

# Permitting decisions

## Variation

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We have decided to grant the variation for Stockbridge Oilfield operated by IGas Energy Development Limited.

The variation number is EPR/YP3537YK/V002.

We consider in reaching that decision we have taken into account all relevant considerations and legal requirements and that the permit will ensure that the appropriate level of environmental protection is provided.

## Purpose of this document

This decision document provides a record of the decision making process. It summarises the decision making process in the decision checklist to show how all relevant factors have been taken in to account.

It:

- highlights key issues in the determination
- summarises the decision making process in the decision checklist to show how all relevant factors have been taken into account
- shows how we have considered the consultation responses.

Unless the decision document specifies otherwise we have accepted the applicant's proposals.

Read the permitting decisions in conjunction with the environmental permit and the variation notice. The introductory note summarises what the variation covers.

## Description of the changes introduced by the variation

This is a normal variation to add the following activities

2) A groundwater activity, as defined by the Groundwater Directive and Schedule 22 of the Environmental Permitting (England and Wales) Regulations 2016, as amended, for a groundwater activity for the use of water based mud containing produced water and drilling additives and another groundwater activity for the re-injection of produced and clean surface waters for production support.

The permit is being varied to include activities specified in the approved Waste Management Plan, and environmental risk assessments that relate to drilling of sidetrack Stockbridge 19.

The applicant will be using a water based mud containing produced water and additives when drilling the 4 ¼ "hole of the sidetracked well in the Great Oolite. The Great Oolite is the oil bearing reservoir and formation where re-injection will take place. Due to the anticipated permeability and porosity of the Great Oolite there is the potential for losses of the drill fluid. As a loss will result in a direct discharge of pollutants into groundwater we have decided that this meets the definition of a groundwater activity and in order to carry out

this activity a groundwater activity permit is needed. We have assessed the information provided by the operator and have agreed with their conclusions that the risk to groundwater from this activity is acceptable. As such we will be issuing a groundwater activity permit under schedule 22 paragraph 8 (f) of the Environmental Permitting Regulations 2016 for this activity.

The re-injection of produced water into a geological formation from which hydrocarbons have been extracted and to support production is a groundwater activity which we can permit under schedule 22 paragraph 8 (a) of the Environmental Permitting Regulations 2016. We have assessed the information provided in the Hydrogeological Risk Assessment and we are satisfied that the applicant has demonstrated that risk to groundwater from the discharge of produced water into the Great Oolite from STK-19 and its sidetracked STK-27 is acceptable and as such a groundwater activity permit can be granted.

The original permit was issued for an Industrial Emission activity as defined by the Industrial Emissions Directive and Part 2 Schedule 1.2 of the Environmental Permitting (England and Wales) Regulations 2016, as amended, relating to the loading, unloading, handling and storage of crude oil; for a groundwater activity and a Mining Waste Operation, as defined by the Mining Waste Directive and Schedule 20 of the Environmental Permitting (England and Wales) Regulations 2016, as amended, relating to the management of extractive waste not involving a Mining Waste Facility.

## Key issues of the decision

### Groundwater Activity

A groundwater activity, in general terms, is defined in Schedule 22 of the 2016 Regulations as meaning the discharge of a pollutant that results in the direct input of that pollutant to groundwater, or a discharge of a pollutant in circumstances that might lead to an indirect input of that pollutant to groundwater or any other discharge or activity that might lead to a direct or indirect input of a pollutant to groundwater.

The groundwater activities for this site for the use of water based mud containing produced water and drilling additives and for the re-injection of produced and clean surface waters for production support. The discharges are a direct discharge to groundwater which is prohibited under by the Water Framework Directive except under certain exemptions. One of these exemptions is:

The injection of water containing substances resulting from the operations for exploration and extraction of hydrocarbons or mining activities, and injection of water for technical reasons, into geological formations from which hydrocarbons or other substances have been extracted or into geological formations which for natural reasons are permanently unsuitable for other purposes, provided that the injection does not contain substances other than those resulting from the above operations

We are satisfied that this activity meets the above exemption. A permit can only be granted provided it does not compromise the achievement of any of the environmental objectives relating to groundwater in Article 4 of the Water Framework Directive. We have given detailed consideration to the proposal and we are satisfied that none of the relevant environmental objectives set out in Article 4 of the Water Framework Directive will be compromised.

We have reviewed the Hydrogeological Risk Assessment and Site Condition Report submitted with the supporting documents against our information and conceptual understanding of the location. We are satisfied that the potential risks to groundwater have been identified and addressed through mitigation measures and controls specified in this permit.

If the Applicant wishes to carry out different or additional activities not covered by this permit, a further variation of the permit will be required. Any such variation application would be determined on its merits and would be subject to our normal consultation process. Any further application to vary operations to manage mining waste will require an amended waste management plan to be submitted.

Except where a permit condition imposes a different requirement, the permit requires the Operator to comply with the techniques in the waste management plan (WMP) and limits the activities to those stated unless otherwise agreed in writing by the Environment Agency. We will authorize only minor amendments to the WMP without the need to vary the Permit.

The Permit includes conditions taken from our standard environmental permit template including the relevant Annexes. We developed these conditions in consultation with industry, having regard to the legal requirements of the Environmental Permitting Regulations, Mining Waste Directive, Industrial Emissions Directive, Groundwater Directive, Water Framework Directive and other relevant legislation.

This document does not therefore include an explanation for these standard conditions. Where they are included in the permit, we have considered the Application and accepted that the details are sufficient and satisfactory to make the standard conditions appropriate.

## Decision checklist

| Aspect considered                    | Decision   |
|--------------------------------------|--|
| <b>Receipt of application</b>        |  |
| Confidential information             | A claim for commercial or industrial confidentiality has not been made.  |
| Identifying confidential information | We have not identified information provided as part of the application that we consider to be confidential.<br><br>The decision was taken in accordance with our guidance on confidentiality.  |
| <b>Consultation/Engagement</b>       |  |
| Consultation                         | The consultation requirements were identified in accordance with the Environmental Permitting Regulations and our public participation statement.<br><br>The application was publicised on the GOV.UK website.<br><br>One response was received from a member of the public.<br><br>We consulted the following organisations:<br><br>List the organisations consulted<br><br><br><br>The comments and our responses are summarised in the <a href="#">consultation section</a> . |
| <b>Operator</b>                      |  |
| Control of the facility              | We are satisfied that the applicant (now the operator) is the person who will have control over the operation of the facility after the grant of the permit. The decision was taken in accordance with our guidance on legal operator for environmental permits.   |
| <b>The facility</b>                  |  |
| The regulated facility               | We considered the extent and nature of the facility at the site in accordance with RGN2 'Understanding the meaning of regulated facility', Appendix 2 of RGN 2 'Defining the scope of the installation'.<br><br>The extent of the facility is defined in the site plan and in the permit. The activities are defined in table S1.1 of the permit.  |
| <b>The site</b>                      |  |
| Extent of the site of the facility   | The operator has provided a plan which we consider is satisfactory, showing the extent of the site of the facility. The amended plan is included as site plan E in the permit.   |
| Site condition report                | The operator has provided a description of the condition of the site, which we consider is satisfactory. The decision was taken in accordance with our   |

| <b>Aspect considered</b>                             | <b>Decision</b>   |
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|  | guidance on site condition reports and baseline reporting under the Industrial Emissions Directive.   |
| Waste management plan                                | The operator has provided a waste management plan which we consider is satisfactory. We have included the submitted Waste management Plan as part of the operating techniques   |
| <b>Environmental risk assessment</b>                 |   |
| Environmental impact assessment                      | In determining the application we have considered the Environmental Statement.  |
| Environmental risk                                   | We have reviewed the operator's assessment of the environmental risk from the facility.<br><br>The operator's risk assessment is satisfactory. We have included the environmental risk assessment as part of operating techniques specifies in table S1.2   |
| <b>Operating techniques</b>                          |   |
| General operating techniques                         | We have reviewed the techniques used by the operator and compared these with the relevant guidance notes and we consider them to represent appropriate techniques for the facility. The operating techniques that the applicant must use are specified in table S1.2 in the environmental permit. |
| <b>Permit conditions</b>                             |   |
| Use of conditions other than those from the template | Based on the information in the application, we consider that we do not need to impose conditions other than those in our permit template.  |
| <b>Operator competence</b>                           |   |
| Management system                                    | There is no known reason to consider that the operator will not have the management system to enable it to comply with the permit conditions.   |
| Technical competence                                 | Technical competence is required for activities permitted.<br><br>The operator is a member of an agreed scheme.<br><br>We are satisfied that the operator is technically competent.   |
| Relevant convictions                                 | The Case Management System been checked to ensure that all relevant convictions have been declared.<br><br>No relevant convictions were found. The operator satisfies the criteria in our guidance on operator competence.  |
| Financial competence                                 | There is no known reason to consider that the operator will not be financially able to comply with the permit conditions.   |
| <b>Growth Duty</b>                                   |   |
| Section 108 Deregulation                             | We have considered our duty to have regard to the desirability of promoting economic growth set out in section 108(1) of the Deregulation Act 2015 and  |

| Aspect considered      | Decision   |
|------------------------|--|
| Act 2015 – Growth duty | <p>the guidance issued under section 110 of that Act in deciding whether to grant this permit.</p> <p>Paragraph 1.3 of the guidance says:</p> <p>“The primary role of regulators, in delivering regulation, is to achieve the regulatory outcomes for which they are responsible. For a number of regulators, these regulatory outcomes include an explicit reference to development or growth. The growth duty establishes economic growth as a factor that all specified regulators should have regard to, alongside the delivery of the protections set out in the relevant legislation.”</p> <p>We have addressed the legislative requirements and environmental standards to be set for this operation in the body of the decision document above. The guidance is clear at paragraph 1.5 that the growth duty does not legitimise non-compliance and its purpose is not to achieve or pursue economic growth at the expense of necessary protections.</p> <p>We consider the requirements and standards we have set in this permit are reasonable and necessary to avoid a risk of an unacceptable level of pollution. This also promotes growth amongst legitimate operators because the standards applied to the operator are consistent across businesses in this sector and have been set to achieve the required legislative standards.</p> |

## Consultation

The following summarises the responses to consultation with other organisations, our notice on GOV.UK for the public and the way in which we have considered these in the determination process.

### Responses from organisations listed in the consultation section

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| <b>Response received from</b>                                     |
| Hampshire County Council  |
| <b>Brief summary of issues raised</b>                             |
| No issue raised   |
| <b>Summary of actions taken or show how this has been covered</b> |
| No further action required  |
| <b>Response received from</b>                                     |
| PHE   |
| <b>Brief summary of issues raised</b>                             |
| No issue raised   |
| <b>Summary of actions taken or show how this has been covered</b> |
| No further action required  |

### Representations from individual members of the public.

One response was received from a member of the public. The concerns raised and the way we have addressed them are shown below.

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| <b>Brief summary of issues raised</b>  |
| <b>Noise pollution</b><br>There was concern that the activities will cause noise pollution.  |
| <b>Summary of actions taken or show how this has been covered</b>  |
| We are satisfied that the conditions of the permit adequately control the risk of pollution from noise. The operator submitted a noise management plan that outline measures that they will undertake to manage noise from the site. We are satisfied with this noise management plan. Condition 3.4 of the permit controls noise and vibration and requires that emissions are minimised and, if the activities give rise to pollution due to noise or vibration outside the site, a noise and vibration management plan is submitted to the Agency for approval and implemented. |

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| <b>Brief summary of issues raised</b>  |
| <b>Impact on birds and wildlife</b><br>There was concern that the proposed activities did not give any consideration to wildlife, in particular to breeding birds  |
| <b>Summary of actions taken or show how this has been covered</b>  |
| We have assessed the risk from the proposed activities as part of our determination and we are satisfied that the activities will not pose a risk to local wildlife populations or to any local wildlife sites or nationally or internationally designated wildlife sites. |

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| <b>Brief summary of issues raised</b>  |
| <p><b>Operator Competence</b></p> <p>The respondent raised concerns about the Operator and their competence to run the operations on site. The respondent noted that the Applicant had previously failed to satisfactorily manage operations at a similar site in Nottinghamshire.</p>   |
| <b>Summary of actions taken or show how this has been covered</b>  |
| <p>The permit conditions require the Operator to have an appropriate management system. As part of assessing the operator's compliance with these conditions we will assess the operator's activities and ensure that they comply with their permit conditions.</p> <p>We have to assess the application made to us and we have no reason to consider that the applicant will not operate in accordance with the permit.</p> |

published on their website detailed meeting notes produced from each of the community liaison meetings that they held with the local community.