Consents given under the Petroleum Act 1998 and Reviews under the Assessment of Environmental Effects Regulations 1999

ATP Oil & Gas UK Ltd.

HELVELLYN FIELD DEVELOPMENT

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 P001, consent has been granted to ATP Oil and Gas UK Limited for the getting of petroleum and the construction of installations, in relation to the development of the Helvellyn field in accordance with the environmental statement, received 28th August 2001. The consent for the Helvellyn field took effect from 17/07/02 and shall last until 17/09/10.

Background

ATP Oil & Gas Uk Ltd intends to develop the Helvellyn Field which is situated within a mature gas producing area of the Southern North Sea, in block 47/10 da, which is located approximately 48 km from the nearest coastline at Withernsea on the East coast of Holderness, Eastern England. The nearest international boundary being the UK/Dutch median Line some 132 KM to the east. Water depths at the well site are approximately 27/30 metres and those on the pipeline ranging from 22 to 44 metres.

The field will be developed as a single sub-sea well (including the possibility of a sidetrack), which will be tied back to the Amethyst A2D platform, which is operated by BP Exploration. Gas and associated fluids will be carried by a new 15.5 metre x 8.5” pipeline to the Amethyst A2D platform and after co-mingling with gas from the Amethyst A2D wells, will be exported via the existing 30” trunk line to the onshore Dynegy Storage Terminal at Easington.

Sensitivities

The well will be drilled with water based mud (WBM) with the exception of the 12.25 section when low toxicity oil based mud (LTOBM) is to be used. All cuttings associated with LTOBM, together with spent LTOBM will be returned to shore for treatment. A total of 1,519 tonnes of cuttings will be generated with 133 tonnes being discharged direct to the seabed, 66 tonnes returned to shore, with the remainder being discharged from the drill rig.

Following completion a well test will be carried out over a 72 hr period, with a maximum of 2.1 million cubic metres flared over a 24hr period. (expected levels to be flared between 0.85 & 1.7million cubic metres). No extended well test is to be carried out. Atmospheric emissions from the proposed development were calculated, with an estimated 4,150 tonnes of CO2 from drilling, and 3,158 tonnes of CO2 from installation activities.

Produced water (which is expected to be low in volume) and production chemicals will be exported to and treated at the Easington terminal.

The A2D Amethyst platform was designed for future tie-ins and sufficient capacity is available in the topsides control, shutdown and communications systems, but some changes will be required in the form of a new choke valve (to control flow rate), wet-venturi flow metre, and the methanol system. The Helvellyn well will be controlled from the Amethyst A2D platform, which is powered from the onshore high voltage subsea electrical cable. There are therefore no implications in relation to the Offshore Combustion Installations (Prevention and Control of Pollution) Regulations 2001.

Initial pipelay and drilling is planned to commence in August 2002, with first gas being scheduled for the 4th quarter 2002. Expected life of the field is between 8 to 10 years and with an expected reserve of 1,500 million cubic metres of gas. The proposed consent is to be time limited to September 2010 to reflect the expiry of the
Lemon Sole (April-September), Sprat (August) and Herring (August-October) have been identified as spawning in the area of the Helvellyn Field during the drilling period. A herring spawning ground survey was undertaken on behalf of ATP in block 47/10 which identified some isolated areas (0.1 square km) having a moderate to high spawning potential but these were located more than one Km from the proposed well location in an ENE to E direction and not in line with the dominant current flow.

The seabird vulnerability is very high to high during the drilling period. However minimal condensate production is anticipated during the drilling of the well and therefore the main risk of hydrocarbon releases has been identified as resulting from fuel bunkering of diesel and LTOBM. ATP have also committed to additional mitigation measures.

Additional information was requested on a number of issues, including predicted emissions & well test flaring, and pipeline testing. Following provision of further information, it was concluded that the ES addresses the impacts from each stage of the proposed development. Overall no significant environmental impacts have been identified, and it is unlikely to have any effect on any possible future SAC. Mitigation measures are also in place to ensure that impacts are kept to a minimum.

**Recommendation**

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