

OSPAR Public Statement 2015



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Abbreviations

CMAPP	Corporate Major Accident Prevention Policy
DECC	Department of Energy and Climate Change
EEMS	Environmental Emissions Monitoring System
EHS	Environmental, Health and Safety
ELBOC	ENI Liverpool Bay Operating Company Limited
EMS	Environmental Management System
EOGUKL	EOG Resources United Kingdom Limited
MAT	Master Application Template
NPAI	Not-Permanently Attended Installation
OSPAR	Oslo and Paris Commission
PETS	Portal Environmental Tracking System
PON	Petroleum Operations Notice
SOSREP	Secretary of State's Representative
UK	United Kingdom
UKCS	United Kingdom Continental Shelf

1 Introduction

Under OSPAR Recommendation 2003/5 to Promote the Use and Implementation of Environmental Management Systems (EMS) by the Offshore Industry, the Department of Energy and Climate Change (DECC) requires all operators of offshore installations to produce a Public Statement to report their environmental performance. These Public 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 EOG Resources United Kingdom Limited's (hereafter referred to as EOGUKL) operated offshore activities in the UKCS during 2015.

2 EOG Resources United Kingdom Limited

EOGUKL is the UK subsidiary of EOG Resources Inc., one of the largest independent (non-integrated) oil and natural gas companies in the United States, with substantial proven reserves in the United States, Canada, offshore Trinidad, the United Kingdom and China.

The UK operation is headquartered in Guildford. Further information on the company is available from: <http://www.eogresources.com>.

EOGUKL is the sole licence operator for Block 110/12a (Licence No. P.1476) in the East Irish Sea. EOGUKL holds 100 per cent equity of this licence block. Licence P.1476 is the only EOGUKL operated licence held in 2015.

Block 110/12a contains the Conwy oil field, which EOGUKL began to develop in 2010, with the installation of a single Not Permanently Attended Installation (NPAI) occurring in May 2012. The Conwy NPAI is tied back to the ENI Liverpool Bay Operating Company Limited (ELBOC) operated Douglas Complex in Block 110/13 via a 12 kilometre, 8-inch diameter production pipeline, which was also installed in 2012.

EOGUKL is the Production Licence Operator (and Installation, Well and Pipeline Operator) of the Conwy Development.

3 Environmental Management System

EOGUKL operates under an integrated Environmental, Health and Safety (EHS) Management System, which has been developed to be consistent with existing international and national models for health, safety and environmental management (e.g. ISO14001, OHSAS 18001, HSG (65), BS 8800).

The management process is structured around the plan, do, assess and adjust process, with a feedback loop to assure continual improvement in performance, as illustrated in Figure 3.1. This system provides the mechanism to implement EOGUKL standards relevant throughout the business lifecycle from acquisition of new licences and acreage through to decommissioning and divestiture.

The key steps in this process can be described as follows:

1. Policies, Standards and Expectations

The system is driven by the Corporate Major Accident Prevention Policy (CMAPP) and the EHS Policy (copies of which have been provided in Appendices A and B), which sets out the Company's expectations and commitments to the prevention of major accident hazards and EHS performance. The policies provide a framework for establishing performance goals, from which targets are established.

2. Organise

Planning during the annual budget process defines work activities and resource needs for the upcoming year. EHS roles and responsibilities are clearly defined. Commitment to EHS is visibly demonstrated through defined internal and external communication networks. Personnel have the competence and training to meet their responsibilities.

3. Plan

All potential hazards and risks associated with planned activities are identified, assessed and control measures identified. Plans to respond to emergencies and unforeseen events are in place.

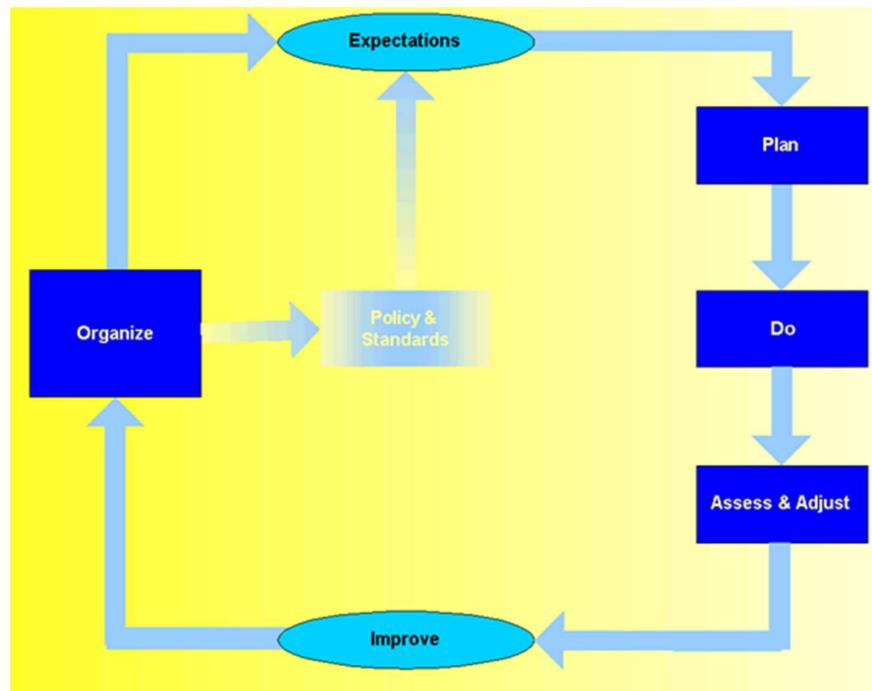
4. Do

Guidelines, bridging/interface documents and local operating procedures are established so that risks are properly managed and the Company’s expectations and standards are delivered. Competent contractors are selected and managed. Significant changes made to the organisation, plant / equipment, guidelines and procedures are also subject to this risk review as part of the change management process.

5. Assess and Adjust

Routine monitoring is undertaken to assess EHS performance. Procedures for reporting and investigating incidents and non-compliances are in place. Audits, inspections and reviews are undertaken to check the effective functioning and continued suitability of the management system. Performance against standards is reported and reviewed and areas for improvement identified. Lessons learned and results from the audit, inspection and review process are fed back into the system to enable continual improvement.

Figure 3.1. The EHS Management Framework



As required by OSPAR Recommendation 2003/5, EOGUKL’s Environmental Management System (EMS) has been independently verified by Lloyds Register in October 2014. The EMS is scheduled to be re-verified in October 2016.

4 Overview of 2015 Activities

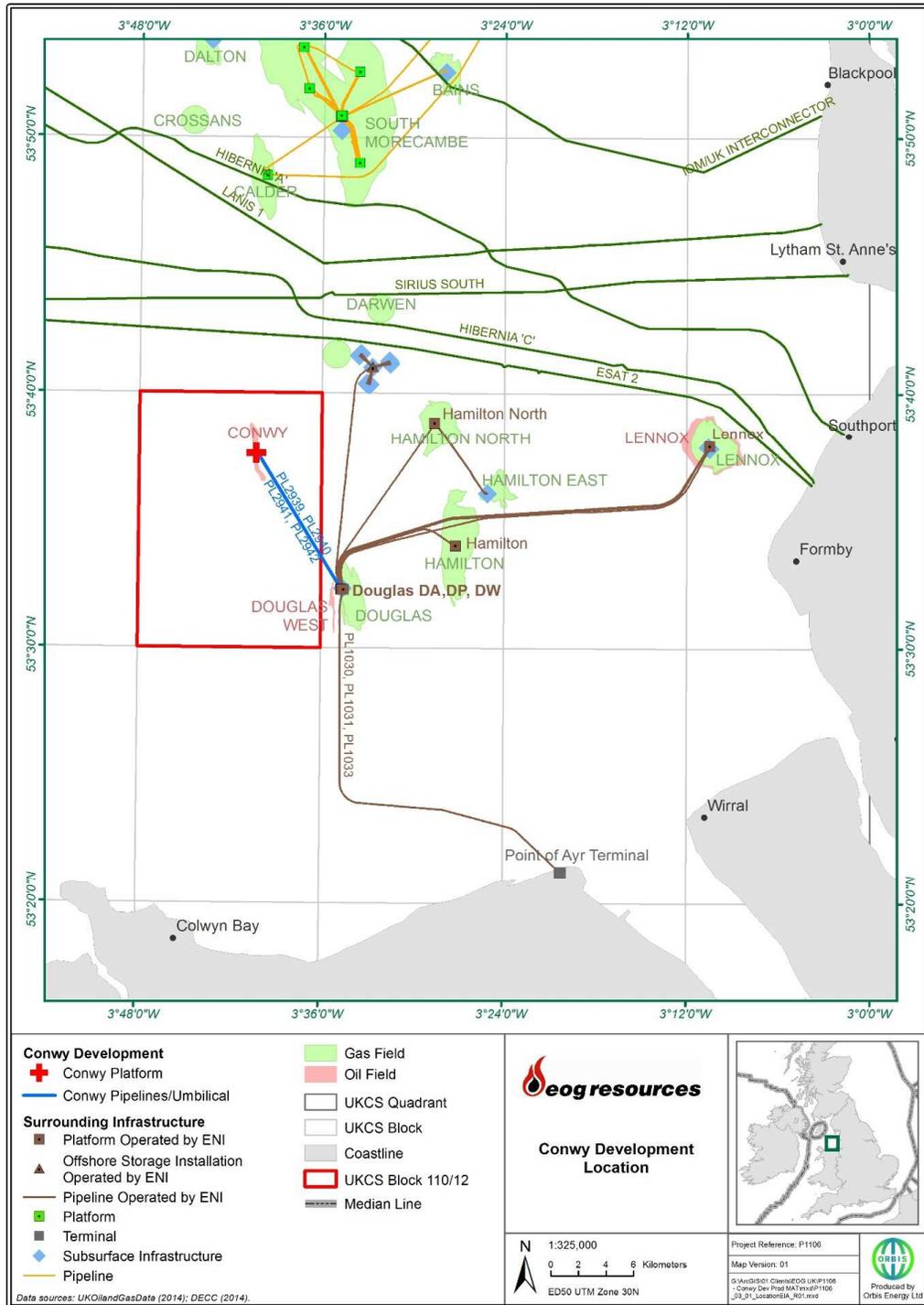
EOGUKL’s 2015 operated offshore activities comprised preparations for the start-up of production at the Conwy field in Block 110/12a, which was targeted for Q1/Q2 2016 (Figure 4.1). This included operations at the Conwy facilities and also EOGUKL operations at the ELBOC operated Douglas Complex host facility to which Conwy will produce. The activities undertaken were as follows:

- Preparatory work on the Conwy NPAI – including commissioning of the Conwy pipelines and maintenance and commissioning of process equipment on Conwy;

- Preparatory work on Douglas – including commissioning of Conwy production reception facilities at Conwy. This involved the use of the JB-115 jack-up crane and accommodation barge to allow EOGUKL contracted personnel to complete works on the Douglas Complex.

Further details on activities associated with these operations and a summary of environmental performance pertaining to these activities is discussed in Section 5.

Figure 4.1. Location of the Conwy Development and Associated Infrastructure



5 Summary of 2015 Environmental Performance

The potential environmental impacts associated with EOGUKL’s 2015 offshore activities include those associated with preparatory work for the start-up of the production at the Conwy field including:

- Chemical use and discharges as regulated under The Offshore Chemical Regulations 2002 (as amended); and
- Waste generated on the Conwy platform and the JB-115 jack-up barge.

The environmental performance data is therefore split into operations involving the Conwy infrastructure in Table 5.1 and Table 5.2, and operations involving the EOGUKL contracted JB-115 jack-up barge in Table 5.3.

Of note is that normal power requirements for the Conwy field are met via a power cable from the ELBOC operated Douglas Complex. Power generation requirements, and therefore associated atmospheric emissions, from the Conwy NPAI are considered negligible.

5.1 Conwy Platform

Table 5.1. Environmental Performance Data from the Conwy Platform

Environmental Indicator	Conwy Platform					
Chemical Performance ¹	Use (kg)			Discharge (kg)		
Gold (Use / Discharge)	100			100		
Waste Type	Reuse (t)	Recycle (t)	Waste to Energy (t)	Incinerate (t)	Landfill (t)	Other (t)
Special Waste (Group I)	-	2.02	0.5	-	-	-
General Waste (Group II)	-	-	-	-	-	0.42
Other (Group III)	-	-	-	-	-	-
Environmental Incidents						
Chemical Release	Number of Incidents				0	
Hydrocarbon Release	Number of Incidents				0	

¹ Only one chemical (cleaning detergent) was used on the Conwy platform during 2015.

5.2 Conwy Subsea Infrastructure

Data reported in Table 5.2 outlines the environmental performance related to subsea facilities. The subsea infrastructure (comprising a production pipeline, water injection pipeline, condensate injection pipeline, associated risers and a control/power/chemicals umbilical) associated with the Conwy field development was installed in 2012.

During 2015 this subsea infrastructure was maintained in and prepared for use in production operations. During this period the subsea infrastructure contain treated seawater (containing biocide chemicals) primarily to prevent internal corrosion of the subsea infrastructure pending final commissioning prior to start-up. Some production chemicals were introduced to the umbilical as a “first fill” in preparation for production start-up

In 2015, DECC requested that the Conwy PON15C permit (PON15C/396) be closed with the remaining final commissioning activities moved over to a Pipeline Operations permit on the new DECC Portal Environmental Tracking System (PETS). The Pipeline Operations permit (DECC Ref: PLA/244) remained open throughout 2015 with an end date in 2016, coinciding with start-up of production, therefore chemical use and discharge quantities associated with final commissioning activities will be reported via EEMS in 2016.

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As the PON15C permit ended in 2015, all chemical use and discharge from the pipeline installation and commissioning activities covered by the PON15C were reported via EEMS in 2015. The EEMS chemical performance reported in Table 5.2 therefore refers to chemical use and discharge under the PON15C covering activities from 2012 to 2015.

Table 5.2. Environmental Performance Related to Subsea Facilities

Environmental Indicator	Units	Conwy Production Pipeline / Flowline / Umbilical (PON15C/396)	
Chemical Performance ¹		Use	Discharge
SUB (Use / Discharge)	Kilogrammes	8,273	530
Gold (Use / Discharge)	Kilogrammes	16,109.8	15,616.3
Silver (Use / Discharge)	Kilogrammes	2.59	2.59
E (Use / Discharge)	Kilogrammes	22,150.39	4,523.49
Environmental Incidents			
Chemical Release	No. of Incidents	0	
Hydrocarbon Release	No. of Incidents	0	

¹ Chemical use and discharge has been grouped by Hazard Quotient Category / OCNS Group. Those chemicals with substitution (SUB) warnings have been recorded separately and the amounts are not duplicated in the ranking categories.

5.3 JB-115 Jack-up Barge

The JB-115 jack-up barge was contracted by EOGUKL to support construction and commissioning work being undertaken on the Douglas Complex. As the JB-115 barge was contracted by EOGUKL, environmental reporting is undertaken by EOGUKL, despite it being at the ELBOC operated Douglas Complex. A summary of the environmental performance from the JB-115 jack-up barge is provided in Table 5.3.

Table 5.3. Environmental Performance related to the JB115 Accommodation Unit

Environmental Indicator	JB-115 Jack-up Barge					
Waste Type	Reuse (t)	Recycle (t)	Waste to Energy (t)	Incinerate (t)	Landfill (t)	Other (t)
Special Waste (Group I)	-	16.143	4.2	3.255	0.04	-
General Waste (Group II)	7.93	54.847	-	-	61.44	1.66
Other (Group III)	-	-	-	0.077	-	-
Environmental Incidents						
Chemical Release	Number of Incidents				0	
Hydrocarbon Release	Number of Incidents				0	

¹ Includes all waste generated on the JB-115 jack-up barge whilst under contract by EOGUKL at the ELBOC operated Douglas Complex.

5.4 Accidental Releases

Oil or chemical release incidents are reported to DECC in accordance with the electronic Petroleum Operations Notice 1 (ePON1) system.

EOGUKL confirms that no oil or chemical release incidents occurred during their operated activities in 2015.

6 Progress against 2015 EMS Objectives and Targets

Based on the operated activities in 2015, EOGUKL set a number of EMS targets and objectives. The progress these against these targets and objectives is reported in Table 6.1.

Table 6.1. Performance and Progress against EOGUKL’s 2015 EMS Objectives and Targets

Issue	Objective	Target	Progress / Status
EHS Management System	Improve internal leadership and communications.	Update EHS Policy.	Complete – updated in May 2015.
		Eight management site visits.	Completed – in excess of eight management site visits to the Conwy NPAI, Douglas Complex and Offshore Storage Installation.
		Review organisation, training and competency requirements for production.	Production organisation put in place and training programme implemented to ensure competency.
		Conduct Conwy pre-start-up environmental awareness briefing.	Deferred to 2016 as production start-up delayed.
	Permits and consents – Ensure full compliance.	Finalise and maintain Conwy Production Consents Register.	Complete.
	Ensure risk assessments are completed for major activities.	Ensure start-up risks are reviewed and control measures implemented.	Risk assessments undertaken as required for construction and commissioning activities, and suitable controls put in place.
	Monitor EHS performance.	Monthly reporting of EHS statistics and incidents.	Monthly EHS statistics maintained for construction and commissioning activities.
	Review.	Quarterly EHS and operations performance review.	EHS and operations performance reviewed at monthly management meetings.
Emergency Response	Pre and post Conwy start-up emergency response exercises.	1 pre- and 1 post Conwy start-up emergency response exercise (involving Douglas operator).	Pre start-up exercise completed in March 2015. Start-up delayed, with post start-up SOSREP exercise planned for May 2016.
		8 Conwy platform EHS drills (focus on major accident hazards).	Limited to performing 4 EHS drills due to NPAI visiting constraints.
	Emergency response training.	Emergency response training for all personnel (workshops and exercises prior to major operational activity).	Complete – training up-to-date.

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Issue	Objective	Target	Progress / Status
	Spill response training.	Sufficient number of personnel trained to DECC Level 1, 2 and 3.	Complete – training up-to-date.
Audits	Ensure all facilities and operations are appropriately audited.	Conwy Pre start-up EHS compliance audit.	Start-up delayed. Target to be considered in 2016.
		Conwy Platform EHS audit during production operations.	Start-up delayed. Target will be considered in 2016.
		EHS Management System audit.	Complete – areas for improvement identified and selected parts of EHS Management System will be revised during 2016.
Environmental Performance	Vented gas at Conwy	0.316 tonnes of gas vented per annum. Based on maximum of six venting episodes per annum, at 1000 standard cubic feet of gas (28.3 m ³ of gas) per episode.	Start-up delayed. No gas vented during 2015.
	Conwy Platform EHS audit.	No oil or chemical spills.	Achieved.
	EHS Management System audit.	Set baseline for chemical usage based on Q4 production and chemical use.	Start-up delayed. Target will be considered in 2016.
Safety Performance	Accidents and incidents.	No Lost Time Injury.	One Lost Time Injury
		All incidents reported, investigated and findings reported to workforce within 1 month.	Incidents reported, investigated and findings reported.

7 Proposed 2016 Targets and Objectives

In 2016, EOGUKL’s UKCS operated activities are focussed on the start-up of production at the Conwy field, which was achieved in March 2016. EOGUKL have identified a number of objectives and targets to aim for to improve environmental performance in offshore activities in 2016; these are presented in Table 7.1.

Table 7.1. 2016 Targets and Objectives

Issue	Objective	Target
Leadership and Communication	Improve internal leadership and communications	EHSMS Management Review – Suitability for Conwy Production Operations (see also under “Audits and Reviews” below)
		Complete and issue CMAPP and update EHS Policy
		6 Management site visits – senior managers to operational sites
		Review organisation and training and competency requirements
Legislative and Regulatory Compliance	Permits and consents - Ensure full compliance	Maintain Conwy Development consents register
		Maintain Conwy Production Consents Register
	Conwy Safety Case	Update Conwy Safety Case to comply with OSDR 2015 and have it accepted by HSE
	Conwy OPEP	Update Conwy OPEP to comply with OSDR 2015
Contractor Selection and Management	Management and monitoring of contractor performance	Monitor through Audit Plan
Risk Assessment	Ensure risk assessments are completed for all major activities.	Complete operational risk assessments as required for completion of Douglas construction, commissioning and start-up activities
Monitoring and Incident Reporting	Monitor EHS performance	Maintain and report EHS statistics.
	Incident reporting	Ensure all EHS related incidents and accidents are followed through to closure, with findings reported to workforce within 1 month
	Review	Quarterly EHS and operations performance review
Safety Performance	Incidents	No lost time incidents
		No reportable incidents under RIDDOR
Environmental Performance	Vented gas at Conwy platform	0.316 tonnes of gas vented per annum. (based on maximum of 6 venting episodes per annum, at 1000 scf (28.3 m3) per episode)
	Oil and chemical spills	No oil or chemical spills
	Offshore chemical use	Set baseline for chemical usage based on Q1 production and chemical use
Emergency Response	Emergency plans in place and up to date	Update emergency response plan for Conwy production operations
	Emergency response training	Emergency response training for all personnel (workshops and exercises prior to major operational activity)
		Exercises held 1 per quarter (3 desktop, 1 full)
		Offshore Conwy drills – at least 1 per quarter (focus on major accident hazards, but to include 1 oil spill scenario per OIM)

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Issue	Objective	Target
	Oil spill response training	Sufficient number of personnel trained to DECC Level 1, 2 and 3
Reviews and Audits	Ensure facilities and operations are appropriately reviewed and audited	2016 Audit Plan – develop and implement Conwy post start-up compliance audit
	System reviews for suitability	EHS MS Management Review – Suitability for Conwy Production Operations (see also under “Leadership and Communication” above)

Appendix A: Corporate Major Accident Prevention Policy

EOG Resources United Kingdom Limited

Corporate Major Accident Prevention Policy (CMAPP)

This CMAPP sets out the overall aims and arrangements for controlling the risk of a major accident within EOG Resources United Kingdom Limited (EOGUKL) and outlines how those aims shall be achieved. This CMAPP applies to all operations undertaken by EOGUKL and shall be communicated by EOGUKL's Management Team to those persons involved in, or affected by, such operations.

EOGUKL shall:

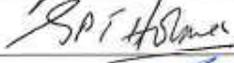
- Continue to support the objectives set out in EOGUKL's Environmental, Health and Safety (EHS) Policy with the goals of no accidents, no harm to people and no damage to the environment.
- Ensure that major accident hazards with the potential to impact people, the environment and asset integrity are identified, assessed and managed for all activities under the control of both EOGUKL and EOGUKL's contractors.
- Promote and encourage a strong safety culture through:
 - Regular offshore visits by senior management,
 - Behavioural safety and team building workshops,
 - Feedback from senior management on safety performance and audit/inspection results,
 - Encouraging participation and suggestions from the workforce for improving safety performance, working conditions and other offshore activities,
 - Open Door Policy to encourage reporting of concerns that the workforce feel are not being addressed,
 - Appointment of Safety Representatives and holding regular meetings to discuss issues, concerns, major accident hazards and potential changes to operations,
 - Recognition and rewarding commitments and actions intended to, and/or, deliver improved safety performance.
- Operate an effective system to ensure the competency of personnel in key roles performing safety and environmental critical tasks. Assurance processes shall also be in place to confirm the competence of individuals engaged through contracting companies.
- Identify safety and environmental critical elements (SECEs) for major accident hazards and:
 - Ensure SECEs are designed to survive any incident they are controlling/mitigating or fail to a state that achieves the desired aim,
 - Have performance standards with defined functionality, availability, reliability, survivability and interdependence (FARSI),
 - Ensure that SECEs are maintained to meet the defined performance standard,
 - Monitor the performance of SECEs to ensure they continue to meet the performance standard,
 - Review SECEs and their performance standards on a regular basis.
- Manage major accident hazards through prevention which is controlled by:
 - Asset integrity management, involving inspection, maintenance and repair,
 - Monitoring and maintenance of safety and environmental critical elements and performance standards,
 - Auditing the management of major accident hazards,
 - Routine inspections,
 - Implementation of the verification scheme; reviewing assurance activities with Independent Verification Body (IVB).

- Hold tripartite discussions (between the competent authority, duty holders and workers' representatives) for any change relating to the management of major accident hazards; implement appropriate actions arising from these discussions.
- Implement processes to reliably collect and securely store technical data which can be used for historical analysis.
- Report all incidents (including near misses); investigate events and possible outcomes; establish the root and contributory causes and take action to avoid similar incidents in the future.
- Establish an annual audit programme to address:
 - Compliance with the EHS Policy and this CMAPP,
 - Compliance with regulatory requirements (including safety cases),
 - EHS policies, goals, procedures and organisational capabilities,
 - Management of asset integrity,
 - Management of major accident hazards.

The frequency of these audits will be commensurate to the hazards and risks of EOGUKL's business activities. The audit programme shall underpin continuous improvement in the control of major accident hazards.

- Have systems, personnel and resources in place to enable command and control of major accident hazard incidents utilising emergency management and response plans. All personnel involved in the control of major accident hazards and related incidents shall be trained and assessed for their roles. Control of major accident hazards and emergency response includes senior management.
- Undertake senior management reviews and establish improvement action plans annually (or at other more frequent intervals if required by change management or review/audit finding) as defined within the company's EHS management system. These reviews include:
 - The EHS Policy,
 - The continued applicability, implementation and effectiveness of this CMAPP,
 - The continued applicability, implementation and effectiveness of the company's EHS management system,
 - The company's EHS goals and objectives,
 - The availability and capability of resources (competent personnel, systems, procedures, hardware), necessary to ensure the effective management of major accident hazards,
 - Results of performance monitoring, incident investigations, comments from the workforce and results of internal and external audits.

The UK Country Manager has prime accountability for ensuring this CMAPP is suitable, implemented and operated as intended.

Senior Management Commitment to this CMAPP	
Adam Farrow, UK Country Manager	
Steve Holmes, Commercial & Regulatory Affairs Manager	
Richard Chaffe, Finance and Administration Director	
Gavin Morrice, Conwy Asset Integrity Manager	

Appendix B: EHS Policy



EOG Resources United Kingdom Limited

Environmental, Health and Safety Policy

EOG Resources United Kingdom Limited (EOGUKL) conducts its business with a commitment to safeguard the environment and human health. Good environmental, health and safety performance is critical to the success of our business and is the responsibility of every person working for and on behalf of EOGUKL.

In furtherance of this policy, EOGUKL:

- Makes environmental, health and safety an integral part of our business planning, development and decision-making.
- Conducts its business in a manner designed to comply with all applicable environmental, health and safety laws, regulations and other requirements, applying responsible standards where such laws or regulations do not exist.
- Provides leadership, professional personnel, training, support and other resources necessary for the implementation of environmental, health and safety programmes that are designed to ensure each individual's knowledge of their responsibilities.
- Continues to drive down the impact of its business on the environment by reducing wastes, emissions and discharges, preventing pollution and using energy efficiently.
- Communicates openly and honestly with its customers, employees, contractors, partners, appropriate regulatory authorities, the community and public interest groups regarding significant environmental, health or safety matters.
- Works with the regulatory authorities, industry groups and others to develop sound, equitable and realistic laws and regulations to protect the environment, personnel and the general public and to raise the standards of our industry.
- Strives to continuously improve and enhance our environmental, health and safety performance, through appropriate means and programmes, toward its goal - **no accidents, no harm to people, and no damage to the environment.**

A handwritten signature in blue ink, appearing to read "Adam Farrow".

Adam Farrow
Country Manager

May 2015

This policy is in addition to the requirements of the EOG Resources, Inc. Conduct of Business Affairs policy relating to environmental, health, and safety matters and the EOG Resources, Inc. Environmental, Health and Safety Policy.