CONOCOPHILLIPS PETROLEUM COMPANY U.K. LIMITED. JASMINE FIELD DEVELOPMENT Environmental Statement Summary

To: Sarah Pritchard

From: Inger Soderstrom Date: 23 August 2010

ES Title: Environmental Statement for the Jasmine Development in Blocks

30/06a & 30/07a

Operator: ConocoPhillips Petroleum Company U.K. Ltd.

Consultants: Xodus Aurora
Field Group (DECC): Aberdeen
ES Report No: D/4068/2009
ES Date: February 2010
Block Nos: 30/06a & 30/07a

Development Type: Development of Jasmine Field by installation of three new

platforms (the Jasmine WellHead Platform and the Jasmine Living Quarters Platform) that will be connected by an 8.5 km multiphase pipeline to the new Judy Riser and Separation

Platform

Project Description

The proposed Jasmine Development is located in Blocks 30/06a & 30/07a in the central North Sea, approximately 255Km south east of Aberdeen in the ConocoPhillips J-Block Area and approximately 20Km from the UK/Norway median line. The Development will utilise existing processing capacity at the Judy platform, with gas exported through the Central Area Transportation System (CATS) to Teeside and oil exported through the Norpipe system also terminating in Teeside. The Jasmine Development will consist of the installation of two bridge-linked platforms, the Jasmine Wellhead Platform (JWHP) and the Jasmine Living Quarters Platform (JLQ), which will be tied back via an 8.5Km multiphase pipeline to the new Judy Riser and Separation Platform (JRP) which will be bridge linked to the existing Judy Platform.

Jasmine is to be developed in three phases. This ES covers Phases 1 and 2, with up to eight wells being drilled in Phase 1, and a total of between 16 and 24 wells being drilled during Phases 1 and 2. The wells will be high pressure / high temperature (HP/HT) deviated wells, accessing the West Limb and North Terrace of the Jasmine field. The expected fluids are rich gas condensate (West Limb) and volatile oil (Northern Terrace).

Installation of the JWHP which will have 24 slots available for new wells, will take place during 2011.

Drilling will be undertaken using a heavy-duty jack-up drilling unit and is expected to commence following installation of the JWHP in Q2 2011, with two wells drilled during the first year and four wells drilled subsequent years of Phase 1 and 2. The top hole sections (36" & 26") of the wells will be drilled with water based mud, with cuttings discharged to sea. The lower sections (16", 12.25", 8.5" and 6.5") will be drilled with low toxicity oil based mud (OBM), with OBM and cuttings contained and returned to shore for treatment or, as a contingency, to treated offshore prior to discharge of the cleaned cuttings.

Installation of the JLQ will take place in 2012, and the platform will be linked to the JWHP by a 100 m bridge. Installation of the JRP will also take place in 2012, at the north end of the existing Judy Platform.

The 8.5 km pipeline between the JWHP & JRP will be a multiphase 'pipe in pipe' system, which will be installed either as a towed bundle (33" diameter outer pipe) or using the S-Lay installation technique (20" diameter outer pipe). If a towed bundle is used, it will be surface laid, but a 20" pipeline would be trenched and may subsequently be backfilled.

Production is planned to commence in Q4 2012, with peak production of gas of 7,204 thousand m³/day in 2015, and peak production of oil / condensate of 11,258 m³/day in 2013. The field life is predicted to be between 20 to 24 years. The JRP will receive produced fluids from the JWHP and process them through a production separator and cooling system, prior to transferring them to the processing system on Judy.

The Jasmine Development will utilise existing processing capacity on the Judy Platform, but some Judy Platform modifications will be required, including the tie-in of pipe work from the JRP, control room upgrades, the modification of existing equipment, the addition of new equipment and structural changes to accommodate the bridge landings from the JRP. A new power generator will also be installed on the JRP, to be run in conjunction with the existing facilities on Judy, to provide power for the Jasmine development.

Key Environmental Sensitivities

The development area is a spawning ground for cod (January to March), lemon sole (April to September), mackerel (May to August), Norway pout (March to May), sandeels (November to February), sprat (May to August). It is also a nursery area for all of these species, and for haddock.

There is moderate seabird vulnerability in September to December, with high vulnerability in January.

Minke whale, harbour porpoise, Atlantic white-sided dolphins and white-beaked dolphins have been sighted in waters around the Jasmine Development.

Key Potential Environmental Impacts

The EIA identified the following issues as significant, or highly significant, and they were considered in detail in the ES:-

- Atmospheric emissions
- Discharges to sea
- Seabed impacts
- Interactions with other sea users
- Spill risk
- Waste management

When considered in conjunction with the the proposed mitigation measures, none of these issues were assessed as likely to result in a significant environmental impact.

DECC Consultee(s)

The DECC consultees for this project were JNCC, Marine Scotland, the Scotlish Fishermen's Federation (SFF), the Maritime and Coastguard Agency (MCA), the Ministry of Defence (MOD) and the Northern Lighthouse Board (NLB). The following comments were made:

<u>Joint Nature Conservation Committee (JNCC):-</u> Requested further information in relation to the power cable installation, rock dumping, noise impact assessment and mitigation. They subsequently confirmed that they were content for the ES to be approved, following receipt of additional information provided by ConocoPhillips dated 25 June 2010, and updated 07 July and 04 August 2010.

<u>Marine Scotland:-</u> Commented on a variety of issues, including OBM mud and cuttings disposal and the environmental description, and requested copies of three site survey reports, but confirmed that they were content for the ES to be approved.

<u>Scottish Fishermen's Federation (SFF):-</u> Confirmed they were content, and would continue their ongoing dialogue with the Jasmine Development Team.

<u>MCA:</u>— Had no objection to consent being granted, subject to compliance with the standard navigational requirements and adoption of Collision Risk Management Measures.

Ministry of Defence:- Had no objections.

Northern Lighthouse Board:- No objections to proposed development but recommended

lighting requirements which will be clarified at the application for consent stage through the requirements of the Coast Protection Act 1949 (Section 34).

Public Consultation

No comments were received as a result of the public consultation.

Further Information

DECC requested further information in relation to a number of issues, including rig stabilisation, pipe-lay and pipeline protection, produced water handling and the decommissioning of pipelines, in addition to the issues raised by consultees. Further information was provided by ConocoPhillips on 25 June 2010, and updated on 07 July and 04 August 2010.

Conclusion(s):

Following a review of the Environmental Statement, the comments received from consultees and the additional information provided by ConocoPhillips, DECC and its consultees are satisfied that this project is unlikely to have any significant impact on the receiving environment, or on any protected habitats or species.

Recommendation(s):

On the basis of the information provided and advice from consultees, it is recommended that the Field Development Plan should be approved.

Sarah Pritchard Date