

Western Australia

# North West Gas Development (Woodside) Agreement Amendment Bill 2014

## Contents

1.	Short title	2
2.	Commencement	2
3.	Act amended	2
4.	Section 2 amended	2
5.	Section 6A inserted	2
	6A. Fourth Supplementary Agreement	2
6.	Schedule 5 inserted	3
	<b>Schedule 5 — Fourth Supplementary Agreement</b>	



Western Australia

LEGISLATIVE ASSEMBLY

**North West Gas Development (Woodside)  
Agreement Amendment Bill 2014**

**A Bill for**

**An Act to amend the *North West Gas Development (Woodside)  
Agreement Act 1979*.**

The Parliament of Western Australia enacts as follows:

**s. 1**

---

1   **1.     Short title**

2           This is the *North West Gas Development (Woodside) Agreement*  
3           *Amendment Act 2014*.

4   **2.     Commencement**

5           This Act comes into operation as follows —

6           (a)   sections 1 and 2 — on the day on which this Act  
7           receives the Royal Assent;

8           (b)   the rest of the Act — on the day after that day.

9   **3.     Act amended**

10           This Act amends the *North West Gas Development (Woodside)*  
11           *Agreement Act 1979*.

12   **4.     Section 2 amended**

13           In section 2 insert in alphabetical order:

14

15           *the Fourth Supplementary Agreement* means the agreement a  
16           copy of which is set out in Schedule 5;

17

18   **5.     Section 6A inserted**

19           After section 5A insert:

20

21       **6A.    Fourth Supplementary Agreement**

22           (1)   The Fourth Supplementary Agreement is ratified.

23           (2)   The implementation of the Fourth Supplementary  
24           Agreement is authorised.

25           (3)   Without limiting or otherwise affecting the application  
26           of the *Government Agreements Act 1979*, the Fourth

1                    Supplementary Agreement operates and takes effect  
2                    despite any other Act or law.  
3

4    **6.            Schedule 5 inserted**

5                    After Schedule 4 insert:  
6

7                    **Schedule 5 — Fourth Supplementary Agreement**

8                    [s. 2]

9                    **2014**

10                    **THE HONOURABLE COLIN JAMES BARNETT**  
11                    **PREMIER OF THE STATE OF WESTERN AUSTRALIA**

12                    **AND**

13                    **WOODSIDE ENERGY LTD.**  
14                    **ACN 005 482 986**

15                    **SHELL DEVELOPMENT (AUSTRALIA) PROPRIETARY LIMITED**  
16                    **ACN 009 663 576**

17                    **BHP BILLITON PETROLEUM (NORTH WEST SHELF) PTY. LTD.**  
18                    **ACN 004 514 489**

19                    **BP DEVELOPMENTS AUSTRALIA PTY. LTD.**  
20                    **ACN 081 102 856**

21                    **CHEVRON AUSTRALIA PTY LTD**  
22                    **ACN 086 197 757**

23                    **JAPAN AUSTRALIA LNG (MIMI) PTY. LTD.**  
24                    **ACN 006 303 180**

25  
26  
27  
28  
29  
30  
31  
32

**s. 6**

---

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

---

**NORTH WEST GAS DEVELOPMENT (WOODSIDE)  
AGREEMENT 1979**

**RATIFIED VARIATION AGREEMENT**

---

[Solicitor's details]

**THIS AGREEMENT** is made this 20 day of November 2014

**BETWEEN**

**THE HONOURABLE COLIN JAMES BARNETT**, M.Ec., M.L.A., Premier of the State of Western Australia, acting for and on behalf of the said State and its instrumentalities from time to time ( the"State") of the one part

**AND**

**WOODSIDE ENERGY LTD.** ACN 005 482 986 of 240 St Georges Terrace, Perth, Western Australia, **SHELL DEVELOPMENT (AUSTRALIA) PROPRIETARY LIMITED** ACN 009 663 576 of Level 3, 2 Victoria Avenue, Perth, Western Australia, **BHP BILLITON PETROLEUM (NORTH WEST SHELF) PTY. LTD.** ACN 004 514 489 of C/- Citco (Australia) Pty Ltd, Level 23, 45 Clarence Street, Sydney, New South Wales, **BP DEVELOPMENTS AUSTRALIA PTY. LTD.** ACN 081 102 856 of Level 8, 250 St Georges Terrace, Perth, Western Australia, **CHEVRON AUSTRALIA PTY LTD** ACN 086 197 757 of Unit 7, 61 Walters Drive, Osborne Park, Western Australia and **JAPAN AUSTRALIA LNG (MIMI) PTY. LTD.** ACN 006 303 180 of Level 50, 600 Bourke Street, Melbourne, Victoria (together collectively called the "**Joint Venturers**") of the other part.

**RECITALS**

**A.** The parties to this Agreement are now the parties to the agreement (herein called the "**1979 Agreement**") dated 27 November 1979, the

- 1 execution of which by the State was ratified by the *North West Gas*  
2 *Development (Woodside) Agreement Act 1979*, as varied by:
- 3 (a) the agreement dated 15 September 1982 entered into pursuant  
4 to the provisions of clause 27 of the 1979 Agreement;
- 5 (b) the agreement dated 3 July 1985 which was ratified by the  
6 *North West Gas Development (Woodside) Agreement*  
7 *Amendment Act 1985*;
- 8 (c) the agreement dated 23 November 1994 which was ratified  
9 by the *North West Gas Development (Woodside) Agreement*  
10 *Amendment Act 1994*;
- 11 (d) the agreement dated 29 May 1996 which was ratified by the  
12 *North West Gas Development (Woodside) Agreement*  
13 *Amendment Act 1996*; and
- 14 (e) the agreement dated 30 May 2002 entered into pursuant to the  
15 provisions of clause 27 of the 1979 Agreement.

16 The 1979 Agreement as so varied is hereinafter referred to as the  
17 "**Principal Agreement**".

18 **B.** The parties wish to vary the provisions of the Principal Agreement on  
19 the terms and conditions set out in this Agreement.

20 **THE PARTIES AGREE AS FOLLOWS:**

21 **1. Ratification and operation**

- 22 (1) This Agreement, other than this clause, does not come into operation  
23 except in accordance with subclause (2).
- 24 (2) This Agreement, other than this clause, comes into operation on the  
25 day on which it is ratified by an Act of the Parliament of Western  
26 Australia ("**Operative Date**") unless, before that day, it terminates  
27 under subclauses (4) or (5).
- 28 (3) The State must introduce in the Parliament of Western Australia  
29 before 27 November 2014 or a later date agreed between the parties to  
30 this Agreement, a Bill to ratify this Agreement and must endeavour to  
31 secure its passage as an Act.

**s. 6**

---

1 (4) If by 30 June 2015 this Agreement has not been ratified by an Act of  
2 the Parliament of Western Australia then, unless the parties to this  
3 Agreement otherwise agree, this Agreement terminates on that day  
4 and no party hereto will have any claim against any other party hereto  
5 with respect to any matter or thing arising out of, done, performed, or  
6 omitted to be done or performed under this Agreement.

7 (5) The parties agree that if the Principal Agreement is otherwise  
8 determined in accordance with its provisions on a day prior to the  
9 Operative Date, then this Agreement shall also terminate on and from  
10 that day and no party hereto will have any claim against any other  
11 party hereto with respect to any matter or thing arising out of, done,  
12 performed, or omitted to be done or performed under this Agreement.

13 **2. Variations of the Principal Agreement**

14 The Principal Agreement is hereby varied as follows:

15 (1) in clause 1 by inserting in the appropriate alphabetical positions the  
16 following new definitions:

17 "Agreement Area" means at any time during the term (including as  
18 extended from time to time) of this Agreement after the Variation  
19 Date, the area comprising all of the areas then the subject of the  
20 Petroleum Titles listed in the Schedule to this Agreement (an interest  
21 in each of which is held by any or all of the Joint Venturers) and all of  
22 the areas then the subject of Petroleum Titles (an interest in each of  
23 which is held by any or all of the Joint Venturers) derived from the  
24 whole or any part of a Petroleum Title listed in the Schedule to this  
25 Agreement;

26 "Petroleum Titles" means exploration permits, production licences or  
27 retention leases issued or held under any of the *Petroleum and*  
28 *Geothermal Energy Resources Act 1967* (WA), the *Petroleum*  
29 *(Submerged Lands) Act 1982* (WA) or the *Offshore Petroleum and*  
30 *Greenhouse Gas Storage Act 2006* (Cth);

31 "Variation Agreement" means the variation agreement made on or  
32 about 25 November 2014 between The Honourable Colin James  
33 Barnett, Premier of the State of Western Australia acting for and on  
34 behalf of the said State and its instrumentalities from time to time and  
35 the Joint Venturers;



- 1 "Variation Date" means the date on which clause 2 of the Variation  
2 Agreement comes into operation;
- 3 (2) in clause 1 by in the definition of "overall project" inserting "as  
4 modified, expanded or otherwise varied from time to time in  
5 accordance with this Agreement" after "this Agreement";
- 6 (3) in clause 9 by:
- 7 (a) deleting "If" and substituting "Subject to subclauses (2), (3)  
8 and (4), if";
- 9 (b) deleting "modify expand or otherwise vary their activities  
10 substantially from those specified in any approved proposals"  
11 and substituting "significantly modify, expand or otherwise  
12 vary their activities that are the subject of this Agreement and  
13 that may be carried on by them pursuant to this Agreement as  
14 part of the overall project"; and
- 15 (c) by inserting before the full stop at the end of the last sentence  
16 "provided that the outline to be furnished by the Joint  
17 Venturers to the Minister as referred to in Clause 7(4)(a) shall  
18 be an outline of the proposed marketing arrangements for  
19 natural gas, liquefied natural gas, liquefied petroleum gas,  
20 condensate and natural gas for delivery and use in the said  
21 State, unless the Minister has notified the Joint Venturers  
22 such outline is not required in addition to the said proposals";
- 23 (d) numbering the existing provision as subclause (1) and  
24 inserting after it the following new subclauses:
- 25 "(2) In addition to natural gas recovered from a well or  
26 wells in the Agreement Area the Joint Venturers may,  
27 as part of the overall project, and in accordance with  
28 this Agreement utilise at the onshore facilities natural  
29 gas recovered from a well or wells outside the  
30 Agreement Area in the production of:
- 31 (a) natural gas for delivery and use in the said  
32 State;
- 33 (b) condensate;
- 34 (c) liquefied petroleum gas;

**s. 6**

---

- 1 (d) liquefied natural gas for use, supply or sale  
2 overseas provided that the Minister has  
3 first notified the Joint Venturers that the  
4 Minister is satisfied that:
- 5 (i) the holder of the Petroleum Title or  
6 Petroleum Titles from a well or  
7 wells in which natural gas is to be  
8 recovered for the production of  
9 such liquefied natural gas has  
10 provided to the State on terms  
11 acceptable to the State a  
12 commitment for the delivery and  
13 use in the said State of natural gas  
14 recovered from wells in such  
15 Petroleum Title or Petroleum  
16 Titles which is consistent with the  
17 Domgas Commitment (as defined  
18 in Clause 46A(1)), as that  
19 commitment exists at the Variation  
20 Date; and
- 21 (ii) the production of such liquefied  
22 natural gas will not result in a  
23 breach by the Joint Venturers of  
24 their Domgas Commitment (as  
25 defined in Clause 46A(1)).
- 26 (3) The utilisation of natural gas recovered from a well or  
27 wells outside the Agreement Area as referred to in  
28 subclause (2) of this Clause shall, to the extent not  
29 already authorised under this Agreement as at the  
30 date of the Variation Agreement, be regarded as a  
31 significant modification expansion or other variation  
32 of the Joint Venturers' activities carried on by them  
33 pursuant to this Agreement and may only be made in  
34 accordance with proposals submitted and approved or  
35 determined under this Agreement in accordance with  
36 this Clause 9 and otherwise in accordance with the  
37 provisions of this Agreement.

- 1 (4) Notwithstanding any other provisions of this  
2 Agreement the Joint Venturers shall not without the  
3 Minister's prior consent submit as part of proposals  
4 under Clause 9 any proposal for the grant of any  
5 lease, licence or other tenure to support the  
6 undertaking of operations for the utilisation of natural  
7 gas to be recovered from a well or wells outside the  
8 Agreement Area as referred to in subclause (2) of this  
9 Clause.";
- 10 (4) in clause 46 by deleting subclause (1A) and substituting the following  
11 new subclauses:
- 12 "(1A) The parties acknowledge that prior to the Variation Date the  
13 Minister has at previous times approved the following  
14 quantities of liquefied natural gas (produced from natural gas  
15 processed through the onshore facilities) being marketed for  
16 use, supply or sale overseas (in addition to the quantity  
17 authorised under Clause 44A(3)), namely:
- 18 (a) 140 million tonnes of liquefied natural gas was  
19 approved in 1998;
- 20 (b) 11 million tonnes of liquefied natural gas was  
21 approved in 2003; and
- 22 (c) 70 million tonnes of liquefied natural gas was  
23 approved in 2004.
- 24 (1B) The Joint Venturers shall keep the Minister informed of their  
25 intended arrangements for the processing of natural gas to be  
26 recovered from a well or wells in the Agreement Area  
27 through the onshore facilities during the term (including as  
28 extended from time to time) of this Agreement after the  
29 Variation Date for the purpose of producing liquefied natural  
30 gas for use, supply or sale overseas. Before any  
31 arrangements are entered into (whether by the Joint Venturers  
32 or otherwise) for the use, supply or sale overseas of such  
33 liquefied natural gas (not being liquefied natural gas the  
34 subject of the approvals referred to in subclauses (1A) and  
35 (1C) of this Clause) the Joint Venturers shall consult with the  
36 Minister on, and obtain the Minister's approval of, the  
37 quantity of liquefied natural gas (to be produced from the

**s. 6**

---

1 processing of natural gas to be recovered from a well or wells  
2 in the Agreement Area, as that Agreement Area exists at the  
3 date of the Minister's approval, through the onshore facilities  
4 after the Variation Date) which may, in addition to the  
5 quantities of liquefied natural gas the subject of the approvals  
6 referred to subclauses (1A) and (1C) of this Clause, be  
7 marketed for use, supply or sale overseas.

8 (1C) With effect on the Variation Date, the Minister shall be  
9 deemed to have approved pursuant to subclause (1B) of this  
10 Clause, in addition to the quantities of liquefied natural gas  
11 the subject of approvals referred to in subclause (1A) of this  
12 Clause, an additional 86 million tonnes of liquefied natural  
13 gas (to be produced from the processing of natural gas to be  
14 recovered from a well or wells in the Agreement Area, as the  
15 Agreement Area exists as at the Variation Date, through the  
16 onshore facilities after the Variation Date) being marketed for  
17 use, supply or sale overseas. The Joint Venturers may  
18 request of the Minister a reduction in the quantity approved  
19 under this subclause (1C) if the Joint Venturers can  
20 demonstrate that the quantity of liquefied natural gas to be  
21 produced from natural gas recovered from wells in the  
22 Agreement Area over the remaining term of this Agreement  
23 will be materially less than 86 million tonnes. The Joint  
24 Venturers will consult with the Minister in relation to any  
25 request under this subclause (1C) and will provide to the  
26 Minister all information necessary to enable the Minister to  
27 evaluate the request.";

28 (5) by inserting after clause 46 the following new clauses:

29 **"New Domgas Commitment**

30 46A.(1) For the purposes of this Clause and Clause 46B:

31 "Affiliate" means in relation to an entity, any entity which  
32 Controls, or is Controlled by, or is under common Control  
33 with, that entity;

34 "Control" has the meaning given by subclause (2) and  
35 "Controlled" has a corresponding meaning;

- 
- 1 "Domgas" means natural gas which is produced as part of  
2 the overall project from natural gas recovered after the  
3 Variation Date from a well or wells in the Agreement Area  
4 for delivery and use in the said State but it does not include:
- 5 (a) natural gas which the Minister is satisfied has been,  
6 as at the Variation Date, committed for delivery and  
7 use in the said State, except to the extent the Minister  
8 approves such natural gas being treated as Domgas  
9 for the purpose of this Clause;
- 10 (b) natural gas for the operation of, or used in the  
11 operation of, the Joint Venturers' Facilities;
- 12 (c) natural gas processed or delivered or to be processed  
13 or delivered as the case may be for sale, use or supply  
14 overseas and whether or not as liquefied natural gas;
- 15 (d) natural gas sold or delivered or to be sold or delivered  
16 as the case may be to any Affiliate of any one or more  
17 of the Joint Venturers for any purpose referred to in  
18 paragraph (b) or paragraph (c) above;
- 19 "Domgas Commitment" means the Joint Venturers'  
20 commitments as set out in this Clause;
- 21 "Domgas Facilities" means the Common Property, Domgas  
22 Property and LNG Property required for the production of  
23 natural gas for delivery and use in the said State;
- 24 "energy value" means in relation to a quantity of petroleum  
25 product the thermal energy value equivalent of that quantity  
26 in joules calculated in accordance with good industry  
27 practice;
- 28 "Joint Venturers Facilities" means:
- 29 (a) the facilities within the Agreement Area; and  
30 (b) the facilities comprising Common Property, Domgas  
31 Property and LNG Property; and  
32 (c) any facilities connecting the facilities referred to in  
33 paragraph (a) to the facilities referred to in  
34 paragraph (b),

**s. 6**

---

1 from time to time used by the Joint Venturers for the  
2 recovery, transportation to the onshore facilities and the  
3 processing (in accordance with this Agreement) through  
4 such facilities of natural gas;

5 "month" means a period of time commencing at the start of  
6 any day in one of the calendar months and ending  
7 immediately before the start of the corresponding day of the  
8 next calendar month or if there is no such day, at the end of  
9 the next calendar month;

10 "New Domgas" means at any time during the term  
11 (including as extended from time to time) of this Agreement  
12 after the Variation Date, the quantity of Domgas which has  
13 an energy value equal to the equivalent of at least the  
14 Relevant Percentage of the energy value of New Export  
15 Gas, as reduced by the quantities of Domgas delivered into  
16 the domestic market of the said State in compliance with the  
17 Domgas Commitment;

18 "New Domgas Report" means a report referred to in  
19 paragraph (h) of subclause (4) of this Clause;

20 "New Export Gas" means at any time during the term  
21 (including as extended from time to time) of this Agreement  
22 after the Variation Date, the aggregate of the quantities of  
23 liquefied natural gas which the Minister has, on or after the  
24 Variation Date, approved pursuant to clause 46(1B) for  
25 marketing for use, supply or sale overseas (and which  
26 aggregate quantity includes but is not limited to the quantity  
27 the Minister is deemed to have approved pursuant to  
28 Clause 46(1C));

29 "Operational" means that the relevant Domgas Facilities are  
30 in operation and producing natural gas for delivery and use  
31 in the said State (subject to interruptions in operation due to  
32 planned maintenance and outages from unplanned  
33 breakdowns);

34 "Relevant Percentage" means:  
35 (a) subject to paragraph (b), 15%;

- 
- 1 (b) such lesser percentage as the Minister may approve in  
2 accordance with subclause (6) of this Clause;
- 3 (2) An entity Controls another entity if:
- 4 (a) where the second-named entity has a share capital,  
5 the first-named entity (alone or with one or more  
6 Affiliates) has the power to vote in relation to at least  
7 50% of the shares in the second-named entity at a  
8 meeting to approve the appointment or removal of a  
9 director;
- 10 (b) where the second-named entity does not have a share  
11 capital, the first-named entity (alone or with one or  
12 more Affiliates) has the power to appoint or remove a  
13 majority of the persons who make or participate in  
14 making decisions of the second-named entity that  
15 affect the whole or a substantial part of the  
16 second-named entity's business or financial affairs  
17 that significantly affect its financial standing; or
- 18 (c) where the first-named entity (alone or with one or  
19 more Affiliates) has the power to control the  
20 composition of the board or groups of persons who  
21 together can make the decisions described in  
22 paragraph (b) above.
- 23 (3) The Joint Venturers shall market and make available New  
24 Domgas in accordance with this Clause. The Domgas  
25 Commitment shall commence on the Variation Date and will  
26 continue until the Minister is satisfied there is no longer an  
27 outstanding Domgas Commitment.
- 28 (4) As part of their Domgas Commitment the Joint Venturers  
29 must:
- 30 **Marketing obligations**
- 31 (a) actively and diligently undertake ongoing marketing  
32 (whether collectively or otherwise) of New Domgas  
33 for sale to a range of buyers in the said State with a  
34 view to achieving a reasonably stable and regular  
35 supply profile for Domgas over the duration of the

**s. 6**

---

- 1 term (including as extended from time to time) of this  
2 Agreement and avoiding any unreasonable  
3 accumulation of New Domgas;
- 4 (b) discharge their ongoing marketing obligations (as  
5 specified in paragraph (a)) in good faith, actively and  
6 diligently (exercising the degree of skill, prudence  
7 and foresight which would reasonably be exercised  
8 by a skilled and experienced person engaged in the  
9 same type of undertaking) including, without  
10 limitation, through employing staff to market  
11 Domgas, engaging regularly with potential buyers of  
12 Domgas in the said State and assessing demand for  
13 Domgas through activities such as market research  
14 and discussions with potential buyers;
- 15 (c) negotiate in good faith with any bona fide purchaser  
16 of New Domgas as to the price and terms of supply of  
17 New Domgas available for sale;

**Access and Maintenance Obligations**

- 18
- 19 (d) apply, or procure the application as the case may be  
20 of, available proven technology in developing, or  
21 obtaining access as the case may be, to Domgas  
22 Facilities for the purpose of the Joint Venturers  
23 meeting their Domgas Commitment and regardless of  
24 whether or not this may require the refurbishment of  
25 existing facilities or the construction of new facilities;
- 26 (e) subject to subclause (16) of this Clause, maintain, or  
27 procure the maintenance as the case may be of, the  
28 Domgas Facilities in an Operational state at all times  
29 to the extent necessary to meet the Domgas  
30 Commitment during the currency of this Agreement  
31 (including as extended from time to time) after the  
32 Variation Date;
- 33 (f) maintain, or procure the maintenance as the case may  
34 be of, access to sufficient capacity in the Domgas  
35 Facilities to enable the Joint Venturers to meet their  
36 Domgas Commitment in accordance with good  
37 industry practice (exercising the degree of skill,



1                   prudence and foresight which would reasonably be  
2                   exercised by a skilled and experienced person  
3                   engaged in the same type of practice) in order to  
4                   ensure the production and delivery of New Domgas  
5                   to the domestic market in the said State in compliance  
6                   with the Domgas Commitment;

7                   **Reservation of Agreement Area Natural Gas**

8                   (g) reserve, or procure as the case may be, the reservation  
9                   of a quantity of natural gas to be recovered from a  
10                  well or wells within the Agreement Area sufficient  
11                  for the Joint Venturers to meet their Domgas  
12                  Commitment; and

13                  **Provision of New Domgas Reports**

14                  (h) subject to the following proviso, each prepare and  
15                  submit to the Minister on an annual and confidential  
16                  basis, commencing on the anniversary of the  
17                  Variation Date, a report ("New Domgas Report")  
18                  which demonstrates how each of the Joint Venturers  
19                  have complied with the Domgas Commitment during  
20                  the previous 12 month period and contains:

21                               (i) in relation to liquefied natural gas sold or  
22                               supplied overseas during the previous  
23                               12 month period by the Joint Venturer  
24                               submitting the report, information about  
25                               the date of the relevant sale or supply  
26                               contracts, the quantities of liquefied natural  
27                               gas sold or supplied under such contracts  
28                               and the dates of sale or supply; and

29                               (ii) in relation to Domgas sold or delivered  
30                               during the previous 12 month period into  
31                               the domestic market of the said State in  
32                               compliance with the Domgas Commitment  
33                               by the Joint Venturer submitting the report,  
34                               information about the date of the relevant  
35                               sale or delivery contracts, the quantities of  
36                               Domgas so sold or delivered under such

**s. 6**

---

- 1 contracts and the dates of sale or delivery;  
2 and
- 3 (iii) information demonstrating that the Domgas  
4 Facilities were maintained in an  
5 Operational state during the reporting  
6 period and detailed information on the Joint  
7 Venturers' strategies for maintaining the  
8 Domgas Facilities in an Operational state,  
9  
10 and when required by the Minister consult with the  
11 Minister in regard to any reports or reports submitted  
12 under this paragraph (h), provided that the Joint  
13 Venturers may submit a combined report if they have  
14 purported to discharge their obligations under  
15 subclause (4)(a), (b) and (c) of this Clause  
collectively.
- 16 (5) The Minister may at any time appoint at the cost of the Joint  
17 Venturers (subject to an agreed budget) an agreed person  
18 (who is both independent of the State and of the Joint  
19 Venturers and does not have a conflict of interest with other  
20 companies involved in the domestic market in the said State)  
21 to advise the Minister on the extent to which the Joint  
22 Venturers have performed their obligations under  
23 subclause (4) of this Clause. The Joint Venturers will  
24 provide all information (if appropriate on a confidential basis)  
25 that such person may require, including indicative prices,  
26 quantities and qualities of Domgas and technical information  
27 relating to the operation of relevant facilities.
- 28 (6) The Minister may at the request from time to time of the Joint  
29 Venturers approve a lesser percentage than 15% as the  
30 Relevant Percentage:
- 31 (a) if the Minister is satisfied:
- 32 (i) that the domestic gas market in the said  
33 State is adequately supplied with natural  
34 gas taking in to consideration gas supply  
35 projects (as part of which natural gas for  
36 delivery and use in the said State will be  
37 produced) already developed or in respect

- 1 of which the developers thereof have made  
2 a financial investment decision to proceed  
3 with the project and the State's then  
4 forecasts of future requirements for the  
5 delivery and use of natural gas in the said  
6 State; and
- 7 (ii) that the Joint Venturers have been meeting  
8 their Domgas Commitment; or
- 9 (b) for any other reason acceptable to the Minister if the  
10 Minister is satisfied that the Joint Venturers have  
11 been meeting their Domgas Commitment.
- 12 (7) The obligations of the Joint Venturers under  
13 Clause 46A(4)(a), (b), (c) and (h) shall be a separate and  
14 individual obligation of each of the Joint Venturers in  
15 proportion to their respective ownership interests in the LNG  
16 Venture, but may nevertheless be discharged collectively.
- 17 (8) The provisions of Clause 28 shall not apply to  
18 Clause 46A(4)(a), (b), (c), (g) and (h).
- 19 (9) If the Minister considers that if all or any of the Joint  
20 Venturers ("affected Joint Venturers") have defaulted in the  
21 due performance and observance of the Domgas  
22 Commitment and such default is not remedied within a period  
23 of 180 days after notice is given by the Minister, or if the  
24 default is referred to arbitration then within the period  
25 mentioned in subclause (12) of this Clause, the Minister may  
26 by notice to the affected Joint Venturers suspend (such  
27 suspension to take effect upon the giving of the notice in  
28 accordance with Clause 45) in respect of the affected Joint  
29 Venturers all or any part of the Minister's approvals referred  
30 to in Clause 46(1A) or 46(1C) or given after the Variation  
31 Date pursuant to Clause 46(1B) in respect of liquefied natural  
32 gas which at the date of such notice has not yet been sold or  
33 agreed to be sold under a contract that has already been  
34 entered into and is unconditional as at the date of the notice,  
35 to the intent that until the suspension is lifted as referred to in  
36 subclause (14) of this Clause, the affected Joint Venturers  
37 may not themselves or through any other person enter into

**s. 6**

---

- 1 any arrangements for the use, supply or sale overseas of  
2 liquefied natural gas in reliance on such approvals.
- 3 (10) The notice to be given by the Minister in terms of  
4 subclause (9) of this Clause shall specify the nature of the  
5 default so entitling the Minister to, if not remedied, exercise  
6 the right to suspend approvals as referred to in subclause (9)  
7 of this Clause.
- 8 (11) If the affected Joint Venturers contest the alleged default  
9 referred to in subclause (9) of this Clause they shall within  
10 30 days after notice is given by the Minister as provided in  
11 subclause (10) of this Clause refer the matter to arbitration.
- 12 (12) The affected Joint Venturers shall comply with any  
13 arbitration award within a reasonable time to be fixed by the  
14 arbitration award provided that if the question is decided  
15 against them and the arbitrator finds that there was a bona  
16 fide dispute and they were not dilatory in pursuing the  
17 arbitration, the time for compliance with the arbitration award  
18 shall not be less than 90 days from the date of such award.
- 19 (13) The exercise by the Minister of rights conferred by this  
20 Clause shall be without prejudice to the exercise of rights by  
21 the State under Clause 30.
- 22 (14) Where there has been a suspension under subclause (9) of this  
23 Clause, the Minister will lift the suspension when the  
24 Minister is satisfied that the affected Joint Venturers have  
25 remedied the default or implemented a cure plan acceptable  
26 to the Minister to remedy the default.
- 27 (15) The Domgas Commitment binds the Joint Venturers in their  
28 capacity as LNG Joint Venturers and, to the extent they are  
29 Domgas Joint Venturers, in their capacity as Domgas Joint  
30 Venturers.
- 31 (16) In the event that the Joint Venturers are in compliance with  
32 their obligations under subclause (4) of this Clause, and will  
33 have no contracted gas to be supplied, the Joint Venturers  
34 may give to the Minister not less than 6 months' notice of  
35 their intention to place the Domgas Facilities on a  
36 non-Operational status. If the Minister is not satisfied with

1 the Joint Venturers' notification, the Minister will so advise  
2 the Joint Venturers within one month after receiving the Joint  
3 Venturers' notice. The Minister may then appoint an agreed  
4 person in accordance with subclause (5) of this Clause in  
5 which case the Domgas Facilities will remain Operational  
6 until the agreed person has reported and is of the view that  
7 the Joint Venturers are in compliance with their obligations  
8 under subclause (4) of this Clause and will have no  
9 contracted gas to be supplied and hence the Domgas  
10 Facilities can be placed on a non-Operational status.

11 The Minister will inform the Joint Venturers of the agreed  
12 person's view within two weeks of receiving the agreed  
13 person's report and the agreed person's view will prevail at  
14 that time. If the State or the Joint Venturers dispute the view  
15 of the agreed person that party may refer the dispute to  
16 arbitration pursuant to Clause 38. Nothing in this  
17 subclause (16) shall relieve the Joint Venturers from their  
18 obligations under subclause (4)(a), (b), (c), (g) and (h) of this  
19 Clause.

20 46B. A Joint Venturer may make a request of the Minister to offset  
21 all or part of the Domgas Commitment by offering  
22 commitments in respect of natural gas and capacity from  
23 alternative sources and facilities. Consideration of any such  
24 request will be at the discretion of the State.

25 (6) by inserting after clause 47 the following Schedule:

26 **"SCHEDULE**

27 **Petroleum Titles comprising the Agreement Area as at**  
28 **the date of the Variation Agreement (Clause 1 definition**  
29 **of "Agreement Area")**

30 Production licences: WA-1-L, WA-2-L, WA-3-L, WA-4-L,  
31 WA-5-L, WA-6-L, WA-9-L, WA-11-L, WA-16-L,  
32 WA-23-L, WA-24-L, WA-30-L, WA-52-L, WA-53-L,  
33 WA-56-L.

34 Retention leases: WA-7-R, WA-51-R.

35 Exploration licence: WA-28-P."

**s. 6**

---

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12

**EXECUTED** as a deed.

**SIGNED** by **THE HONOURABLE** )  
**COLIN JAMES BARNETT** ) [Signature]  
in the presence of: )

[Signature] \_\_\_\_\_  
Signature of witness

NICOLA CUSWORTH  
Name of witness

**EXECUTED** by **WOODSIDE** )  
**ENERGY LIMITED** ACN 005 482 )  
986 by its attorney under power of )  
attorney dated 4 September 2013 in )  
the presence of: )

[Signature] \_\_\_\_\_  
Signature of witness

[Signature] \_\_\_\_\_  
Signature of attorney

CHERYL DICKSON  
Full name of witness (block letters)

ROBERT JAMES COLE  
Full name of attorney (block letters)

5 BASS ROAD BULL CREEK WA  
Address of witness

By executing this agreement the  
attorney states that the attorney has  
received no notice of revocation of  
the power of attorney

LAWYER  
Occupation of witness

13  
14

**EXECUTED** by **SHELL** )  
**DEVELOPMENT** )  
**(AUSTRALIA) PROPRIETARY** )  
**LIMITED** ACN 009 663 576 in )  
accordance with section 127(1) of the )  
*Corporations Act 2001* (Cth) by )  
authority of its directors: )

[Signature].....  
Signature of director

[Signature].....  
Signature of ~~director~~/company  
secretary\*

ANDREW JAMES SMITH.....  
Full name of director (block letters)

PETER FRANZ LORBEER.....  
Full name of ~~director~~/company  
secretary\* (block letters)  
\*delete whichever is not applicable

1

2

**EXECUTED** by **BHP BILLITON** )  
**PETROLEUM (NORTH WEST** )  
**SHELF) PTY. LTD.** )  
ACN 004 514 489 in accordance )  
with section 127(1) of the )  
*Corporations Act 2001* (Cth) by )  
authority of its directors: )

[Signature].....  
Signature of director

[Signature].....  
Signature of director/~~company~~  
~~secretary~~\*

ROBERT GREGORY JELLIS.....  
Full name of director (block letters)

COLIN RUSSELL MARTIN.....  
Full name of director/~~company~~  
~~secretary~~\* (block letters)  
\*delete whichever is not applicable

3

4

**s. 6**

---

**EXECUTED by BP** )  
**DEVELOPMENTS AUSTRALIA** )  
**PTY. LTD.** ACN 081 102 856 by its )  
attorney under power of attorney )  
dated 29 August 2014 in the )  
presence of: )

[Signature].....  
Signature of witness

DAVID McDONALD.....  
Full name of witness (block letters)

8 FRANCIS ST SUBIACO.....  
Address of witness

GENERAL MANAGER.....  
Occupation of witness

[Signature].....  
Signature of attorney

CLAIRE HELEN FITZPATRICK.....  
Full name of attorney (block letters)

By executing this agreement the attorney states that the attorney has received no notice of revocation of the power of attorney

1

2

**EXECUTED by CHEVRON** )  
**AUSTRALIA PTY LTD** )  
ACN 086 197 757 in accordance with )  
section 127(1) of the *Corporations* )  
*Act 2001* (Cth) by authority of its )  
directors: )

[Signature].....  
Signature of director

URIEL OSEGUERA.....  
Full name of director (block letters)

[Signature].....  
Signature of director/~~company~~  
secretary\*

PETER CARL HAGEN.....  
Full name of director/~~company~~  
secretary\* (block letters)  
\*delete whichever is not applicable

3

4



EXECUTED by JAPAN )  
AUSTRALIA LNG (MIMI) PTY. )  
LTD. ACN 006 303 180 in )  
accordance with section 127(1) of the )  
Corporations Act 2001 (Cth) by )  
authority of its directors: )

[Signature].....  
Signature of director

[Signature].....  
Signature of director/~~company~~  
~~secretary~~\*

MASASHI SHIRAISHI.....  
Full name of director (block letters)

TAKAYUKI OGAWA.....  
Full name of director/~~company~~  
~~secretary~~\* (block letters)  
\*delete whichever is not applicable

1

2

=====