within the Browse Title Areas. The lessee shall actively seek to remove the barriers to commerciality to achieve the earliest start-up including undertaking sufficient studies and work, and gathering sufficient information to place the Lessee in a position to apply for a Production Licence and make a final investment decision within 180 days of commencement of Year Three of the retention lease term.

The lessee shall actively undertake activities to seek to remove any barriers to the development concept which provides the earliest commercial development, including:

- addressing the remaining uncertainties with respect to LNG plant location and layout;
 - securing land access agreement(s);
 - finalising unitisation and operating agreements to allow the development of the Browse RL resources; and
 - undertaking activities required to obtain necessary leases, licences and easements for port and onshore facilities for the identified earliest development concept.
- (5) The lessee shall undertake all required environmental surveys, data gathering and studies required for the Strategic Assessment Agreement relating to the Kimberley LNG precinct until and unless an alternative development concept is selected.

In order to ensure that these conditions are met, a comprehensive work program is also set out as below to ensure that the commercial barriers are addressed.

Year 1 Work Program - WA-28-R (Calliance)	Expenditure (A\$ million)
Subsurface studies and seismic interpretation, including: • Reservoir characterisation; and • Seismic interpretation. Engineering and Design studies for the identified earliest development concept, including: • Commence, complete and document the Basis of Design for the full Browse LNG Development; • Deliver +25%/-15% cost estimates; and • Prepare a Project Execution Plan. Geotechnical Studies and Surveys for the identified earliest development concept including: • Undertake metocean and related data gathering; and • Undertake geophysical and geotechnical studies necessary for the project, including any required pipeline route surveys; foundations or other work. Environmental Surveys, Studies and Applications, for the identified earliest development concept, including • Undertake environmental surveys, data gathering and studies and work required in connection with applications for necessary environmental approvals; and • Prepare an Environmental Impact Statement. Commercial Activities • Prepare and submit for review a preliminary Field Development Plan for the identified earliest development concept; • Undertake legal, commercial and any other related activities required to initiate unitisation studies and progress the identified earliest development concept; and • Undertake geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements	
	37.2

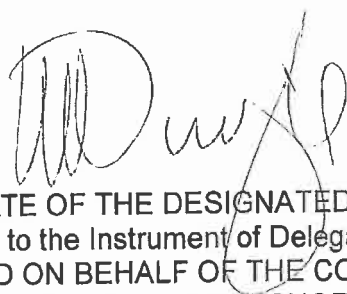
Year 2 Work Program - WA-28-R (Calliance) Subsurface studies and seismic interpretation, including: • Complete Reservoir characterisation; and • Complete Seismic interpretation. Engineering and Design studies for the identified earliest development concept including: • Commence and complete Front End Engineering and Design studies for the full Browse LNG Development; • Deliver +15%/-10% cost estimates; and • Prepare a final Project Execution Plan Geotechnical Studies and Surveys for the identified earliest development concept, including: • Complete any consequential activities following Year 1 work. Environmental Surveys, Studies and Approvals for the identified earliest concept, including • Complete any consequential activities following Year 1 work; and • Prepare applications for remaining environmental project approvals. Commercial Activities • Prepare and submit for approval a final Field Development Plan for the identified earliest development concept; • Complete all work required for a production licence application and infrastructure licence and pipeline licences and applications for the identified earliest development concept; • Finalise remaining commercial agreements to satisfy the requirements of the post Year 2 commerciality review; and • Complete geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements.	Expenditure (A\$ million)
	60.5
Year 3 Work Program - WA-28-R (Calliance) • Complete any consequential activities following Year 2 work; and • Document Front End Engineering and Design for the full Browse LNG Development for the identified earliest development concept.	Expenditure (A\$ million)
	18.6

Year 4 Work Program - WA-28-R (Calliance)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Year 5 Work Program - WA-28-R (Calliance)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Dated this 2nd December 2009

Made under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* of
the Commonwealth of Australia



DELEGATE OF THE DESIGNATED AUTHORITY
Pursuant to the Instrument of Delegation dated 2 February 2009
FOR AND ON BEHALF OF THE COMMONWEALTH –
WESTERN AUSTRALIA OFFSHORE PETROLEUM JOINT AUTHORITY

COMMONWEALTH OF AUSTRALIA
Offshore Petroleum and Greenhouse Gas Storage Act 2006

**NOTICE OF INTENTION TO GRANT RENEWAL OF PETROLEUM
RETENTION LEASE WA-29-R - APPLICATION NO. 15SL/07-8**

I, **WILLIAM LEE TINAPPLE**, the Delegate of the Designated Authority of the offshore area in respect of the State of Western Australia and on behalf of the Commonwealth – Western Australia Offshore Petroleum Joint Authority,

hereby offer to

BHP Billiton Petroleum (North West Shelf) Pty Ltd
Level 45, 152-158 St Georges Terrace, PERTH WA 6000

BP Developments Australia Pty Ltd
of Level 29, The Tower, Melbourne Central, 360 Elizabeth Street, MELBOURNE
VIC 3000

Chevron Australia Pty Ltd
Level 24, QVI Building, 250 St Georges Terrace, PERTH WA 6000

Shell Development (Australia) Proprietary Limited
Level 28, 250 St Georges Terrace, PERTH WA 6000

Woodside Energy Ltd
of Woodside Plaza, 240 St Georges Terrace, PERTH WA 6000

a retention lease for petroleum in respect of the blocks described hereunder, being blocks within the abovementioned offshore area, subject to the conditions set out hereunder to have effect for a period of five (5) years.

INTERPRETATION

In this document, "the Act" means the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and includes any Act with which that Act is incorporated and words used in this document have the same respective meanings as in the Act.

The lessee shall at all times comply with:-

- (a) the provisions of the Act; and
- (b) all directions given to him under the Act and all regulations for the time being in force under the Act.

Your application for a petroleum retention lease will lapse 30 days after the date of service of this instrument, or after the expiration of such further period as the Designated Authority allows, unless you make a request under Section 260 of the Act for the grant of the lease.

DESCRIPTION OF BLOCKS

The reference hereunder is to the name of the map sheet of the 1:1,000,000 series prepared and published for the purposes of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and to the numbers of graticular sections shown thereon.

BRUNSWICK BAY MAP SHEET

Block No.	Block No.
2035	2107

Assessed to contain 2 blocks.

CONDITIONS

During the term of the retention lease, the lessees shall carry out the minimum work requirements specified below in, or in relation to the retention lease area, to a standard acceptable to the Designated Authority:

- (1) Within 120 days of this Notice of Intent to grant this retention lease renewal by the Joint Authority, the lessee shall select the development concept likely to be commercially viable at the earliest time. This shall be the concept whereby gas is processed at the Kimberley LNG precinct unless the lessee can demonstrate to the satisfaction of the Joint Authority that an alternative development concept is likely to be commercially viable at an earlier time.
- (2) The lessee shall prepare and submit a report to the Joint Authority on progress against barriers to commercialisation within 30 days of the completion of Year One of the retention lease period.
- (3) The lessee shall prepare and submit a re-evaluation of commercial viability of petroleum production from the Browse Title Areas to the Joint Authority within 30 days of completion of Year Two of the retention lease period.
- (4) The lessee shall undertake activities to achieve the earliest commercialisation of petroleum from fields within the Browse Title Areas. The lessee shall actively seek to remove the barriers to commerciality to achieve the earliest start-up including undertaking sufficient studies and work, and gathering sufficient information to place the Lessee in a position to apply for a Production Licence and make a final investment decision within 180 days of commencement of Year Three of the retention lease term.

The lessee shall actively undertake activities to seek to remove any barriers to the development concept which provides the earliest commercial development, including:

- addressing the remaining uncertainties with respect to LNG plant location and layout;
 - securing land access agreement(s);
 - finalising unitisation and operating agreements to allow the development of the Browse RL resources; and
 - undertaking activities required to obtain necessary leases, licences and easements for port and onshore facilities for the identified earliest development concept.
- (5) The lessee shall undertake all required environmental surveys, data gathering and studies required for the Strategic Assessment Agreement relating to the Kimberley LNG precinct until and unless an alternative development concept is selected.

In order to ensure that these conditions are met, a comprehensive work program is also set out as below to ensure that the commercial barriers are addressed.

Year 1 Work Program - WA-29-R (Brecknock)	Expenditure (A\$ million)
Subsurface studies and seismic interpretation, including: • Reservoir characterisation; and • Seismic interpretation. Engineering and Design studies for the identified earliest development concept, including: • Commence, complete and document the Basis of Design for the full Browse LNG Development; • Deliver +25%/-15% cost estimates; and • Prepare a Project Execution Plan. Geotechnical Studies and Surveys for the identified earliest development concept including: • Undertake metocean and related data gathering; and • Undertake geophysical and geotechnical studies necessary for the project, including any required pipeline route surveys; foundations or other work. Environmental Surveys, Studies and Applications, for the identified earliest development concept, including • Undertake environmental surveys, data gathering and studies and work required in connection with applications for necessary environmental approvals; and • Prepare an Environmental Impact Statement. Commercial Activities • Prepare and submit for review a preliminary Field Development Plan for the identified earliest development concept; • Undertake legal, commercial and any other related activities required to initiate unitisation studies and progress the identified earliest development concept; and • Undertake geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements	
	18.8

Year 2 Work Program - WA-29-R (Brecknock) Subsurface studies and seismic interpretation, including: • Complete Reservoir characterisation; and • Complete Seismic interpretation. Engineering and Design studies for the identified earliest development concept including: • Commence and complete Front End Engineering and Design studies for the full Browse LNG Development; • Deliver +15%/-10% cost estimates; and • Prepare a final Project Execution Plan Geotechnical Studies and Surveys for the identified earliest development concept, including: • Complete any consequential activities following Year 1 work. Environmental Surveys, Studies and Approvals for the identified earliest concept, including • Complete any consequential activities following Year 1 work; and • Prepare applications for remaining environmental project approvals. Commercial Activities • Prepare and submit for approval a final Field Development Plan for the identified earliest development concept; • Complete all work required for a production licence application and infrastructure licence and pipeline licences and applications for the identified earliest development concept; • Finalise remaining commercial agreements to satisfy the requirements of the post Year 2 commerciality review; and • Complete geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements.	Expenditure (A\$ million)
	30.6
Year 3 Work Program - WA-29-R (Brecknock) • Complete any consequential activities following Year 2 work; and • Document Front End Engineering and Design for the full Browse LNG Development for the identified earliest development concept.	Expenditure (A\$ million)
	9.4

Year 4 Work Program - WA-29-R (Brecknock)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Year 5 Work Program - WA-29-R (Brecknock)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Dated this 2nd December 2009

Made under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* of
the Commonwealth of Australia



DELEGATE OF THE DESIGNATED AUTHORITY
Pursuant to the Instrument of Delegation dated 2 February 2009
FOR AND ON BEHALF OF THE COMMONWEALTH –
WESTERN AUSTRALIA OFFSHORE PETROLEUM JOINT AUTHORITY

COMMONWEALTH OF AUSTRALIA
Offshore Petroleum and Greenhouse Gas Storage Act 2006

**NOTICE OF INTENTION TO GRANT RENEWAL OF PETROLEUM
RETENTION LEASE WA-30-R - APPLICATION NO. 16SL/07-8**

I, **WILLIAM LEE TINAPPLE**, the Delegate of the Designated Authority of the offshore area in respect of the State of Western Australia and on behalf of the Commonwealth – Western Australia Offshore Petroleum Joint Authority,

hereby **offer** to

BHP Billiton Petroleum (North West Shelf) Pty Ltd
Level 45, 152-158 St Georges Terrace, PERTH WA 6000

BP Developments Australia Pty Ltd
of Level 29, The Tower, Melbourne Central, 360 Elizabeth Street, MELBOURNE
VIC 3000

Chevron Australia Pty Ltd
Level 24, QVI Building, 250 St Georges Terrace, PERTH WA 6000

Shell Development (Australia) Proprietary Limited
Level 28, 250 St Georges Terrace, PERTH WA 6000

Woodside Energy Ltd
of Woodside Plaza, 240 St Georges Terrace, PERTH WA 6000

a retention lease for petroleum in respect of the blocks described hereunder, being blocks within the abovementioned offshore area, subject to the conditions set out hereunder to have effect for a period of five (5) years.

INTERPRETATION

In this document, "the Act" means the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and includes any Act with which that Act is incorporated and words used in this document have the same respective meanings as in the Act.

The lessee shall at all times comply with:-

- (a) the provisions of the Act; and
- (b) all directions given to him under the Act and all regulations for the time being in force under the Act.

Your application for a petroleum retention lease will lapse 30 days after the date of service of this instrument, or after the expiration of such further period as the Designated Authority allows, unless you make a request under Section 260 of the Act for the grant of the lease.

DESCRIPTION OF BLOCKS

The reference hereunder is to the name of the map sheet of the 1:1,000,000 series prepared and published for the purposes of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and to the numbers of graticular sections shown thereon.

BRUNSWICK BAY MAP SHEET

Block No.	Block No.	Block No.	Block No.
1608	1609	1610	1678
1679	1680	1681	1750
1751	1752	1753	1822
1823			

Assessed to contain 13 blocks.

CONDITIONS

During the term of the retention lease, the lessees shall carry out the minimum work requirements specified below in, or in relation to the retention lease area, to a standard acceptable to the Designated Authority:

- (1) Within 120 days of this Notice of Intent to grant this retention lease renewal by the Joint Authority, the lessee shall select the development concept likely to be commercially viable at the earliest time. This shall be the concept whereby gas is processed at the Kimberley LNG precinct unless the lessee can demonstrate to the satisfaction of the Joint Authority that an alternative development concept is likely to be commercially viable at an earlier time.
- (2) The lessee shall prepare and submit a report to the Joint Authority on progress against barriers to commercialisation within 30 days of the completion of Year One of the retention lease period.
- (3) The lessee shall prepare and submit a re-evaluation of commercial viability of petroleum production from the Browse Title Areas to the Joint Authority within 30 days of completion of Year Two of the retention lease period.
- (4) The lessee shall undertake activities to achieve the earliest commercialisation of petroleum from fields within the Browse Title Areas. The lessee shall actively seek to remove the barriers to commerciality to achieve the earliest start-up including undertaking sufficient studies and work, and gathering sufficient information to place the Lessee in a position to apply for a Production Licence and make a final investment decision within 180 days of commencement of Year Three of the retention lease term.

The lessee shall actively undertake activities to seek to remove any barriers to the development concept which provides the earliest commercial development, including:

- addressing the remaining uncertainties with respect to LNG plant location and layout;
 - securing land access agreement(s);
 - finalising unitisation and operating agreements to allow the development of the Browse RL resources; and
 - undertaking activities required to obtain necessary leases, licences and easements for port and onshore facilities for the identified earliest development concept.
- (5) The lessee shall undertake all required environmental surveys, data gathering and studies required for the Strategic Assessment Agreement relating to the Kimberley LNG precinct until and unless an alternative development concept is selected.

In order to ensure that these conditions are met, a comprehensive work program is also set out as below to ensure that the commercial barriers are addressed.

Year 1 Work Program - WA-30-R (Torosa)	Expenditure (A\$ million)
Subsurface studies and seismic interpretation, including: • Reservoir characterisation; and • Seismic interpretation. Engineering and Design studies for the identified earliest development concept, including: • Commence, complete and document the Basis of Design for the full Browse LNG Development; • Deliver +25%/-15% cost estimates; and • Prepare a Project Execution Plan. Geotechnical Studies and Surveys for the identified earliest development concept including: • Undertake metocean and related data gathering; and • Undertake geophysical and geotechnical studies necessary for the project, including any required pipeline route surveys; foundations or other work. Environmental Surveys, Studies and Applications, for the identified earliest development concept, including • Undertake environmental surveys, data gathering and studies and work required in connection with applications for necessary environmental approvals; and • Prepare an Environmental Impact Statement. Commercial Activities • Prepare and submit for review a preliminary Field Development Plan for the identified earliest development concept; • Undertake legal, commercial and any other related activities required to initiate unitisation studies and progress the identified earliest development concept; and • Undertake geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements	
	120.8

Year 2 Work Program - WA-30-R (Torosa) Subsurface studies and seismic interpretation, including: • Complete Reservoir characterisation; and • Complete Seismic interpretation. Engineering and Design studies for the identified earliest development concept including: • Commence and complete Front End Engineering and Design studies for the full Browse LNG Development; • Deliver +15%/-10% cost estimates; and • Prepare a final Project Execution Plan Geotechnical Studies and Surveys for the identified earliest development concept, including: • Complete any consequential activities following Year 1 work. Environmental Surveys, Studies and Approvals for the identified earliest concept, including • Complete any consequential activities following Year 1 work; and • Prepare applications for remaining environmental project approvals. Commercial Activities • Prepare and submit for approval a final Field Development Plan for the identified earliest development concept; • Complete all work required for a production licence application and infrastructure licence and pipeline licences and applications for the identified earliest development concept; • Finalise remaining commercial agreements to satisfy the requirements of the post Year 2 commerciality review; and • Complete geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements.	Expenditure (A\$ million)
	196.2
Year 3 Work Program - WA-30-R (Torosa) • Complete any consequential activities following Year 2 work; and • Document Front End Engineering and Design for the full Browse LNG Development for the identified earliest development concept.	Expenditure (A\$ million)
	60.4

Year 4 Work Program - WA-30-R (Torosa) Continue any work required to commercialise the Browse gas fields.	Expenditure (A\$ million)

Year 5 Work Program - WA-30-R (Torosa) Continue any work required to commercialise the Browse gas fields.	Expenditure (A\$ million)

Dated this 2nd December 2009

Made under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* of
the Commonwealth of Australia



DELEGATE OF THE DESIGNATED AUTHORITY
Pursuant to the Instrument of Delegation dated 2 February 2009
FOR AND ON BEHALF OF THE COMMONWEALTH –
WESTERN AUSTRALIA OFFSHORE PETROLEUM JOINT AUTHORITY

COMMONWEALTH OF AUSTRALIA
Offshore Petroleum and Greenhouse Gas Storage Act 2006

**NOTICE OF INTENTION TO GRANT RENEWAL OF PETROLEUM
RETENTION LEASE WA-31-R - APPLICATION NO. 17SL/07-8**

I, **WILLIAM LEE TINAPPLE**, the Delegate of the Designated Authority of the offshore area in respect of the State of Western Australia and on behalf of the Commonwealth – Western Australia Offshore Petroleum Joint Authority,

hereby offer to

BHP Billiton Petroleum (North West Shelf) Pty Ltd
Level 45, 152-158 St Georges Terrace, PERTH WA 6000

BP Developments Australia Pty Ltd
of Level 29, The Tower, Melbourne Central, 360 Elizabeth Street, MELBOURNE
VIC 3000

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Shell Development (Australia) Proprietary Limited
Level 28, 250 St Georges Terrace, PERTH WA 6000

Woodside Energy Ltd
of Woodside Plaza, 240 St Georges Terrace, PERTH WA 6000

a retention lease for petroleum in respect of the blocks described hereunder, being blocks within the abovementioned offshore area, subject to the conditions set out hereunder to have effect for a period of five (5) years.

INTERPRETATION

In this document, "the Act" means the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and includes any Act with which that Act is incorporated and words used in this document have the same respective meanings as in the Act.

The lessee shall at all times comply with:-

- (a) the provisions of the Act; and
- (b) all directions given to him under the Act and all regulations for the time being in force under the Act.

Your application for a petroleum retention lease will lapse 30 days after the date of service of this instrument, or after the expiration of such further period as the Designated Authority allows, unless you make a request under Section 260 of the Act for the grant of the lease.

DESCRIPTION OF BLOCKS

The reference hereunder is to the name of the map sheet of the 1:1,000,000 series prepared and published for the purposes of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and to the numbers of graticular sections shown thereon.

BRUNSWICK BAY MAP SHEET

Block No.	Block No.	Block No.	Block No.
2180	2181	2252	2253

Assessed to contain 4 blocks.

-4-
CONDITIONS

During the term of the retention lease, the lessees shall carry out the minimum work requirements specified below in, or in relation to the retention lease area, to a standard acceptable to the Designated Authority:

- (1) Within 120 days of this Notice of Intent to grant this retention lease renewal by the Joint Authority, the lessee shall select the development concept likely to be commercially viable at the earliest time. This shall be the concept whereby gas is processed at the Kimberley LNG precinct unless the lessee can demonstrate to the satisfaction of the Joint Authority that an alternative development concept is likely to be commercially viable at an earlier time.
- (2) The lessee shall prepare and submit a report to the Joint Authority on progress against barriers to commercialisation within 30 days of the completion of Year One of the retention lease period.
- (3) The lessee shall prepare and submit a re-evaluation of commercial viability of petroleum production from the Browse Title Areas to the Joint Authority within 30 days of completion of Year Two of the retention lease period.
- (4) The lessee shall undertake activities to achieve the earliest commercialisation of petroleum from fields within the Browse Title Areas. The lessee shall actively seek to remove the barriers to commerciality to achieve the earliest start-up including undertaking sufficient studies and work, and gathering sufficient information to place the Lessee in a position to apply for a Production Licence and make a final investment decision within 180 days of commencement of Year Three of the retention lease term.

The lessee shall actively undertake activities to seek to remove any barriers to the development concept which provides the earliest commercial development, including:

- addressing the remaining uncertainties with respect to LNG plant location and layout;
 - securing land access agreement(s);
 - finalising unitisation and operating agreements to allow the development of the Browse RL resources; and
 - undertaking activities required to obtain necessary leases, licences and easements for port and onshore facilities for the identified earliest development concept.
- (5) The lessee shall undertake all required environmental surveys, data gathering and studies required for the Strategic Assessment Agreement relating to the Kimberley LNG precinct until and unless an alternative development concept is selected.

In order to ensure that these conditions are met, a comprehensive work program is also set out as below to ensure that the commercial barriers are addressed.

Year 1 Work Program - WA-31-R (Calliance)	Expenditure (A\$ million)
Subsurface studies and seismic interpretation, including: • Reservoir characterisation; and • Seismic interpretation. Engineering and Design studies for the identified earliest development concept, including: • Commence, complete and document the Basis of Design for the full Browse LNG Development; • Deliver +25%/-15% cost estimates; and • Prepare a Project Execution Plan. Geotechnical Studies and Surveys for the identified earliest development concept including: • Undertake metocean and related data gathering; and • Undertake geophysical and geotechnical studies necessary for the project, including any required pipeline route surveys; foundations or other work. Environmental Surveys, Studies and Applications, for the identified earliest development concept, including • Undertake environmental surveys, data gathering and studies and work required in connection with applications for necessary environmental approvals; and • Prepare an Environmental Impact Statement. Commercial Activities • Prepare and submit for review a preliminary Field Development Plan for the identified earliest development concept; • Undertake legal, commercial and any other related activities required to initiate unitisation studies and progress the identified earliest development concept; and • Undertake geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements	
	37.2

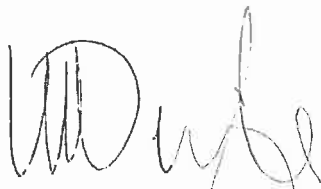
Year 2 Work Program - WA-31-R (Calliance) Subsurface studies and seismic interpretation, including: • Complete Reservoir characterisation; and • Complete Seismic interpretation. Engineering and Design studies for the identified earliest development concept including: • Commence and complete Front End Engineering and Design studies for the full Browse LNG Development; • Deliver +15%/-10% cost estimates; and • Prepare a final Project Execution Plan Geotechnical Studies and Surveys for the identified earliest development concept, including: • Complete any consequential activities following Year 1 work. Environmental Surveys, Studies and Approvals for the identified earliest concept, including • Complete any consequential activities following Year 1 work; and • Prepare applications for remaining environmental project approvals. Commercial Activities • Prepare and submit for approval a final Field Development Plan for the identified earliest development concept; • Complete all work required for a production licence application and infrastructure licence and pipeline licences and applications for the identified earliest development concept; • Finalise remaining commercial agreements to satisfy the requirements of the post Year 2 commerciality review; and • Complete geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements.	Expenditure (A\$ million)
	60.5
Year 3 Work Program - WA-31-R (Calliance) • Complete any consequential activities following Year 2 work; and • Document Front End Engineering and Design for the full Browse LNG Development for the identified earliest development concept.	Expenditure (A\$ million)
	18.6

Year 4 Work Program - WA-31-R (Calliance)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Year 5 Work Program - WA-31-R (Calliance)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Dated this 2nd December 2009

Made under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* of the Commonwealth of Australia



DELEGATE OF THE DESIGNATED AUTHORITY
Pursuant to the Instrument of Delegation dated 2 February 2009
FOR AND ON BEHALF OF THE COMMONWEALTH –
WESTERN AUSTRALIA OFFSHORE PETROLEUM JOINT AUTHORITY

COMMONWEALTH OF AUSTRALIA
Offshore Petroleum and Greenhouse Gas Storage Act 2006

**NOTICE OF INTENTION TO GRANT RENEWAL OF PETROLEUM
RETENTION LEASE WA-32-R - APPLICATION NO. 18SL/07-8**

I, **WILLIAM LEE TINAPPLE**, the Delegate of the Designated Authority of the offshore area in respect of the State of Western Australia and on behalf of the Commonwealth – Western Australia Offshore Petroleum Joint Authority,

hereby offer to

BHP Billiton Petroleum (North West Shelf) Pty Ltd
Level 45, 152-158 St Georges Terrace, PERTH WA 6000

BP Developments Australia Pty Ltd
of Level 29, The Tower, Melbourne Central, 360 Elizabeth Street, MELBOURNE
VIC 3000

Chevron Australia Pty Ltd
Level 24, QVI Building, 250 St Georges Terrace, PERTH WA 6000

Shell Development (Australia) Proprietary Limited
Level 28, 250 St Georges Terrace, PERTH WA 6000

Woodside Energy Ltd
of Woodside Plaza, 240 St Georges Terrace, PERTH WA 6000

a retention lease for petroleum in respect of the blocks described hereunder, being blocks within the abovementioned offshore area, subject to the conditions set out hereunder to have effect for a period of five (5) years.

INTERPRETATION

In this document, "the Act" means the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and includes any Act with which that Act is incorporated and words used in this document have the same respective meanings as in the Act.

The lessee shall at all times comply with:-

- (a) the provisions of the Act; and
- (b) all directions given to him under the Act and all regulations for the time being in force under the Act.

/2...

Your application for a petroleum retention lease will lapse 30 days after the date of service of this instrument, or after the expiration of such further period as the Designated Authority allows, unless you make a request under Section 260 of the Act for the grant of the lease.

DESCRIPTION OF BLOCKS

The reference hereunder is to the name of the map sheet of the 1:1,000,000 series prepared and published for the purposes of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* and to the numbers of graticular sections shown thereon.

BRUNSWICK BAY MAP SHEET

Block No.	Block No.	Block No.	Block No.
1964	1965	2036	2037
2108	2109		

Assessed to contain 6 blocks.

CONDITIONS

During the term of the retention lease, the lessees shall carry out the minimum work requirements specified below in, or in relation to the retention lease area, to a standard acceptable to the Designated Authority:

- (1) Within 120 days of this Notice of Intent to grant this retention lease renewal by the Joint Authority, the lessee shall select the development concept likely to be commercially viable at the earliest time. This shall be the concept whereby gas is processed at the Kimberley LNG precinct unless the lessee can demonstrate to the satisfaction of the Joint Authority that an alternative development concept is likely to be commercially viable at an earlier time.
- (2) The lessee shall prepare and submit a report to the Joint Authority on progress against barriers to commercialisation within 30 days of the completion of Year One of the retention lease period.
- (3) The lessee shall prepare and submit a re-evaluation of commercial viability of petroleum production from the Browse Title Areas to the Joint Authority within 30 days of completion of Year Two of the retention lease period.
- (4) The lessee shall undertake activities to achieve the earliest commercialisation of petroleum from fields within the Browse Title Areas. The lessee shall actively seek to remove the barriers to commerciality to achieve the earliest start-up including undertaking sufficient studies and work, and gathering sufficient information to place the Lessee in a position to apply for a Production Licence and make a final investment decision within 180 days of commencement of Year Three of the retention lease term.

The lessee shall actively undertake activities to seek to remove any barriers to the development concept which provides the earliest commercial development, including:

- addressing the remaining uncertainties with respect to LNG plant location and layout;
 - securing land access agreement(s);
 - finalising unitisation and operating agreements to allow the development of the Browse RL resources; and
 - undertaking activities required to obtain necessary leases, licences and easements for port and onshore facilities for the identified earliest development concept.
- (5) The lessee shall undertake all required environmental surveys, data gathering and studies required for the Strategic Assessment Agreement relating to the Kimberley LNG precinct until and unless an alternative development concept is selected.

In order to ensure that these conditions are met, a comprehensive work program is also set out as below to ensure that the commercial barriers are addressed.

Year 1 Work Program - WA-32-R (Brecknock)	Expenditure (A\$ million)
Subsurface studies and seismic interpretation, including: • Reservoir characterisation; and • Seismic interpretation. Engineering and Design studies for the identified earliest development concept, including: • Commence, complete and document the Basis of Design for the full Browse LNG Development; • Deliver +25%/-15% cost estimates; and • Prepare a Project Execution Plan. Geotechnical Studies and Surveys for the identified earliest development concept including: • Undertake metocean and related data gathering; and • Undertake geophysical and geotechnical studies necessary for the project, including any required pipeline route surveys; foundations or other work. Environmental Surveys, Studies and Applications, for the identified earliest development concept, including • Undertake environmental surveys, data gathering and studies and work required in connection with applications for necessary environmental approvals; and • Prepare an Environmental Impact Statement. Commercial Activities • Prepare and submit for review a preliminary Field Development Plan for the identified earliest development concept; • Undertake legal, commercial and any other related activities required to initiate unitisation studies and progress the identified earliest development concept; and • Undertake geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements	
	56.0

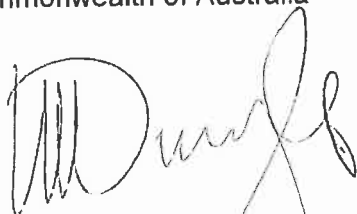
Year 2 Work Program - WA-32-R (Brecknock) Subsurface studies and seismic interpretation, including: • Complete Reservoir characterisation; and • Complete Seismic interpretation. Engineering and Design studies for the identified earliest development concept including: • Commence and complete Front End Engineering and Design studies for the full Browse LNG Development; • Deliver +15%/-10% cost estimates; and • Prepare a final Project Execution Plan Geotechnical Studies and Surveys for the identified earliest development concept, including: • Complete any consequential activities following Year 1 work. Environmental Surveys, Studies and Approvals for the identified earliest concept, including • Complete any consequential activities following Year 1 work; and • Prepare applications for remaining environmental project approvals. Commercial Activities • Prepare and submit for approval a final Field Development Plan for the identified earliest development concept; • Complete all work required for a production licence application and infrastructure licence and pipeline licences and applications for the identified earliest development concept; • Finalise remaining commercial agreements to satisfy the requirements of the post Year 2 commerciality review; and • Complete geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements.	Expenditure (A\$ million)
	91.0
Year 3 Work Program - WA-32-R (Brecknock) • Complete any consequential activities following Year 2 work; and • Document Front End Engineering and Design for the full Browse LNG Development for the identified earliest development concept.	Expenditure (A\$ million)
	28.0

Year 4 Work Program - WA-32-R (Brecknock)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Year 5 Work Program - WA-32-R (Brecknock)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Dated this 2nd December 2009

Made under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* of
the Commonwealth of Australia



DELEGATE OF THE DESIGNATED AUTHORITY
Pursuant to the Instrument of Delegation dated 2 February 2009
FOR AND ON BEHALF OF THE COMMONWEALTH –
WESTERN AUSTRALIA OFFSHORE PETROLEUM JOINT AUTHORITY

STATE OF WESTERN AUSTRALIA
Petroleum (Submerged Lands) Act 1982

NOTICE OF INTENTION TO GRANT RENEWAL OF PETROLEUM

RETENTION LEASE TR/5 – APPLICATION NO. 1T/07-8

I, **WILLIAM LEE TINAPPLE**, Executive Director Petroleum and Environment Division in the Department of Mines and Petroleum, as delegate of the Minister for Mines and Petroleum in the State of Western Australia,

hereby offer to

BHP Billiton Petroleum (North West Shelf) Pty Ltd
Level 45, 152-158 St Georges Terrace, PERTH WA 6000

BP Developments Australia Pty Ltd
of Level 29, The Tower, Melbourne Central, 360 Elizabeth Street, MELBOURNE
VIC 3000

Chevron Australia Pty Ltd
Level 24, QVI Building, 250 St Georges Terrace, PERTH WA 6000

Shell Development (Australia) Proprietary Limited
Level 28, 250 St Georges Terrace, PERTH WA 6000

Woodside Energy Ltd
of Woodside Plaza, 240 St Georges Terrace, PERTH WA 6000

a retention lease for petroleum in respect of the blocks described hereunder, being blocks within the abovementioned Territorial offshore area, subject to the conditions set out hereunder to have effect for a period of five (5) years.

INTERPRETATION

In this document, "the Act" means the *Petroleum (Submerged Lands) Act 1982* and includes any Act with which that Act is incorporated and words used in this document have the same respective meanings as in the Act.

The lessee shall at all times comply with:-

- (a) the provisions of the Act; and
- (b) all directions given to him under the Act and all regulations for the time being in force under the Act.

/2...

Your application for a petroleum retention lease will lapse 30 days after the date of service of this instrument, or after the expiration of such further period as the Minister allows, unless you make a request under sub-section (4) of Section 38G of the Act for the grant of the lease.

DESCRIPTION OF BLOCKS

The reference hereunder is to the name of map sheet of the 1:100 000 series prepared and published for the purposes of the *Petroleum (Submerged Lands) Act 1982* and to the numbers of graticular sections shown thereon.

BRUNSWICK BAY MAP SHEET

Block No.	Block No.	Block No.	Block No.
6678 T	6749 T	6750 T	6751 T
6752 T	6753 T	6821 T	6822 T
6823 T	6824 T	6893 T	6894 T
6895 T			

Assessed to contain **13** blocks.

-4-
CONDITIONS

During the term of the retention lease, the lessees shall carry out the minimum work requirements specified below in, or in relation to the retention lease area, to a standard acceptable to the Minister:

- (1) Within 120 days of this Notice of Intent to grant this retention lease renewal by the Joint Authority, the lessee shall select the development concept likely to be commercially viable at the earliest time. This shall be the concept whereby gas is processed at the Kimberley LNG precinct unless the lessee can demonstrate to the satisfaction of the Joint Authority that an alternative development concept is likely to be commercially viable at an earlier time.
- (2) The lessee shall prepare and submit a report to the Joint Authority on progress against barriers to commercialisation within 30 days of the completion of Year One of the retention lease period.
- (3) The lessee shall prepare and submit a re-evaluation of commercial viability of petroleum production from the Browse Title Areas to the Joint Authority within 30 days of completion of Year Two of the retention lease period.
- (4) The lessee shall undertake activities to achieve the earliest commercialisation of petroleum from fields within the Browse Title Areas. The lessee shall actively seek to remove the barriers to commerciality to achieve the earliest start-up including undertaking sufficient studies and work, and gathering sufficient information to place the Lessee in a position to apply for a Production Licence and make a final investment decision within 180 days of commencement of Year Three of the retention lease term.

The lessee shall actively undertake activities to seek to remove any barriers to the development concept which provides the earliest commercial development, including:

- addressing the remaining uncertainties with respect to LNG plant location and layout;
 - securing land access agreement(s);
 - finalising unitisation and operating agreements to allow the development of the Browse RL resources; and
 - undertaking activities required to obtain necessary leases, licences and easements for port and onshore facilities for the identified earliest development concept.
- (5) The lessee shall undertake all required environmental surveys, data gathering and studies required for the Strategic Assessment Agreement relating to the Kimberley LNG precinct until and unless an alternative development concept is selected.

In order to ensure that these conditions are met, a comprehensive work program is also set out as below to ensure that the commercial barriers are addressed.

Year 1 Work Program – TR/5 (Torosa)	Expenditure (A\$ million)
Subsurface studies and seismic interpretation, including: • Reservoir characterisation; and • Seismic interpretation. Engineering and Design studies for the identified earliest development concept, including: • Commence, complete and document the Basis of Design for the full Browse LNG Development; • Deliver +25%/-15% cost estimates; and • Prepare a Project Execution Plan. Geotechnical Studies and Surveys for the identified earliest development concept including: • Undertake metocean and related data gathering; and • Undertake geophysical and geotechnical studies necessary for the project, including any required pipeline route surveys; foundations or other work. Environmental Surveys, Studies and Applications, for the identified earliest development concept, including • Undertake environmental surveys, data gathering and studies and work required in connection with applications for necessary environmental approvals; and • Prepare an Environmental Impact Statement. Commercial Activities • Prepare and submit for review a preliminary Field Development Plan for the identified earliest development concept; • Undertake legal, commercial and any other related activities required to initiate unitisation studies and progress the identified earliest development concept; and • Undertake geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements	
	120.8

Year 2 Work Program – TR/5 (Torosa) Subsurface studies and seismic interpretation, including: • Complete Reservoir characterisation; and • Complete Seismic interpretation. Engineering and Design studies for the identified earliest development concept including: • Commence and complete Front End Engineering and Design studies for the full Browse LNG Development; • Deliver +15%/-10% cost estimates; and • Prepare a final Project Execution Plan Geotechnical Studies and Surveys for the identified earliest development concept, including: • Complete any consequential activities following Year 1 work. Environmental Surveys, Studies and Approvals for the identified earliest concept, including • Complete any consequential activities following Year 1 work; and • Prepare applications for remaining environmental project approvals. Commercial Activities • Prepare and submit for approval a final Field Development Plan for the identified earliest development concept; • Complete all work required for a production licence application and infrastructure licence and pipeline licences and applications for the identified earliest development concept; • Finalise remaining commercial agreements to satisfy the requirements of the post Year 2 commerciality review; and • Complete geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements.	Expenditure (A\$ million)
	196.2
Year 3 Work Program – TR/5 (Torosa) • Complete any consequential activities following Year 2 work; and • Document Front End Engineering and Design for the full Browse LNG Development for the identified earliest development concept.	Expenditure (A\$ million)
	60.4

Year 4 Work Program – TR/5 (Torosa)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Year 5 Work Program – TR/5 (Torosa)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Dated at Perth this 2nd day of December 2009

Made under the *Petroleum (Submerged Lands) Act, 1982* of the State of Western Australia.



EXECUTIVE DIRECTOR PETROLEUM AND ENVIRONMENT DIVISION
Pursuant to the Instrument of Delegation dated 27 February 2009
As delegate of the Minister for Mines and Petroleum

STATE OF WESTERN AUSTRALIA
Petroleum and Geothermal Energy Resources Act 1967

NOTICE OF INTENTION TO GRANT RENEWAL OF PETROLEUM

RETENTION LEASE R 2 – APPLICATION NO. 1/07-8

I, **WILLIAM LEE TINAPPLE**, Executive Director Petroleum and Environment Division in the Department of Mines and Petroleum, as delegate of the Minister for Mines and Petroleum in the State of Western Australia,

hereby offer to

BHP Billiton Petroleum (North West Shelf) Pty Ltd
Level 45, 152-158 St Georges Terrace, PERTH WA 6000

BP Developments Australia Pty Ltd
of Level 29, The Tower, Melbourne Central, 360 Elizabeth Street, MELBOURNE VIC 3000

Chevron Australia Pty Ltd
Level 24, QVI Building, 250 St Georges Terrace, PERTH WA 6000

Shell Development (Australia) Proprietary Limited
Level 28, 250 St Georges Terrace, PERTH WA 6000

Woodside Energy Ltd
of Woodside Plaza, 240 St Georges Terrace, PERTH WA 6000

a retention lease for petroleum in respect of the blocks described hereunder, being block within the abovementioned onshore area, subject to the conditions set out hereunder to have effect for a period of five (5) years.

INTERPRETATION

In this document, "the Act" means the *Petroleum and Geothermal Energy Resources Act 1967* and includes any Act with which that Act is incorporated and words used in this document have the same respective meanings as in the Act.

The lessee shall at all times comply with:-

- (a) the provisions of the Act; and
- (b) all directions given to him under the Act and all regulations for the time being in force under the Act.

/2...

Your application for a petroleum retention lease will lapse 30 days after the date of service of this instrument, or after the expiration of such further period as the Minister allows, unless you make a request under sub-section (6) of Section 48G of the Act for the grant of the lease.

DESCRIPTION OF BLOCK

The reference hereunder is to the name of map sheet of the 1:100 000 series prepared and published for the purposes of the *Petroleum and Geothermal Energy Resources Act 1967* and to the number of graticular section shown thereon.

BRUNSWICK BAY MAP SHEET

Block No
6750

Assessed to contain 1 block.

-4-
CONDITIONS

During the term of the retention lease, the lessees shall carry out the minimum work requirements specified below in, or in relation to the retention lease area, to a standard acceptable to the Minister:

- (1) Within 120 days of this Notice of Intent to grant this retention lease renewal by the Joint Authority, the lessee shall select the development concept likely to be commercially viable at the earliest time. This shall be the concept whereby gas is processed at the Kimberley LNG precinct unless the lessee can demonstrate to the satisfaction of the Joint Authority that an alternative development concept is likely to be commercially viable at an earlier time.
- (2) The lessee shall prepare and submit a report to the Joint Authority on progress against barriers to commercialisation within 30 days of the completion of Year One of the retention lease period.
- (3) The lessee shall prepare and submit a re-evaluation of commercial viability of petroleum production from the Browse Title Areas to the Joint Authority within 30 days of completion of Year Two of the retention lease period.
- (4) The lessee shall undertake activities to achieve the earliest commercialisation of petroleum from fields within the Browse Title Areas. The lessee shall actively seek to remove the barriers to commerciality to achieve the earliest start-up including undertaking sufficient studies and work, and gathering sufficient information to place the Lessee in a position to apply for a Production Licence and make a final investment decision within 180 days of commencement of Year Three of the retention lease term.

The lessee shall actively undertake activities to seek to remove any barriers to the development concept which provides the earliest commercial development, including:

- addressing the remaining uncertainties with respect to LNG plant location and layout;
 - securing land access agreement(s);
 - finalising unitisation and operating agreements to allow the development of the Browse RL resources; and
 - undertaking activities required to obtain necessary leases, licences and easements for port and onshore facilities for the identified earliest development concept.
- (5) The lessee shall undertake all required environmental surveys, data gathering and studies required for the Strategic Assessment Agreement relating to the Kimberley LNG precinct until and unless an alternative development concept is selected.

In order to ensure that these conditions are met, a comprehensive work program is also set out as below to ensure that the commercial barriers are addressed.

Year 1 Work Program – R 2 (Torosa)	Expenditure (A\$ million)
Subsurface studies and seismic interpretation, including: • Reservoir characterisation; and • Seismic interpretation. Engineering and Design studies for the identified earliest development concept, including: • Commence, complete and document the Basis of Design for the full Browse LNG Development; • Deliver +25%/-15% cost estimates; and • Prepare a Project Execution Plan. Geotechnical Studies and Surveys for the identified earliest development concept including: • Undertake metocean and related data gathering; and • Undertake geophysical and geotechnical studies necessary for the project, including any required pipeline route surveys; foundations or other work. Environmental Surveys, Studies and Applications, for the identified earliest development concept, including • Undertake environmental surveys, data gathering and studies and work required in connection with applications for necessary environmental approvals; and • Prepare an Environmental Impact Statement. Commercial Activities • Prepare and submit for review a preliminary Field Development Plan for the identified earliest development concept; • Undertake legal, commercial and any other related activities required to initiate unitisation studies and progress the identified earliest development concept; and • Undertake geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements	
	9.2

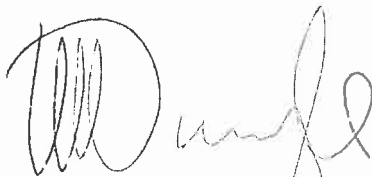
Year 2 Work Program – R 2 (Torosa) Subsurface studies and seismic interpretation, including: • Complete Reservoir characterisation; and • Complete Seismic interpretation. Engineering and Design studies for the identified earliest development concept including: • Commence and complete Front End Engineering and Design studies for the full Browse LNG Development; • Deliver +15%/-10% cost estimates; and • Prepare a final Project Execution Plan Geotechnical Studies and Surveys for the identified earliest development concept, including: • Complete any consequential activities following Year 1 work. Environmental Surveys, Studies and Approvals for the identified earliest concept, including • Complete any consequential activities following Year 1 work; and • Prepare applications for remaining environmental project approvals. Commercial Activities • Prepare and submit for approval a final Field Development Plan for the identified earliest development concept; • Complete all work required for a production licence application and infrastructure licence and pipeline licences and applications for the identified earliest development concept; • Finalise remaining commercial agreements to satisfy the requirements of the post Year 2 commerciality review; and • Complete geosequestration evaluation studies for the identified earliest development concept. Marketing Activities • Undertake market analysis and marketing activities to secure binding LNG sale and purchase agreements.	Expenditure (A\$ million)
	15.0
Year 3 Work Program – R 2 (Torosa) • Complete any consequential activities following Year 2 work; and • Document Front End Engineering and Design for the full Browse LNG Development for the identified earliest development concept.	Expenditure (A\$ million)
	4.6

Year 4 Work Program –R 2 (Torosa)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Year 5 Work Program – R 2 (Torosa)	Expenditure (A\$ million)
Continue any work required to commercialise the Browse gas fields.	

Dated at Perth this 2nd day of December 2009

Made under the *Petroleum and Geothermal Energy Resources Act, 1967* of the
State of Western Australia.



EXECUTIVE DIRECTOR PETROLEUM AND ENVIRONMENT DIVISION
Pursuant to the Instrument of Delegation dated 27 February 2009
As delegate of the Minister for Mines and Petroleum