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

Veba Oil & Gas (now Petro-Canada UK Ltd.)

CLAPHAM 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 P21, consent has been granted to Petro-Canada UK Limited for the getting of petroleum and the construction of installations, in relation to the development of the Clapham field in accordance with the environmental statement. The consent for the Clapham field took effect from 20/12/02 and shall last until 17/09/10.

Background

Petro-Canada Uk Ltd intends to develop the Clapham Field which is owned by Petro-Canada UK Ltd and is situated in Block 21/24, in the Central North Sea, approximately 165km East of Aberdeen, and 100 km west of the UK/Norway median line. The field lies in approximately 85 metres of water and is an oil and condensate field (with a very low proportion of gas- 96scf/stb). The field has an estimated 12 yr life and a projected maximum production rate of 13,000bopd & gas production of 1.2mmscfd. First oil & gas is scheduled for 4th Quarter 2003.

The project consists of drilling 4 wells, 2 producers and 2 water injectors, the installation of a new manifold and flow lines and are to be tied back via the existing Guillelomt West (Western Extension Project Manifold) to the existing Triton Floating Production, Storage and Offloading (FPSO) Vessel, which is operated by Amerada Hess. Clapham is situated approximately 24km North West of the FPSO.

The wells will be drilled in two phases:

Phase 1: One appraisal well,
Phase 2: Two production wells (the appraisal well will be the donor for one of the production wells) & 2 water injector wells.

Sensitivities

A combination of Seawater, Water Based Mud (WBM) and Low Toxicity Oil Based Mud (LTOBM) is to be used to drill the wells, with LTOBM to be shipped to shore. Produced water will be treated and discharged at Triton FPSO, which has an oil in water target of 30ppm. Gas will be used for fuel gas on Triton, for gas lift for the subsea reservoirs and the remainder exported via the Fulmar Gas pipeline to the St Fergus Terminal. Oil will be exported from the Triton FPSO by shuttle tanker. There will be a number of additions to the existing subsea layout, including an 8.5km pipelines (8" production & 4" gas lift) and control umbilical, from the Guillelomt West Manifold to the new Manifold at Clapham and 24km, 8" water injection pipeline from the Triton FPSO to the Clapham Manifold. These are to be trenched and left open.

An additional 500kw of power is anticipated, mainly due to seawater injection. Petro-Canada UK Ltd is currently supplying a formal case to substantiate their claim that the modifications will not constitute a substantial change under the Offshore Combustion Installations (Prevention and Control of Pollution) Regulations 2001.

The ES adequately covered the predicted emissions and discharges from each stage of the development, including well testing which will be limited to phase 2. A maximum of 1390 tonnes of oil and 130 tonnes of gas, 25 tonnes of diesel & 16 tonnes base oil per well are to be flared over a maximum 48hr period, resulting in approx. 9,624 tonnes of CO2. No extended well testing is planned.

Additional information was requested on a number of issues, including transboundary effects, produced water discharges and trenching of pipelines. Following provision of additional information contained in a letter dated 4 June 2002, we are satisfied that the ES addresses the impacts from the proposed development and overall no significant environmental impacts have been identified, and it is unlikely to have any effect on any possible future SAC. The review of this ES was completed 27 June 2002.
**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.