Amerada Hess Limited

EXPLORATION WELL 12/22 REMUS

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 P981, consent has been granted to Amerada Hess Limited to the getting of petroleum and the drilling of an exploration well in Block 12/22 subject to Amerada Hess Limited conducting operations in respect of the project in accordance with the relevant environmental statement.

Background

Amerada Hess Limited (AHL) proposes to drill a single exploration well in block 12/22 of the UKCS. The well is intended to investigate if hydrocarbons are present at the well location.

The work scope will be to drill, test (if required) and abandon the well with an expected maximum duration of approximately 44 days. The well will be drilled in the Moray Firth, which is an environmentally sensitive location for seabirds, marine mammals and spawning fish.

Sensitivities

The environmental statement (ES) identifies a range of potential environmental hazards, and following a welldocumented assessment attempts to focus on key sensitivities including:

- discharge of drill cuttings and spent drilling mud (WBM);
 - atmospheric emissions;
 - noise and disturbance to marine mammals;

• hydrocarbon spills;

• cumulative and transboundary impacts;

Amerada Hess has proposed a number of mitigation measures. If a well test is carried out a technique called the HRS FasTest will be used that does not involve flaring hydrocarbons, unlike a conventional test. This will remove the possibility of unburned hydrocarbons falling out to sea, which can affect seabirds and also mean that there will be no atmospheric emissions associated with flaring from well testing. In addition a herring spawning survey has been carried out and established that the ground in the vicinity of the well is not suitable and allayed fears that spawning areas could be affected by the discharge of water based mud and cuttings, which will now go ahead. Hess is also aiming to drill in October as stipulated by licence conditions.

The ES gives a good overview of environmental conditions, including thorough descriptions of the offshore and coastal environments and good detail on high-profile issues such as noise effects on marine mammals.

Conservation sites

There are a number of SPAs and an SAC within the territorial seas limit. Most prominent of these is the Moray Firth candidate SAC for bottlenose dolphins. The well is located at a distance from the boundary of the SAC that makes the probability of a likely significant effect very low. The bottlenose dolphins are also afforded protection outside the SAC but their known distribution does not overlap with the expected zone of effect of operations from this well and significant effects are unlikely. There are several other protected sites for birds and different habitats all of which could be affected by a large crude oil spill, however the probability of this occurring is very low the mitigation in place to prevent a crude spill. As there are no likely significant effects on European sites it is not considered that any further appropriate assessment is required.

Recommendation

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