

Amerada Hess Limited

BLOCK 204/10

Pursuant to Regulation 5(8) of the above Regulations, the Secretary of State for Trade and Industry gives notice that she is content that the requirements of the above Regulations have been satisfied. Pursuant to Licence P1028, consent has been granted to Amerada Hess Limited to the getting of petroleum and the drilling of an exploration well in Block 204/10 subject to Amerada Hess Limited conducting operations in respect of the project in accordance with the relevant environmental statement..

Background

Amerada Hess Limited (AHL) proposes to drill a single exploration well in block 204/10 of the UKCS. The well is intended to investigate if hydrocarbons are present at the well location. The work scope will be to drill, test (if required) and abandon the well with an expected maximum duration of 70 days. The schedule has changed from that in the environmental statement but as there are not any known patterns of temporal environmental it is not considered that the impact will be different.

Sensitivities

The environmental statement (ES) gives a good overview of environmental conditions, including thorough descriptions of the offshore and coastal environments and good detail on high-profile issues such as noise effects on marine mammals.

The ES identifies a range of potential environmental hazards, and following a well documented and rigorous assessment procedure, attempts to focus on key sensitivities, and outline proposed mitigation measures, including:

- discharge of drill cuttings and spent drilling mud (WBM);
 - atmospheric emissions;
 - noise and disturbance to marine mammals;
 - hydrocarbon spills;
 - chemical use;

The ES indicated that there would be some localised and short-term adverse impacts during drilling.

The ES identifies no currently protected environmental sites within the immediate area of offshore drilling and the platform.

The key environmental issue is the use of the DP drillship the West Navion that will produce more atmospheric emissions than a conventional semi-submersible rig. This fact was addressed in the ES and commented on by a member of the public. The information contained in the ES suggested that emissions from the West Navion would be four times that of a semi-sub but following a request for more information by DTI that asked for a more holistic appraisal to include supply ship emissions and other factors this figure was reduced to a 25% (approx) increase over semi-sub values. There are also benefits from using a DP vessel such as the absence of any damage to the seabed by anchors, and a reduction in drilling time of about 25%, which will reduce the period of noise disturbance to marine mammals. There will also be a reduction to the risk of a collision and subsequent hydrocarbon spill as the West Navion is able to move off station quickly should such an eventually occur. Overall it has been concluded that there is no significant environmental driver that would lead to the insistence on the use of a semi-submersible over a DP drilling rig. It is also worth noting that the Faeroes Extension Appraisal Well will be drilled sequentially with this one and that the presence of a seabed cable at the well site precludes the use of an anchored rig.

Overall Comments

The ES was well presented and contained an adequate easily read non-technical summary and potential cumulative environmental impacts were considered negligible. Transboundary impacts would be limited to a large hydrocarbon spill that could affect Faroese territory that lies very close to the proposed well location. The probability of such an event occurring is very low and it is not thought that the proposed operation is therefore likely to have a significant effect on the Faeroese environment

In recommending that consent is granted the comments made by a member of the public have been taken into account in accordance with the Regulations. In reaching the decision the implications of the implementation of

the Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001 have been taken into consideration and the wider implementation of the Habitats and Wild Birds Directives to the UYKCS. In particular, it is not thought that the proposed well will have a likely significant effect on any site that may be identified.

Recommendation

Overall the environmental statement is satisfactory and adequately assesses the potential environmental impacts of the proposed operation. It is recommended that consent is given to the project