

Thai firm pleads guilty over Australian oil spill

August 30 2012



This handout photo provided by PTTEP Australasia shows a fire on the West Atlas drilling rig (R) and the Montara wellhead platform, some 250 kilometres (155 miles) off Australia's northwest coast in 2009. A Thai state-owned firm on Thursday admitted four charges over a huge oil spill off northwestern Australia, the country's worst ever offshore drilling accident.

A Thai state-owned firm on Thursday admitted four charges over a huge oil spill off northwestern Australia, the country's worst ever offshore drilling accident.

Thousands of barrels of oil gushed into the sea over 10 weeks following a blowout at PTTEP Australasia's West Atlas rig in the [Timor Sea](#) three years ago.

The slick from the Montara [oil field](#) spread as far as Indonesian waters

and environmentalists said it grew to almost 90,000 square kilometres (35,000 square miles).

The firm, a unit of Thailand's PTT Exploration and Production, pleaded guilty to breaching the Offshore Petroleum Act, admitting it failed to take all reasonable steps to prevent the spill and placed rig workers in danger.

An [Australian government](#) inquiry blamed widespread and systematic shortcomings at PTTEP for the spill, over which Indonesia sought US\$2.4 billion in compensation for damage to reefs and fisheries.

PTTEP is facing more than Aus\$1 million (US\$1.03 million) in fines following its [guilty plea](#) at Darwin Magistrates Court, with company chief Ken Fitzpatrick saying that "mistakes were made that should never be repeated".

"From the outset we have admitted responsibility for the incident and deeply regret it occurring," Fitzpatrick told reporters outside the court.

"The hearing today draws a line under the Montara incident and allows us to focus on delivering safe, clean operations in Australia now and in the future," he added.

PTTEP paid for the clean-up and Fitzpatrick said the environmental impact was estimated to have cost the company Aus\$40-50 million. It had also driven a transformation of the firm's operations and culture, he added.

The court is expected to deliver its sentence on Friday.

PTTEP's Australian [offshore drilling](#) licence was renewed in February 2011 on a strict 18-month probation period, with the government

warning it would be subject to a rigorous monitoring regime.

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