

Kipper Tuna Turrum Project

March 2012 Update

Newsletter No.13



Introduction

This newsletter is one in a series intended to keep stakeholders informed about the Kipper Tuna Turrum Project (the "Project"). It outlines progress to date and highlights key upcoming activities.

Overview

While weather continued to challenge the installation program, significant offshore activity has continued in the last quarter. All the installation heavy-lifts were completed by February and the Project is now moving into the next phase – connecting the new equipment to the existing infrastructure in Bass Strait. Expected to continue throughout 2012, this involves hook-up and commissioning of the Marlin B platform, Kipper subsea equipment, West Tuna Riser Access Tower and associated new pipelines.

An onshore support base and vessel refuelling location has also been established in the Port of Melbourne to support this next phase of the Project.

Installation Activity – Marlin B

In December the Marlin B conductors were installed. The conductor pipes will serve as the outside well casings for future drilling operations. The module support frame and 60-metre bridge connecting Marlin A to Marlin B were also installed.

This was followed by the installation of four topsides modules housing the platform's major processing equipment. The first two modules were installed in January followed by the remaining two modules in February.

January also saw the arrival of the final equipment barge carrying the Marlin B flare, which was lifted into position on the Marlin B platform in February.



Figure 1 – Installation of Marlin B conductors.



Figure 2 – Module Support Frame being lifted into position on the Marlin B jacket by the derrick lay barge DB30.

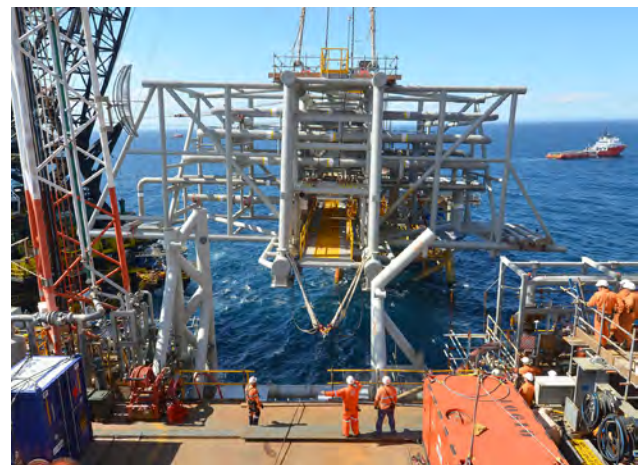


Figure 3 – Lifting the bridge between Marlin A and Marlin B platforms into position.



Figure 4 – Marlin B modules waiting on the equipment barge in front of derrick lay barge DB30.



Figure 5 – Marlin B with 3 modules installed, and the final module being lifted into position by the derrick lay barge DB30.



Figure 7 – Marlin B platform with all modules, flare boom and bridge installed. (Marlin A platform in background.)



Figure 6 – Final positioning of the flare boom on the Marlin B platform using the derrick lay barge DB30 crane.



Figure 8 – West Tuna Platform and Riser Access Tower

West Tuna Platform and Riser Access Tower

Major modifications to the West Tuna platform and installation of the Riser Access Tower are complete. Work on hook-up and commissioning of the new facilities has commenced.

Subsea Installation

In December electrical and fluid umbilicals, which will control the Kipper field sub-sea facilities, were installed and trenched between Kipper and the West Tuna Platform. This completed the subsea installation program and the MV Emerald Sea left the field in January.



Figure 9 – Umbilical trencher on board MV Emerald Sea.

Wet Storage of Anchors and Other Significant Items

The following actions continue to be implemented whenever anchors or other significant items are wet stored and marked by unlit buoys:

- a) an official Notice to Mariners will be issued by AMSA in Canberra, and
- b) an installation support vessel will remain in the field patrolling the area where the wet stored items are located to warn any approaching shipping of their presence.

The DB30 operates using an anchor spread of up to 12 anchors which can extend up to 2km from the barge. To avoid contact with the anchor handling operations, the anchors and/or mooring lines, a 2 nautical mile clearance from the DB30 is requested from all other vessels operating in the area.

Environmental Approvals

In support of these activities Esso Australia Pty Ltd (Esso) has prepared and had accepted an Environment Plan.

This Plan identifies the environmental aspects of the installation activity and reduces the risk of these aspects to as low as reasonably practicable.

A summary of this Environment Plan has been provided to the Department of Resources, Energy and Tourism and is available on their website, www.ret.gov.au.

Project Background

ExxonMobil Australia Pty Ltd, through its subsidiaries including Esso, is continuing its work to develop the Project off the coast of Victoria in Bass Strait. This Project aims to further develop the Kipper, Tuna and Turrum oil and gas reservoirs.

The Kipper resource holds approximately 620 billion cubic feet of recoverable gas and 30 million barrels of gas liquids. The Kipper field is located approximately 45 kilometres south of Marlo, Victoria.

The Turrum reservoir holds approximately one trillion cubic feet of gas and 110 million barrels of oil and gas liquids. The Turrum reservoir is located near the existing Marlin A platform, approximately 45 kilometres south east of Lakes Entrance, Victoria.

Feedback

Please distribute this project update among your colleagues and industry associates. The Project welcomes additional contact details of interested parties. Please provide these to, or request further information from:

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