



OSPAR Public Statement - 2015

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1 INTRODUCTION

Under OSPAR Recommendation 2003/5 to Promote the Use and Implementation of Environmental Management Systems by the Offshore Industry, the Department of Energy & Climate Change (DECC) requires all operators of offshore installations 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 DECC by 1st June of each year.

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 activities during 2015. It is focused on environmental issues associated with operations which were directly under Alpha Petroleum control and direct discharges from Alpha Petroleum assets. It does not include discharges at host facilities, which are included within the relevant company's public statement.

2 ALPHA PETROLEUM RESOURCES LIMITED

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

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

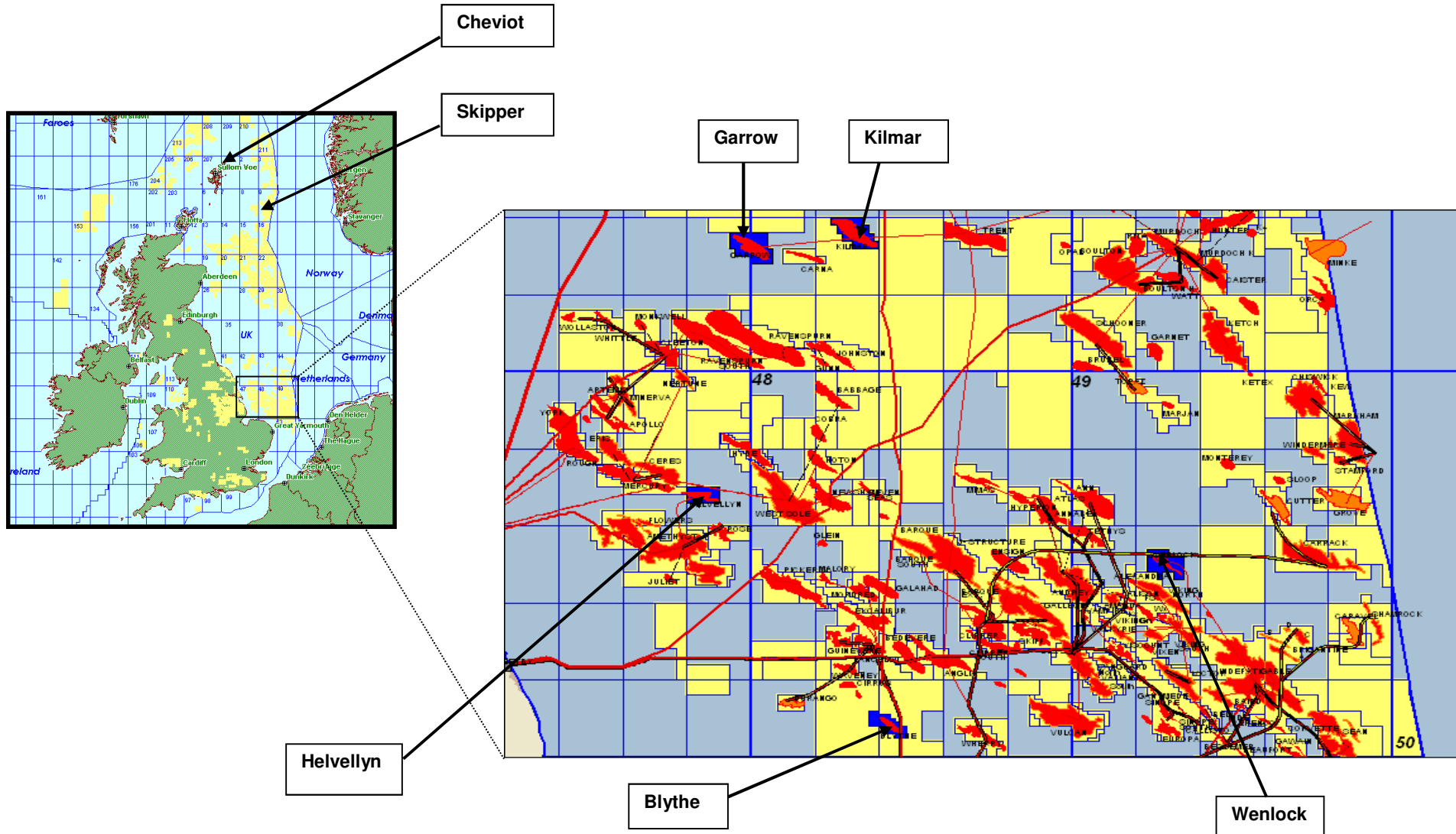
During 2015, Alpha Petroleum was also Licensee of the Blocks that contain the Cheviot and Skipper reservoirs in the northern North Sea and the Blythe reservoir in the southern North Sea.

Table 2.1 shows the Alpha Petroleum licenses that were held in the UKCS during 2015. Alpha Petroleum transferred its Operatorship and equity in Licence 9/21a (the Skipper field) to Independent Oil and Gas in December 2015 and has no further involvement in this licence.

Table 2.1: The Alpha Petroleum Licenses held in the UKCS during 2015

Block	Interest	Licence	UKCS Region
47/10a	50%	P001	Southern North Sea
43/22a	17%	P683	Southern North Sea
42/25a, 43/21a	17%	P1034	Southern North Sea
49/12aN, 49/12b	20%	P033	Southern North Sea
48/22b, 48/23a	50%	P1736	Southern North Sea
2/10b, 2/15a, 3/11b	100%	P1070	Northern North Sea
9/21a	50%	P1609	Northern North Sea

Figure 2.1: Location of Alpha Petroleum Assets (2015)



3 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 SEMS is designed to identify, control and manage safety and environmental risks arising from business activities and workplaces so that risks to the health and safety of personnel and to the environment are reduced to a level deemed to be as low as reasonably practicable (ALARP). It covers:

- Permanent offshore oil and gas production installations;
- Temporary offshore operations and projects; and,
- The Guildford 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 requirements of the SEMS are summarised in Table 3.1 and key documents include:

- The SH&E Policy;
- The SEMS Framework document, which outlines SEMS elements and associated systems and documents;
- SEMS Guidance documents, which describe how SEMS elements are applied;
- Emergency Response Plans, which detail the Company's response to and management of incidents;
- Oil Pollution Emergency Plans, which detail the Company response to pollution incidents; and,
- SEMS Implementation and Supporting Documents, which comprise documents such as annual plans, studies, evaluations and audits.

Table 3.1: Alpha Petroleum SH&E Policy 2015



SAFETY, HEALTH AND ENVIRONMENTAL POLICY

Alpha Petroleum Resources Limited will conduct its business with a commitment to the safety and health of people and to the protection of the environment. Our Goals are – No Accidents, No Harm to People and No Damage to the Environment.

To accomplish this we will:

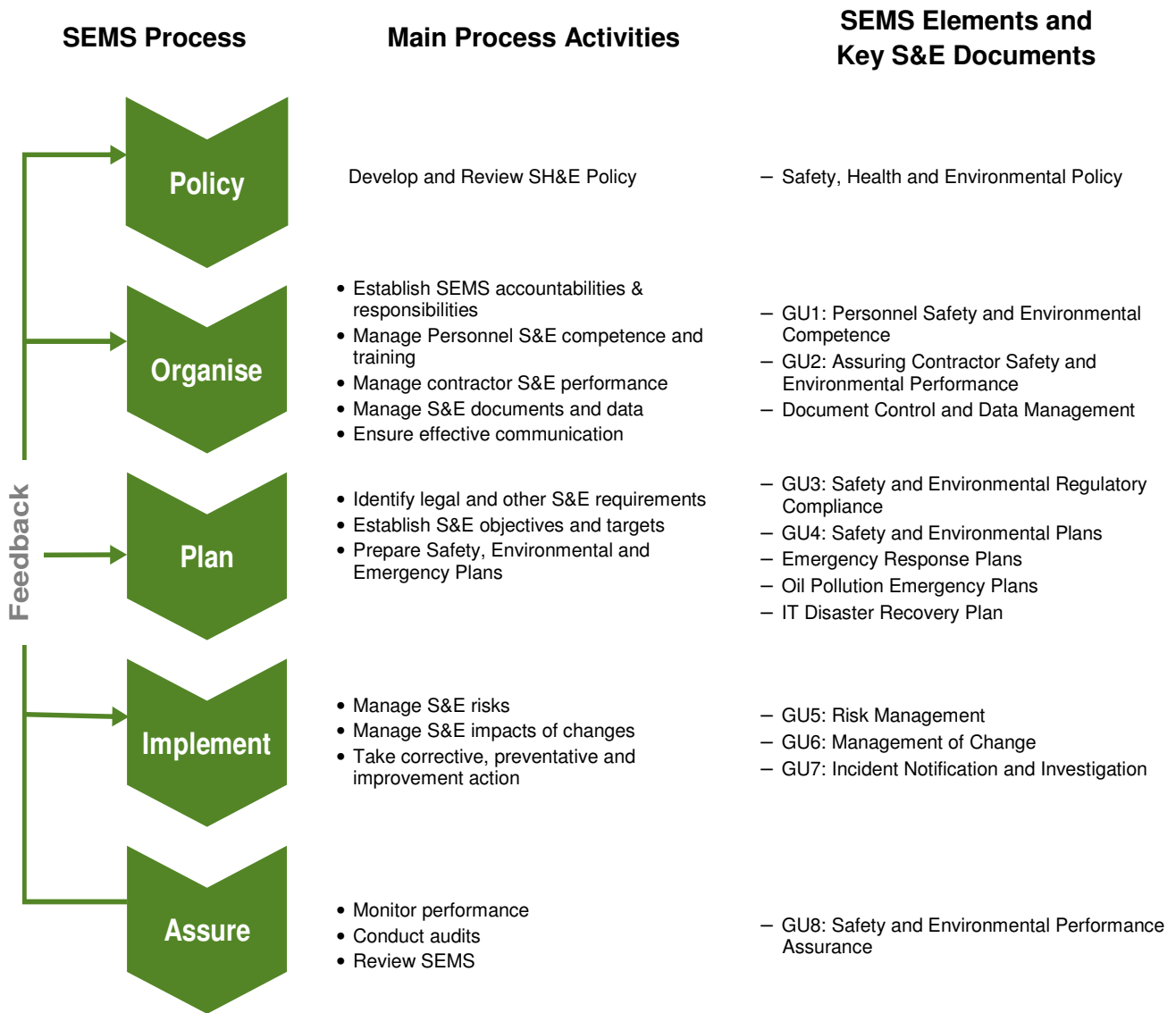
- Recognise the importance of safety, health and environmental factors as an integral part of our business.
- Design and manage all activities to ensure safety and health risks associated with work places are as low as reasonably practicable, to prevent pollution and to minimise environmental impacts.
- Comply with laws, regulations and obligations governing safety and environmental protection and the standards set by industry organisations to which we subscribe.
- Ensure that all personnel are aware of the Company's safety and environmental goals and expectations and hold them accountable for their performance.
- Provide leadership, professional personnel and training to support this Policy.
- Monitor, evaluate and report safety and environmental performance.
- Participate in programmes designed to improve technology, laws and regulations.
- Seek continual improvement in safety and environmental performance by setting appropriate objectives and targets consistent with the aims of this Policy.



Graham Walters
Managing Director
Alpha Petroleum Resources Limited

19th June 2015

Table 3.1: SEMS Framework



4 2015 ENVIRONMENTAL PERFORMANCE

4.1 OVERVIEW OF 2015 ACTIVITIES

Alpha Petroleum produced a Safety and Environmental Plan detailing the extent of its intended activity for 2015. This plan was reviewed and updated on a quarterly basis.

Alpha Petroleum offshore operations undertaken during 2015 are listed below.

Helvellyn

- Ongoing gas production operations (through Amethyst: operated by Perenco)

Kilmar

- Ongoing gas production operations (through Trent: operated by Perenco)
- Replacement of generators
- Replacement of flow meter and associated pipework on water separation facilities

Garrow

- Ongoing gas production operations (through Trent: operated by Perenco)
- Refurbishment of generators

Wenlock

- Ongoing gas production operations (through Inde 49/23A-AC: operated by Perenco)
- Refurbishment of generators

4.2 2015 ENVIRONMENTAL ASPECTS REGISTER

Once Alpha Petroleum operations are identified, key environmental risks are identified, assessed and documented in an annual Environmental Aspects Register.

The activities associated with continued production and facilities modifications were risk assessed under 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.

In addition, Contractor Management is seen as the key project management risk which has the potential to impact on the above environmental elements.

A total of 32 environmental aspects were identified and assessed for Alpha Petroleum's 2015 activities. Of these, 16 were assessed as Not Significant and 16 as Significant.

Operations on the existing installations are undertaken under the Safety and Environmental Management Systems of the Duty Holder, Well Operator and Pipeline Operator. These responsibilities are held by Perenco for all Alpha Petroleum operating assets. Perenco's Management Systems have been reviewed by Alpha Petroleum and approved by OGA and DECC as a competent Duty Holder and Operator.

Controls for risks which were put in place to mitigate significant environmental risks included:

- Compliance with all environmental permits and consents;
- Monitoring and sampling of produced water discharges at Kilmar;
- Assessment of and coordination with designated Duty Holder, Perenco;
- Appropriate agreements in place to ensure responsibilities and communications are clearly identified;
- Installation specific emergency response plans in place (Perenco);
- Oil Pollution Emergency Plans in place (Perenco);
- Safety Exclusion zone in place around existing NUIs;
- Continued appropriate maintenance of all facilities.

With these controls in place all Significant and other legislatively controlled aspects were appropriately monitored.

4.3 2015 ENVIRONMENTAL OBJECTIVES & TARGETS

Given that Alpha Petroleum's operations are largely consent driven, good environmental compliance and performance is largely a factor of ensuring that the Company and its Duty Holder obtain and maintain all appropriate environmental permits and consents. A series of environmental objectives and targets are set and included in the annual Safety and Environmental Plan. These are 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 Policy.

For 2015 the following environmental objectives were set:

- Continued review of the Safety and Environmental Management Systems to fully incorporate changes in associated regulations;
- Ensure appropriate consultations held with regulators and environmental stake holders for both 2015 offshore operations and concept selection for the field development of the Cheviot field;
- Ensure full legislative and regulatory compliance;
- Commence transfer of environmental permits to Duty Holder, in accordance with new regulatory requirements;
- Ensure the monthly average concentration of oil discharged in produced water at the Kilmar installation does not exceed 30 mg/l with a target set of less than 10 mg/l;
- Review and, where practicable, reduce the use of production chemicals;
- Undertake Environmental Impact Assessment and submit Environmental Statement for the proposed Cheviot development;
- Undertake Corporate Management training and SoSREP Exercise (gas operators) for oil spill response;
- Ensure risk assessments completed for all major activities;
- Ensure all environmental incidents are investigated and followed through to closure.

All environmental objectives were met.

4.4 2015 ENVIRONMENTAL PERFORMANCE

Table 4.1 summarises the environmental performance data for the Alpha Petroleum assets.

Table 4.1: Environmental Performance Data

Installation	Environmental indicator	Unit	Volume
Discharge of Oil regulated under OPPC Regulations			
Kilmar	Produced Water Discharged	m ³	68,275
Kilmar ¹	Hydrocarbons Discharged	Kilograms	178
Chemical Consumption²			
Kilmar ³	Gold (use / discharge)	Tonnes	2.4 / 0
Wenlock ³	Gold (use / discharge)	Tonnes	1.69 / 0
Atmospheric Emissions⁴			
Kilmar	Total Vented Gas	Tonnes	24.6
Garrow	Total Vented Gas	Tonnes	0.4
Wenlock	Total Vented Gas	Tonnes	0.4
Waste Generated⁵			
All	Special (Group I)	Tonnes	0.175
All	Special (Group II)	Tonnes	1.37
Environmental Incidents			
All	Chemical Release	No Incidents	0
All	Hydrocarbon release	No Incidents	0

- 1 Annual average concentration of oil in water of 2.81 mg/l
- 2 No SUB warnings on any chemicals
- 3 Corrosion Inhibitor injected into the pipelines at the NUIs to protect the integrity of the export pipelines
- 4 Includes gas vented during operations and shutdowns on the NUIs
- 5 All waste transported to shore and, where feasible, sent for recycling or use in waste to energy programmes

The discharge of oil in produced water is subject to control under the Oil Pollution Prevention and Control (OPPC) Regulations which require that the monthly average concentration of aliphatic hydrocarbons in any discharge is less than 30 mg/l. Since November 2012, produced water associated with the K3 well has been treated and discharged from the Kilmar NUI rather than the Trent host platform. In 2015, Alpha Petroleum set itself a target of a monthly average oil in produced water (OIPW) concentration of less than 10 mg/l; concentration levels have been consistently lower than 5 mg/l. These low OIPW concentrations result from both the nature of the gas (a dry gas with low condensate levels) and the success of the water separation and clean-up technologies installed on the NUI.

During 2015, Alpha Petroleum submitted regulatory non-compliance information to DECC associated with the flowmeter measuring the volume of produced water discharged from the Kilmar platform (OPPCNCF/0882). The flowmeter developed an electronic fault, identified on 26th November 2015, which resulted in the flowrate not being recorded until the flowmeter was replaced on 18th December 2015. The flowrate during this period was estimated using well performance data. This non-compliance was closed out on 22nd December 2015. No further non-compliance issues with permits and consents associated with environmental discharges or emissions occurred during 2015.

Other key points of Alpha Petroleum's 2015 Environmental Performance are:

- Continued consultation with the DECC and statutory and non-statutory stakeholders; and,
- All environmental permits and consents obtained and statutory reporting completed.

5 2016 ENVIRONMENTAL OBJECTIVES & TARGETS

Environmental objectives and targets have been set by Alpha Petroleum for 2016 and include:

- Continued review and improvement of the Safety and Environmental Management Systems;
- Ensure appropriate consultations held with regulators and environmental stakeholders for both 2016 offshore operations and for the field development of the Cheviot field;
- Ensure full legislative and regulatory compliance;
- Continue transfer of environmental permits to Duty Holder, in accordance with regulatory requirements;
- Ensure the monthly average concentration of oil discharged in produced water at the Kilmar installation does not exceed 30 mg/l with a target set of less than 3 mg/l;
- Review and, where practicable, reduce the use of production chemicals;
- Undertake appropriate Oil Spill Response refresher training;
- Ensure risk assessments completed for all major activities;
- Ensure all environmental incidents are investigated and followed through to closure.