

Environmental Statement (ES) Summary and Sign-Off

Title:	Conan Exploration Well Environmental Statement
Operator:	Serica Energy (UK) Limited
Report No:	W/4042/2009
Submission Date:	March 2009
Block No:	113/27c-F
Development Type:	Gas exploration well
Reviewer:	Saravanan Marappan
Date:	June 2009

A) Project Description:

Serica Energy (UK) Limited is planning to drill a single dry gas exploration well in Block 113/27c-F in the East Irish Sea. The proposed exploration well is located approximately 35 km to the west of the nearest landfall at Walney Island and approximately 110 km from the nearest trans-boundary line between Ireland and the UK.

The main purpose of the proposed drilling programme is to identify whether hydrocarbons are present. If a discovery is made, the well may be tested and either suspended for future completion or abandoned. However, if unsuccessful the well will be plugged and abandoned.

The well will be drilled in a water depth of 40 metres and drilling is expected to take 36 days currently planned for Q3 2009. The well will be drilled as a standard, slim hole well with water based mud (WBM). It is estimated that the drilling operations will generate a total of 531 tonnes of WBM cuttings which will be discharged to the seabed.

B) Key Environmental Impacts:

The EIA identified and discussed the following activities as having the potential to cause an environmental impact:

- Physical presence of drilling rig and support vessels
- Seabed disturbance – drill cuttings deposit, drill rig footprint, rig stabilisation
- Noise
- Drilling – combustion emissions, well clean-up & testing emissions, discharge of cementing chemicals and completion fluids, accidental hydrocarbon spills
- Wider concerns – accidental events, transboundary issues, cumulative effects

C) Key Environmental Sensitivities:

The EIA identified the following environmental sensitivities:

- **Fish:** The area is recognised as a spawning area for Cod, Whiting, Lemon Sole, Sprat, Plaice and Nephrops and nursery area for Whiting, Sole, Lemon sole, Nephrops and Haddock. The spawning and nursery areas are extensive and the area of impact would be localised and temporary. Therefore the drilling of the Conan exploration well is unlikely to impact these species.
- **Seabirds:** Seabird vulnerability is highest during March – April, September, November – December and moderate during January – February, May, July – August, October. It has been assessed that there are sufficient mitigation measures in place.
- **Protected habitats:** Site survey did not identify any potential Annex 1 habitats within the vicinity of the proposed project.
- **Protected species:** Harbour porpoise and Bottlenose dolphin have been sighted in the vicinity of the proposed development during the summer months. The region also supports small numbers of common and grey seals. However any disturbance is expected to be limited to the drilling period, and the short duration and localised disturbance during this period is considered unlikely to significantly impact marine mammals in the area including Annex II species.
- **Protected sites:** The proposed boundary of the Liverpool Bay pSPA lies 40 km to the south east of the proposed well. Other protected sites that fall within approximately 40 km radius of the proposed well include Morecambe Bay, Duddon Estuary, South Walney & Piel Channel Flats, Drigg Coast, North Walney, Lune Estuary, Sefton Coast, Altcar Sand Dunes & Foreshore.

E) Consultees:

The statutory consultees for this project were the Joint Nature Conservation Committee (JNCC), the Centre for Environment, Fisheries and Aquaculture Science (CEFAS) – Environment & Chemical Groups, Natural England and Lancashire County Council. They made the following comments:

JNCC: JNCC confirmed that the exploration well is unlikely to have a significant environmental impact on the nature conservation value of the marine environment.

CEFAS – Chemical: CEFAS Chemical have noted to make an informed assessment in the PON15B application stage.

CEFAS – Environment: CEFAS Environment has commented that ‘the proposed exploration well would be in an area where spawning of cod, whiting, plaice, lemon sole, sole, sprat and *Nephrops* is likely to occur. Nursery areas for whiting, herring, *Nephrops* and lemon sole are located in the vicinity. There are currently no restrictions on drilling or seismic activity in these blocks during the period suggested’.

Natural England: Natural England confirmed that they had liaised with JNCC and their comments were included in JNCC response.

Lancashire County Council: Lancashire County Council did not respond to the ES.

F) Public Consultation: No comments were received as a result of the public consultation.

G) Further Information: Further information was requested from Serica following internal DECC review, which included clarification on drill cuttings discharge modelling, rig stabilisation, atmospheric emissions, oil spill modelling and cumulative impacts. Additional information was provided by Serica on 3 June, which adequately addressed the issues raised.

H) Conclusion:

Following consultation and the provision of further information on 3 June 2009, DECC OED is satisfied that this project is unlikely to have a significant environmental impact. In particular, we are content that it will not have a significant adverse effect on the marine environment in general or on any protected sites or species covered by the 'Habitats Regulations.'

I) Recommendation:

DECC OED therefore recommends that the Conan Exploration Well is given consent to proceed.

Approved : Sarah Pritchard - Head of Environmental Operations Unit

S Pritchard

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Date: ... 11 June 2009.....