



HESS SERVICES UK LIMITED

# **2014 Annual Environmental Performance Summary**

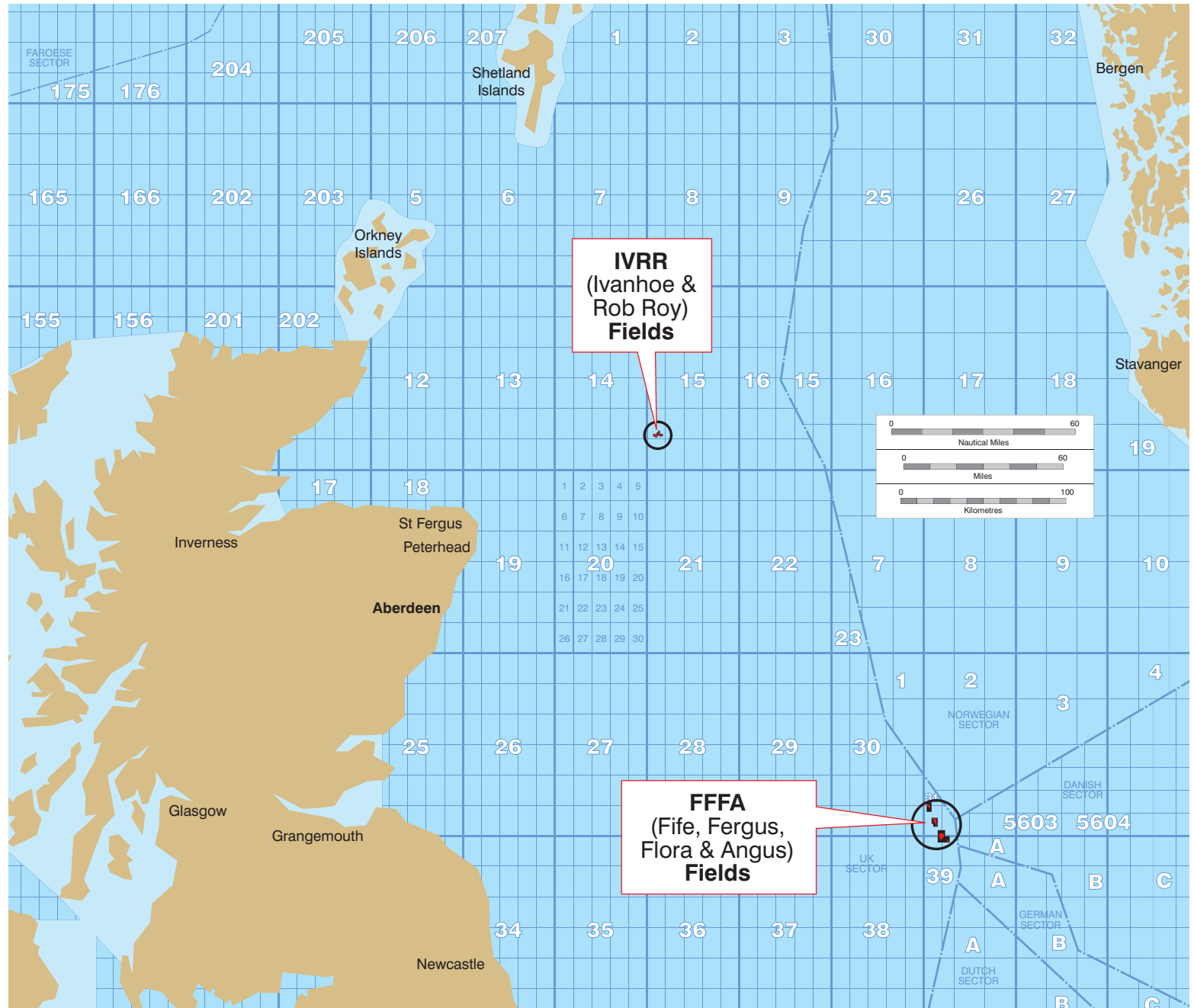
## Introduction

Hess Services UK Limited (Hess) is the wholly-owned UK operating subsidiary of Hess Corporation, a global company engaged in the exploration and production of crude oil and natural gas.

This summary report gives a high level overview of the environmental aspects of the Company's business activities in the UK. Hess Corporation produces a broader report of its environmental, health, safety and social responsibility performance on an annual basis. The 2014 edition will be available later this year on Hess Corporation's website. See:

[www.hess.com/sustainability/reports.aspx](http://www.hess.com/sustainability/reports.aspx)

Hess operations during 2014 involved decommissioning activities on the Ivanhoe and Rob Roy (IVRR) fields and the Fife, Fergus, Flora and Angus (FFFA) fields.



## Environmental Management System

Hess has an ISO14001:2004 certified Environmental Management System (EMS), which incorporates the requirements of the Hess Corporation EHS Policy. The EMS was recertified in March 2013 and a surveillance visit was carried out in June 2014.

The Hess EMS is designed to meet the requirements and expectations of business, government and the public and to take account of changing legislation. The EMS is intended as a tool to deliver continuous improvement. Hess was the first offshore UKCS operator to receive ISO14001 certification in 1997.

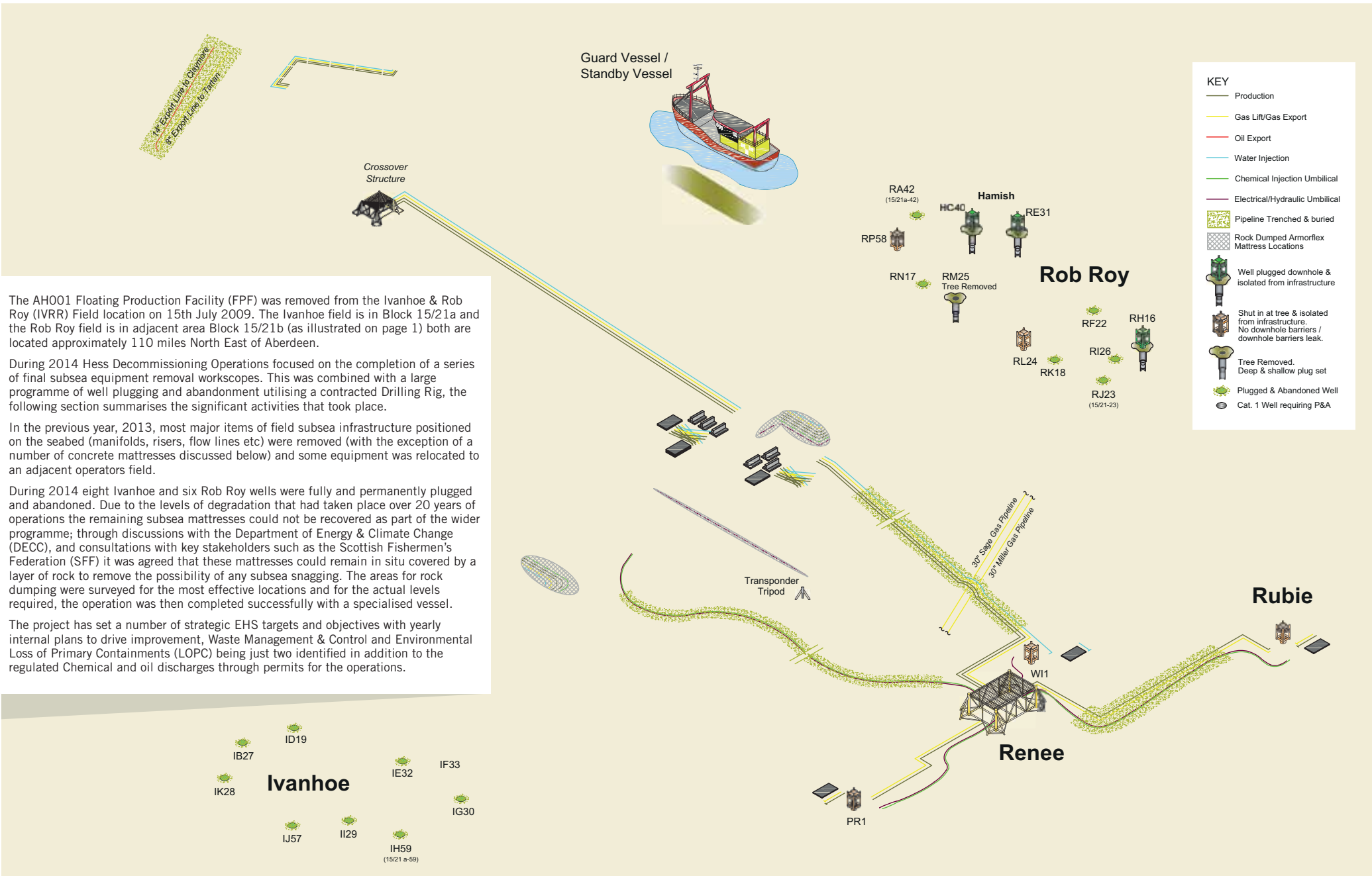
The Hess Environmental policy provides the framework for setting and reviewing environmental objectives and targets and is signed by the Hess Decommissioning and UK Operations Manager.



Hess Services UK Ltd ISO14001: 2004 Certificate



Hess UK Environmental Policy



The AH001 Floating Production Facility (FPF) was removed from the Ivanhoe & Rob Roy (IVRR) Field location on 15th July 2009. The Ivanhoe field is in Block 15/21a and the Rob Roy field is in adjacent area Block 15/21b (as illustrated on page 1) both are located approximately 110 miles North East of Aberdeen.

During 2014 Hess Decommissioning Operations focused on the completion of a series of final subsea equipment removal worksopes. This was combined with a large programme of well plugging and abandonment utilising a contracted Drilling Rig, the following section summarises the significant activities that took place.

In the previous year, 2013, most major items of field subsea infrastructure positioned on the seabed (manifolds, risers, flow lines etc) were removed (with the exception of a number of concrete mattresses discussed below) and some equipment was relocated to an adjacent operators field.

During 2014 eight Ivanhoe and six Rob Roy wells were fully and permanently plugged and abandoned. Due to the levels of degradation that had taken place over 20 years of operations the remaining subsea mattresses could not be recovered as part of the wider programme; through discussions with the Department of Energy & Climate Change (DECC), and consultations with key stakeholders such as the Scottish Fishermen's Federation (SFF) it was agreed that these mattresses could remain in situ covered by a layer of rock to remove the possibility of any subsea snagging. The areas for rock dumping were surveyed for the most effective locations and for the actual levels required, the operation was then completed successfully with a specialised vessel.

The project has set a number of strategic EHS targets and objectives with yearly internal plans to drive improvement, Waste Management & Control and Environmental Loss of Primary Containments (LOPC) being just two identified in addition to the regulated Chemical and oil discharges through permits for the operations.

## 2014 Performance : IVRR

### Chemical Spills

There were no chemical spills during the 2014 decommissioning operations.

### Oil Spills

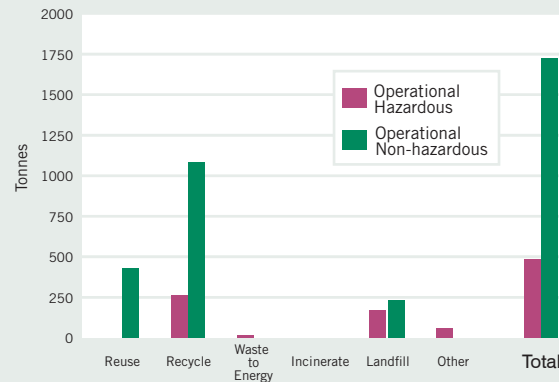
There were no oil spills during the 2014 decommissioning operations.

### DECC Non-Compliance

There were no non-compliances during the 2014 decommissioning operations.

### Waste

During 2014 operations, almost 80% of the 2,213 tonnes of waste that was recovered and disposed of was reused or recycled and 78% of the waste was non-hazardous. IVRR waste figures include the operational waste generated from the WilHunter Drilling Rig.



### Decommissioning Chemicals

Chemical use and discharge by the UK offshore oil and gas industry is managed by the Offshore Chemical Notification Scheme (OCNS), the scheme is regulated by the Department for Energy and Climate Change (DECC), using scientific and environmental advice from the Centre for Environment, Fisheries and Aquaculture Science (CEFAS) and Marine Scotland.

The OCNS uses the OSPAR Harmonised Mandatory Control Scheme (HMCS) for the Use and Reduction of the Discharge of Offshore Chemicals. In the UK this is administered under the Offshore Chemical Regulations 2002 (OCR).

HMCS ranks chemical production according to its Hazard Quotient (HQ) calculated using the Chemical and Risk Management model (CHARM). Inorganic chemicals and organic chemicals with functions for which the CHARM model has no algorithms are ranked using the OCNS hazard groups.

The rankings for chemicals used offshore in the oil and gas industry under CHARM are given a colour band while products that can't be modelled under CHARM are given a letter grouping.

The CHARM bandings, from lowest hazard to highest hazard are: Gold, Silver, White, Blue, Orange and Purple.

The non-CHARM OCNS groupings, from lowest hazard to highest hazard are: E, D, C, B, A.

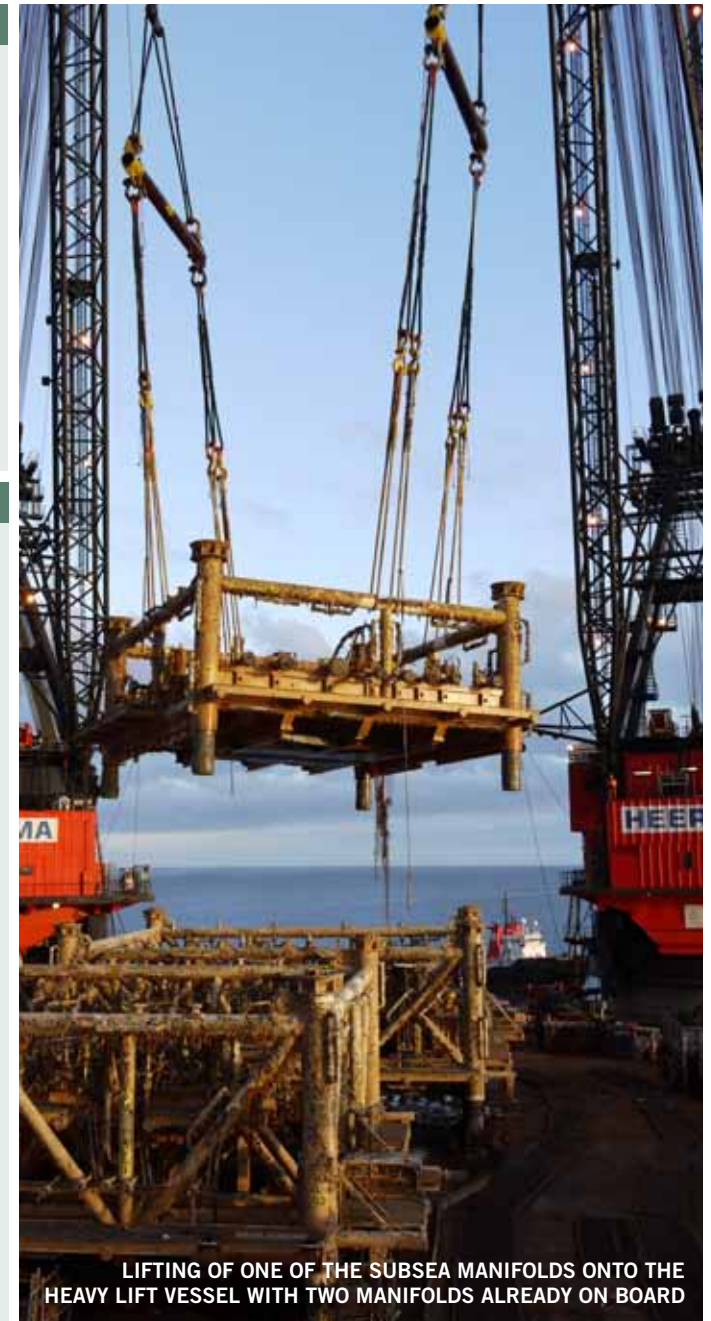
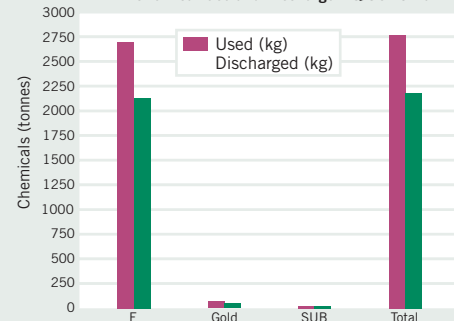
An important part of the HMCS is the substitution of harmful chemicals, any chemicals grouped with CHARM colour bandings or OCNS letter rankings may also carry a substitution warning which means that they contain a substitutable chemical substance.

An offshore chemical will be flagged for substitution if it meets one or more of several criteria detailed on the CEFAS website ([www.cefas.co.uk](http://www.cefas.co.uk)), including, for example, if it is listed in Annex 2 of the OSPAR strategy with regard to Hazardous Substances, or the chemical has a biodegradation result of less than 20% in 28 days.

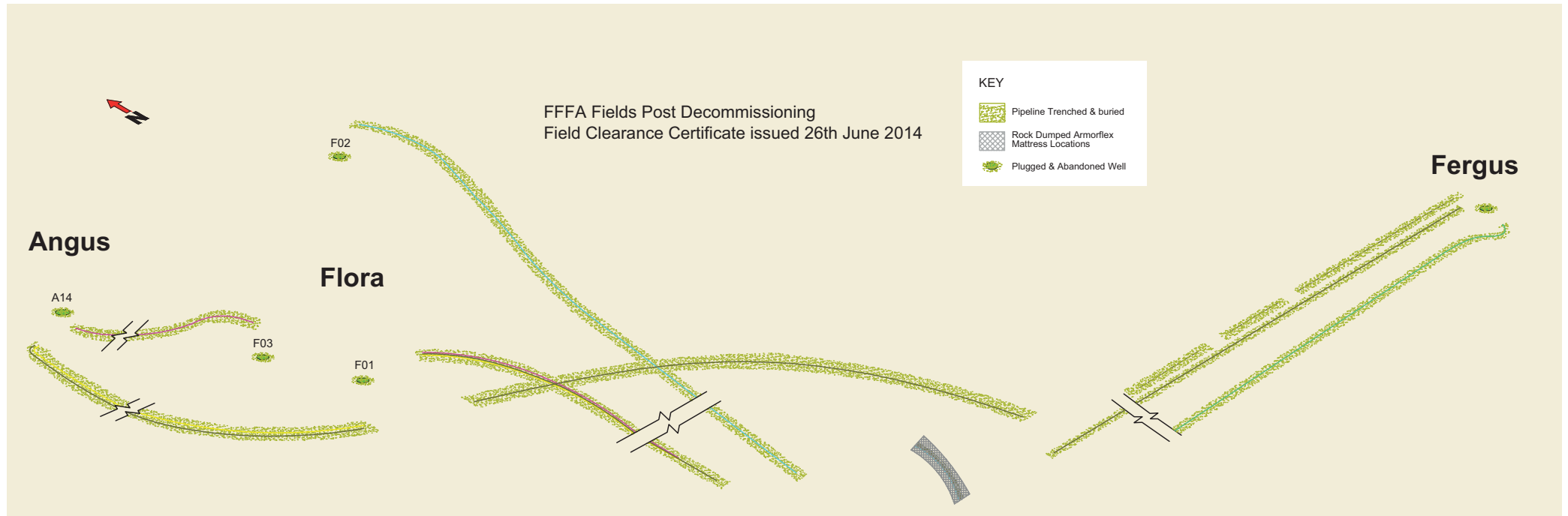
The 2014 chemical data has been grouped into E chemicals, Gold chemicals, all other rankings/bandings of chemicals (e.g. Silver, White, A, C, D) and chemicals with Substitution warnings. The total chemical usage is shown for reference. Only the chemicals used during the abandonment of the Ivanhoe wells is displayed here, the Rob Roy well abandonment chemical permit is still in live and being used for the remaining Rob Roy well abandonments in 2015 therefore the chemical use and discharge has not been submitted via the Environmental Emissions Monitoring System (EEMS) yet.

The graph shows that 100% of the chemicals used and discharged during the IVRR operations were banded either Gold or E and less than 0.5% contained a sub warning.

Chemical Use and Discharge HQ/OCNS Ranking



LIFTING OF ONE OF THE SUBSEA MANIFOLDS ONTO THE HEAVY LIFT VESSEL WITH TWO MANIFOLDS ALREADY ON BOARD



The Uisge Gorm FPSO was removed from the FFFA location on 11th September 2008. The final pieces of the decommissioning operations that took place in 2014 were flushing then removal of the disconnected Angus pipeline, the removal of the Angus protection structure, rockdumping of degraded mattresses and the post decommissioning surveys. These surveys included the debris clearance survey, environmental sampling survey and the over-trawl survey by the SFF.

The FFFA decommissioning plan close out report was submitted to DECC in December 2014 and it was accepted by DECC in February 2015.

The project has set a number of strategic EHS targets and objectives with yearly internal plans to drive improvement, waste management and control and Environmental Loss Of Primary Containments (LOPC) being just two identified in addition to the regulated Chemical and oil discharges through permits for the operations.

## 2014 Performance : FFFA

### Chemical Spills

There were no chemical spills during the 2014 decommissioning operations.

### Oil Spills

There were no oil spills during the 2014 decommissioning operations.

### DECC Non-compliances

There were no non-compliances during the 2014 decommissioning operations.

### Oil in Water

There was 60.84 kg of oil discharged during the Angus pipeline flush operations in 2014.

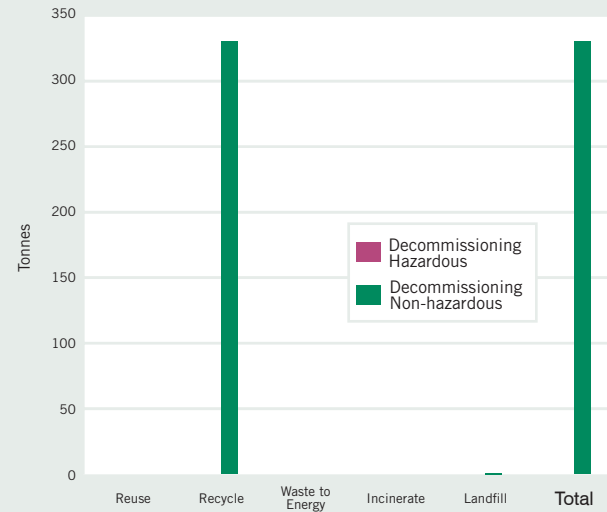
### Decommissioning Chemicals

Please refer to IVRR section for chemical information.

Only 49 kg of a D ranked chemical was used during FFFA decommissioning operations in 2014. This was the gel pig used to flush the Angus pipeline, all of the pig was recovered during the flush so there was zero chemical discharge.

### Waste

During 2014 operations, over 99% of the 330 tonnes of waste that was recovered and disposed of was reused or recycled and 100% of the waste was non-hazardous. None of the 2014 FFFA waste came from the drilling rig operations.



### FINAL FIFE CLEAR UP



ANGUS PROTECTIVE STRUCTURE REMOVED FROM THE SEABED

## 2014 Drilling/Workover Performance

Hess performed no drilling or workover operations during 2014.

### Glossary of Terms

<b>CEFAS</b>	Centre for Environment, Fisheries and Aquaculture Science
<b>CHARM</b>	Chemical and Risk Management Model
<b>DECC</b>	Department of Energy and Climate Change
<b>EEMS</b>	Environmental Emissions Monitoring System
<b>EMS</b>	Environmental Management System
<b>FFFA</b>	Fife, Fergus, Flora and Angus
<b>FPP</b>	Floating Production Facility
<b>FPSO</b>	Floating Production Storage and Offloading Vessel
<b>HMCS</b>	Harmonised Mandatory Control Scheme
<b>HQ</b>	Hazard Quotient
<b>IVRR</b>	Ivanhoe Rob Roy
<b>OCNS</b>	Offshore Chemical Notification Scheme
<b>OCR</b>	Offshore Chemicals Regulations 2002
<b>SFF</b>	Scottish Fishermen's Federation

## 2014 Decommissioning Operations







Hess Services UK Limited  
Union Plaza  
1 Union Wynd  
Aberdeen  
AB10 1SL  
United Kingdom