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Committee Secretary
Senate Economics Committee
Department of Senate
PO Box 6100
Parliament House
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By Email

Attention: John Hawkins

Dear Mr Hawkins

Inquiry into matters relating to the gas explosion at Varanus Island, Western Australia

I refer to the inquiry into matters relating to the gas explosion at Varanus Island, Western Australia on 3 June 2008, by the Senate Standing Committee on Economics, now due for report on 13 November 2008 (**the Inquiry**).

Santos (BOL) Pty Ltd (**Santos**) wishes to ensure that any references made by the Committee to the 3 June 2008 incident properly identifies the relevant entities and facilities involved, so as to avoid any possible confusion. Specifically, Santos considers that it is important that there be an appropriate differentiation between gas processing and export facilities on Varanus Island owned by the Harriet Joint Venture (**HJV**), and those owned by the East Spar Joint Venture (**ESJV**). Santos has an interest in the ESJV (including its gas processing and export facilities on Varanus Island), but not in the HJV. The HJV gas processing facilities on Varanus Island are operated by Apache Northwest Pty Ltd, and the ESJV facilities on Varanus Island are operated by Apache Oil Australia Pty Ltd.

The report prepared by the National Offshore Petroleum Safety Authority and released by the West Australian Department of Industry and Resources on 10 October 2008 (**the Report**) concluded that the immediate cause of the incident on 3 June 2008 was the rupture of a 12" sales gas pipeline, which is owned by the HJV.

The Report also concluded that ESJV facilities on Varanus Island were damaged as a result of flying debris and heat radiation. As a consequence, Santos has suffered a detrimental economic impact as a result of the incident which is still being assessed.

I would be grateful if this information could be taken into account in any report or statement resulting from the Inquiry which refers to entities involved in the 3 June 2008 incident.

Thank you for the opportunity to tender a submission to this inquiry.

Yours faithfully



John Anderson
Vice President, Commercial