

OSPAR Public Statement - 2020

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ABBREVIATIONS

ALARP	As Low As Reasonably Practicable				
BEIS	Department of Business, Energy and Industrial Strategy				
CCUS	Carbon Capture, Utilisation and Storage				
СМАРР	Corporate Major Accident Prevention policy				
EEMS	Environmental Emissions Monitoring System				
EMS	Environmental Management System				
GTW	Gas-to-wire				
HSE	The Health and Safety Executive				
ISO	International Organization for Standardization				
NUI	Normally Unattended Installation				
ODEAM	ODE (Offshore Design Engineering) Asset Management				
OGA	Oil & Gas Authority				
OPRED	Offshore Petroleum Regulator for Environment and Decommissioning				
OSPAR	Oslo and Paris Commission				
SECE	Safety and Environment Critical Element				
SEMS	Safety and Environmental Management System				
SH&E	Safety, Health and Environmental				
SNS	Southern North Sea				
UKCS	United Kingdom Continental Shelf				
WES	Well Examination Scheme				
WIMS	Well Integrity Management System				



1 INTRODUCTION

Under OSPAR Recommendation 2003/5 to Promote the Use and Implementation of Environmental Management Systems (EMS) by the Offshore Industry, the Department for Business, Energy and Industrial Strategy (BEIS) requires all operators of offshore installations, including Well Operators, to produce a Public Statement to report their environmental performance. These Statements must be prepared on an annual basis (covering offshore installation activities carried out during the previous calendar year), made available to the public and copied to BEIS by 1st June of each year.

2 EXECUTIVE SUMMARY

In accordance with this requirement, this document reports on the environmental performance of Alpha Petroleum Resources Limited's (hereafter referred to as Alpha Petroleum) UK Continental Shelf (UKCS) operated offshore activities during 2020. It is focused on environmental issues associated with operations which were directly under Alpha Petroleum control. It does not include discharges and emissions at host facilities or from facilities which are operated under environmental consents held by the Installation Operator, Perenco UK Limited (Perenco); these discharges and emissions are included within the relevant company's public statement.

It should be noted that two fundamental events had a significant impact on Alpha Petroleum's 2020 business plan:

- 1. Perenco, mid year issued a notice of termination of their offshore services for Tors and then shut in Trent. This curtailed production from Tors.
- 2. The onset of Covid 19 and its impact on the commodity price challenged the economics of the Cheviot field development, which was then placed on hold.

3 ALPHA PETROLEUM RESOURCES LIMITED

Alpha Petroleum is a privately owned UK company, headquartered in Guildford and focussed on the UK offshore basins. Further information on the company is available from: www.alphapetroleum.com.

Alpha Petroleum is Licensee, Field Operator and Well Operator for a number of small southern North Sea (SNS) gas basin developments (Figure 2.1). To date, these include one single well subsea completion (Helvellyn) and three small Normally Unattended Installations (NUIs – Kilmar, Garrow and Wenlock), all of which are tied back to platforms operated by Perenco.

During 2020, Alpha Petroleum was also Licensee of the Blocks that contain the Cheviot Field Development area (including the Cheviot and Peel reservoirs) in the northern North Sea.

Table 2.1 shows the Alpha Petroleum licenses that were held in the UKCS during 2020.



Block	Interest	Licence	Field	UKCS Region
47/10a	100%	P001	Helvellyn	Southern North Sea
43/22a	17%	P683	Kilmar	Southern North Sea
42/25a, 43/21a	17%	P1034	Garrow	Southern North Sea
49/12aN, 49/12b	20%	P033	Wenlock	Southern North Sea
2/10b, 2/15a, 3/6a, 3/11b	100%	P1070	Cheviot	Northern North Sea



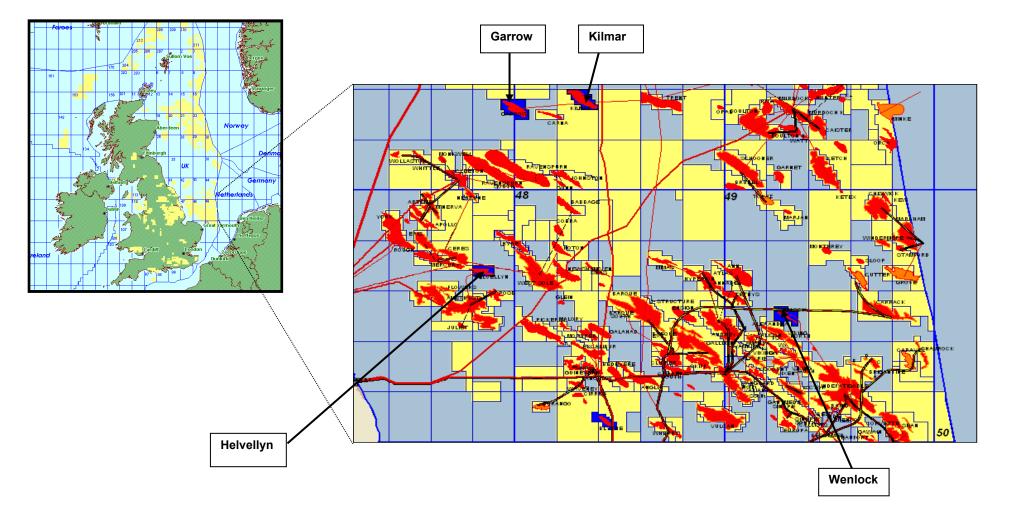


Figure 2.1: Location of Alpha Petroleum Assets (2020)

4 THE ENVIRONMENTAL MANAGEMENT SYSTEM

Alpha Petroleum operates under an integrated Safety and Environmental Management System (SEMS) to enable the goals and aims of the Company's Safety, Health and Environmental (SH&E) Policy (Figure 3.1) to be achieved. It reflects the principles embodied in existing international and national models for safety and environmental management (e.g., ISO14001, OHSAS 18001, HSG (65)). Alpha Petroleum Senior Management is committed to incorporating the goals of the SH&E Policy into all Company activities: no accidents, no harm to people and no damage to the environment.

The scope of SEMS is the management of safety and environmental aspects related to Alpha Petroleum's position as Licensee, Field Operator and Well Operator in the oil and gas industry.

When applied to Company operations and projects and within its defined context, SEMS is designed to identify, control and manage S&E risks arising from business activities. These operations and hence the scope of SEMS covers:

- 1. Offshore operations associated with oil and gas appraisal, field development and production within the UK Continental Shelf (UKCS) for which Alpha Petroleum has S&E responsibilities; and,
- 2. Onshore business activities including planning and design phases for field development and production operations undertaken within offices for which Alpha Petroleum has S&E responsibilities, including the Guildford (head) office.

The SEMS provides a flexible management framework through which the Company can systematically identify and manage its safety and environmental risks and opportunities, accommodating individual operational complexities, changing legal and business requirements and the Company's commitment to continual improvement.

The key components of the SEMS are summarised in Table 3.1 and key documents include:

- 1. The SH&E Policy;
- 2. The Corporate Major Accident Prevention policy (CMAPP);
- 3. The SEMS Framework document, which outlines SEMS elements and associated systems and documents;
- 4. SEMS Guidance documents, which describe how SEMS elements are applied;
- 5. Emergency Response Plans, which detail the Company's response to and management of incidents;
- 6. Oil Pollution Emergency Plans, which detail the Company response to pollution incidents; and,
- 7. SEMS Implementation and Supporting Documents, which comprise documents such as annual plans, studies, evaluations and audits.

As required by OSPAR Recommendation 2003/5, Alpha Petroleum's EMS is independently verified; certification to ISO14001:2015 was completed in June 2018 and is subject to ongoing surveillance audits. Surveillance audits were successfully conducted on 5th June 2019 and 1st June 2020 and a re-certification audit is scheduled for 9th and 10th June 2021.

Perenco is the Installation Operator and Pipeline Operator for all Alpha Petroleum operating assets; as such, operations on these assets are undertaken under the Perenco SEMS. Perenco's SEMS has been reviewed by Alpha Petroleum and Perenco has been approved by OGA, BEIS and the HSE as a competent Operator. Alpha Petroleum is Well Operator for the wells in the SNS licences and the wells are included in the Alpha Petroleum Well Examination



Scheme (WES) and, on transfer of Operatorship from Perenco to ODE in 2021, will be managed by Alpha Petroleum's Well Integrity Management System (WIMS).

During production, Perenco manages 'day-to-day' well operations, wellhead maintenance and annulus monitoring under contractual arrangements with Alpha Petroleum. These operations are therefore undertaken under the Perenco SEMS and any variance is communicated to Alpha Petroleum if it is to occur outside the pre-agreed working envelope.

Figure 4.1: Alpha Petroleum SH&E Policy

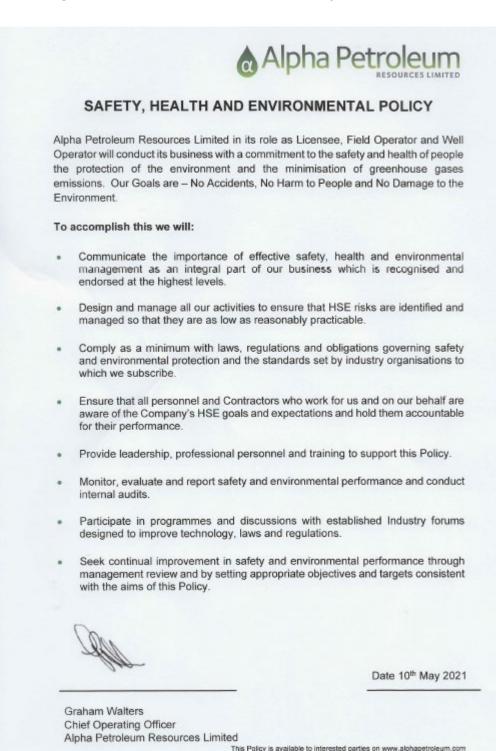




Table 4.1: SEMS Framework

Main Process Activities			
 Develop and Review SH&E Policy and CMAPP Establish SEMS accountabilities & responsibilities Manage Personnel S&E competence and training Manage contractor S&E performance Manage S&E documents and data Ensure effective communication Identify legal and other S&E requirements Establish S&E objectives 			
 Establish S&E objectives and targets Prepare Safety, Environmental and Emergency Plans 			
 Manage S&E risks Manage S&E impacts of changes Take corrective, preventative and improvement action 			
 Monitor performance Conduct audits Review SEMS – Safety, Health and Environmental Policy – Corporate Major Accident Prevention Policy 			

- GU1: Personnel Safety and Environmental Competence

SEMS Elements and

Key S&E Documents

- GU2: Assuring Contractor Safety and Environmental Performance
- Document Control and Data Management
- GU3: Safety and Environmental Regulatory Compliance
- GU4: Safety and Environmental Plans
- Emergency Response Plans
- Oil Pollution Emergency Plans
- Well Examination Scheme Disaster Recovery Plan
- GU5: Risk Management
- GU6: Management of Change
- GU7: Incident Notification and Investigation
- GU8: Safety and Environmental Performance Assurance

5 2020 ENVIRONMENTAL PERFORMANCE

5.1 **Overview of 2020 Activities**

Alpha Petroleum's original plans for 2020 were subject to significant change through events outside the company's control. In particular:

- The Covid-19 pandemic and the subsequent slowdown in the world economy had a • dramatic effect on commodity prices. As a direct consequence the development of the Cheviot field was placed on hold. A four-year licence extension was sought (and obtained) from OGA in December of 2020 for this purpose.
- Following a shutdown of Trent in June 2020, Perenco decided to cease production and • make the platform hydrocarbon-safe, effectively closing the export route for Alpha's



Garrow and Kilmar platforms. Both these platforms remain shut in and have likewise been made hydrocarbon-safe i.e., topsides piping has been mechanically isolated from the wells and depressurised and the pipeline between Kilmar and Trent has been isolated and depressurised.

 Perenco further advised Alpha that it no longer wished to continue as Installation and Pipeline Operator for the Alpha SNS assets. Accordingly, Alpha has conducted a thorough tendering process to select a suitably competent Installation and Pipeline Operator. ODEAM was eventually selected and a transition process is now underway that is expected to conclude in Q3 2021 with the transfer of these responsibilities from Perenco to ODEAM.

Alpha produced a Safety and Environmental Management Plan detailing the extent of its intended activity for 2020. This focussed predominantly on the then forthcoming Cheviot development. However, as a consequence of the events described above it has been necessary to defer many of the actions pending the sanction of the project. Safety and environmental management activities have instead concentrated on the change of operating status of the SNS assets and the selection and assessment of a new Installation and Pipeline Operator.

There were no well operations during 2020, no production from the Helvellyn field and no offshore activities in the Cheviot Field. Of the SNS assets only the Wenlock platform remains in production. This is also expected to cease in Q1 2022 when its host facility, Perenco's Inde 49/23A-AC, also ceases production.

In summary, Alpha Petroleum offshore operations were very badly affected by the actions taken by Perenco although at no time did these actions compromise safety and the environment. Despite that fact that Alpha's production was limited throughout 2020, all operations that were required to maintain the safety and environment critical elements (SECE) on each asset were all completed satisfactorily under the Perenco SEMS.

More detailed explanation of the activities undertaken during 2020 is given below:

5.2 Helvellyn

Helvellyn was shut in awaiting access to Amethyst A2D. However, Perenco had decided to decommission Amethyst and issued a termination notice to the Transportation Agreement. Accordingly Helvellyn remained shut in and awaits decommissioning.

5.3 Tors

- Gas production operations continued through Trent, operated by Perenco, until June 2020 when Tors production was shut in due to a Trent fuel gas leak. Production never resumed as Perenco issued a termination notice and on 31st July had made Trent hydrocarbon-safe. Perenco made it clear that they did not want to continue as Installation and Pipeline Operator (IO & PO) of Alpha's assets.
- As there is still value in Tors, Alpha commenced planning work with partners on Tors redevelopment options. These include conventional (re-route of the export pipeline to existing nearby infrastructure) and unconventional (GTW, CCUS, integrated energy).

5.4 Wenlock

• Ongoing gas production operations (through Inde 49/23A-AC: operated by Perenco). Wenlock was shut down in Q2 but resumed in Q3 until November 2020 due to the Inde 'summer' shut down. However, as Wenlock was sub-economic a decision was made late 2019 to commence CoP and decommissioning planning. This meant that the



facilities would be placed into 'Lighthouse' model in 2021 in order to minimise safety and environmental risk and reduce operating costs.

- As part of the decommissioning planning a subsea pre-decommissioning environmental base line survey was conducted in March 2020.
- Perenco's decision to step down as Installation and Pipeline Operator caused Alpha to begin, in Q4 2020, the process of selection and appointment of a suitably competent and resourced Installation and Pipeline Operator.
- Early in 2021 Alpha's partners Energean (successors to Edison) decided to defer the decommissioning of Wenlock until 2023.
- By this time ODEAM had already been selected as Decommissioning contractor for Wenlock. Since decommissioning was to be deferred and Perenco had decided to step down as IO and PO, the two shortlisted decommissioning tenderers were both approached and assessed to become IO and PO. In each case these companies already acted for other licence holders as Installation Operator and had been accepted as such by the OGA.
- Early 2021 ODEAM was selected to take over as IO and PO of all the SNS assets on behalf of Alpha and its JV partners. The transition process from Perenco to ODEAM is ongoing with a target of completion and handover in Q3 2021. Further details on the assessment process can be found in Section 5.6.
- A Management of Change report was submitted to HSE,
- The revised Safety Cases for Tors and Wenlock have been prepared and are ready to submit in Q2.

5.5 Cheviot

- Cheviot was mature into the development phase with a number of contracts in place. The FDP had been approved. The target for FID was February 2020. A process was well underway to bring in a Partner. However, it became clear that at the onset of Covid and the ensuing reduction of the commodity price that the partner process would have to be delayed.
- As Alpha would be the Operator of Cheviot, the intent during 2020 was step up the utilisation of Alpha's SEMS Policy in preparation for the project and the subsequent operating phase. This would be requires assessment of, and changes to the previous policy which were in place to appoint Perenco as IO and PO and to ensure that Perenco's SEMS policies were applied accordingly to Alpha's assets.
- Cheviot at this stage was therefore essentially placed on hold. All assigned contractors were kept informed.

5.6 Installation and Pipeline Operator Assessment Process

The Perenco decision to step down as Installation Operator caused unplanned changes to the SEMS activities that were originally scheduled for 2020. What had originally been a tendering process for Wenlock decommissioning was extended in order to assess suitable candidates for the role of Installation and Pipeline Operator.

Under Regulation 5 of the Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015, the licensee must ensure that the selected operator has the technical and managerial capacity, as well as adequate resources, trained and competent staff, to take on the Operator role.

Alpha therefore invited tenders from companies that not only had the relevant capability and capacity for the decommissioning scope but also the resources and experience to act as the Installation and Pipeline Operator during this work and subsequently, during hydrocarbon-safe operations. The two shortlisted candidates during the final selection process had each acted as Installation Operator on behalf of other licensees and been previously accepted as such by the Oil and Gas Authority.

Following a detailed review of tenders, ODE Asset Management (ODEAM) was eventually selected to take over as Installation Operator and Pipeline Operator for the Alpha SNS assets and a transition process is currently underway.

In advance of contract award, Alpha raised a Service Order to enable ODEAM to prepare and submit safety cases for the SNS assets, reflecting the change of operatorship. A further Service Order is in place to progress the transition work ahead of the contract award. All the work performed to date has been executed professionally and ODEAM has provided knowledgeable and experienced input to the process. Familiarisation visits have been undertaken to the assets with support from Perenco (more are to follow) and the personnel provided by ODEAM have been well qualified and experienced. Alpha will continue to work closely with ODEAM to ensure the success of the transition and to assure their readiness as Installation and Pipeline Operator from Day One.

5.7 2020 Environmental Aspects Register

Key environmental risks are identified, assessed and documented in an annual Environmental Aspects Register.

Planned activities and potential unplanned events (e.g., accidental releases) associated with the proposed operations were risk assessed against seven environmental elements based on the main types of potential environmental impact for oil and gas activities. These are:

- 1. Physical Presence;
- 2. Seabed Disturbance;
- 3. Noise and Visual Impacts.
- 4. Atmospheric Emissions;
- 5. Marine Discharges;
- 6. Solid Wastes;
- 7. Resource Usage.

A total of 20 environmental aspects affecting 67 receptors were identified and assessed. All aspects were again assessed as Not Significant (negligible and low environmental risk). No Significant or Highly Significant environmental risks were identified. Aspects with low residual risk were again considered when identifying annual objectives and targets. These findings remain essentially unchanged from 2019.

All regulated aspects were appropriately monitored. In addition, risk reduction and mitigation measures were put in place to control and mitigate environmental risks and maintain a high standard of environmental management. These included:

- Continued compliance, monitoring and reporting in accordance with all environmental permits, consents and other regulatory requirements;
- Continued liaison with environmental regulators and stakeholders;

- Assessment of and coordination with the designated Operator (Perenco);
- Continued inspection and maintenance of all offshore facilities by the designated Operator (Perenco);
- Installation specific emergency response plans in place (Perenco);
- Oil Pollution Emergency Plans in place (Perenco);
- Well Integrity Management Systems in place (Perenco);
- Well Examination Scheme in place (Alpha Petroleum);
- All diesel and chemical bunkering operations to NUIs undertaken in daylight and in good weather conditions (i.e., when manned);
- Annual monitoring of chemical use to optimise use; and,
- Ship Oil Pollution Emergency Plans in place (all support vessels).

With these controls in place all environmental aspects, including legislatively controlled aspects, were appropriately monitored and managed.

Contractor Management has the potential to impact on the environment through unplanned or poorly planned releases to the environment. This is managed through the Company SEMS, specifically *SEMS Guidance GU2: Assuring Contractor S&E Performance*.

5.8 2020 Environmental Objectives

Given that Alpha Petroleum's operations are largely consent-driven, good environmental compliance and performance is largely a factor of ensuring that the Company, its appointed Installation Operator, Perenco, and appointed contractors obtain and maintain all appropriate environmental permits and consents. A series of environmental objectives were set and included in the annual Safety and Environmental Plan. These were set within the context of:

- Past performance;
- Assessment of risks associated with planned activities, as summarised in the Environmental Aspects Register;
- Compliance with existing and future legislation, permits and consents;
- Meeting the commitments made in the Alpha Petroleum SH&E and CMAPP Policies.

For 2020 the following environmental objectives were set and their current status is noted in red:

- Continue the review, communication and internal audit of the SEMS to ensure a suitable and sufficient system is in place to manage Company operations in accordance with Company policies and statutory regulations (Completed);
- Maintain certification of the Alpha Petroleum EMS by means of independent audit to meet ISO 14001:2015 requirements (Completed);
- Ensure wells policies and procedures and the Alpha Petroleum Well Examination Scheme are reviewed and, as necessary, updated in preparation for well operations (Completed);
- Ensure appropriate communications are held with regulators and environmental stake holders for the field development planning for the Cheviot field (on HOLD due to Cheviot project delay);

- Ensure appropriate environmental submissions are prepared in support of field development planning for the Cheviot field (on HOLD due to Cheviot project delay);
- Ensure appropriate assurance of SEMS is undertaken for all contractors to be engaged by Alpha Petroleum (Completed);
- Undertake appropriate S&E monitoring and management of contractors during the Cheviot design phase (on HOLD due to Cheviot project delay);
- Ensure full legislative and regulatory compliance (Completed);
- Review and, where practicable, reduce the use of production chemicals (Completed);
- Commence planning for CoP and decommissioning of Wenlock; (Completed CoP document accepted by OGA, public consultation undertaken);
- Schedule and ensure appropriate personnel undertake relevant S&E training (on HOLD due to Cheviot project delay);
- Ensure environmental risk assessments are completed for any major activities (on HOLD due to Cheviot project delay);
- Ensure any environmental incidents are investigated and followed through to closure (No environmental incidents occurred during 2020).

All applicable environmental objectives were met although many objectives continue through into the 2021 S&E Plan.

5.9 2020 Environmental Performance

All environmental reporting for the Kilmar, Garrow and Wenlock installations in 2020 was undertaken by Perenco HSE Department. (Ref. Perenco – 2020 Environmental Report)

There were no well operations associated with the Alpha Petroleum wells during 2020 and therefore no environmental reporting requirements.

There were no environmental incidents associated with the Alpha Petroleum assets during 2020.

6 2021 ENVIRONMENTAL OBJECTIVES

2021 Activities:

- Complete the Tors and Wenlock transition to ODEAM.
- Tors workstreams will concentrate on the re-development. Initially with a desk top study with regards reprocessing of the existing seismic and engagement with 3rd party infrastructure owners to assess re-routing options. There will be engineering studies and once a 'host' has been identified potentially an export route survey later in 2021.
- Wenlock will produce for as long as possible and then will be shut in.
- Cheviot workstream will primarily revolve around the partner process which is due to complete in Q3. All other activities will be desk based with no environmental activities planned

Based on this the following Environmental objectives have been set by Alpha Petroleum for 2021 and include:

- Ensure full legislative and regulatory compliance;
- Continue the review, communication and internal audit of Alpha Petroleum's SEMS to ensure a suitable and robust system is in place to manage Company operations in accordance with Company policies and statutory regulations;
- Review Alpha QHSE and CMAPP Policies and ensure audit planning reflects and supports the changes in operatorship and project planning that occurred during 2020;
- Ensure the smooth transition of Perenco to ODEAM as Installation and Pipeline Operator of Alpha's SNS assets;
- Ensure interfaces are identified and managed between Alpha Petroleum, ODEAM and Perenco;
- Continue to monitor, review and audit ODEAM SEMS performance following transfer of Installation and Pipeline operatorship;
- Further development and implementation of Alpha Petroleum's Well Integrity Management System (WIMS), as part of the transfer of operatorship from ODEAM to Perenco.
- Ensure a suitable Well Examination Scheme remains in place for any well operations;
- Ensure a thorough identification of Company environmental risks and opportunities and the needs and obligations associated with stakeholders;
- Undertake an independent Recertification audit of the Alpha Petroleum EMS to meet ISO 14001:2015 requirements;
- Continue consultation with OGA, OPRED and other statutory bodies on SNS Cessation of Production and decommissioning planning for identified assets;
- Ensure appropriate communications are held with regulators and environmental stakeholders for the Cheviot field development and any well operations on the SNS wells;
- Ensure all necessary submissions are made to regulators to support the environmental consenting process for any well operations on the SNS wells.
- Undertake S&E monitoring and management of contractors;
- Schedule and ensure identified personnel undertake appropriate SHE training;



- Ensure environmental risk assessments are completed for all major activities;
- Ensure any environmental incidents are investigated and followed through to closure.