



OSPAR Public Statement - 2017

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ABBREVIATIONS

ALARP	As Low As Reasonably Practicable
Alpha Petroleum	Alpha Petroleum Resources Limited, the Company
BEIS	Department of Business, Energy and Industrial Strategy
CMAPP	Corporate Major Accident Prevention policy
EEMS	Environmental Emissions Monitoring System
EMS	Environmental Management System
HSE	The Health and Safety Executive
NUI	Normally Unattended Installation
OGA	Oil & Gas Authority
OSPAR	Oslo and Paris Commission
Perenco	Perenco UK Ltd
SEMS	Safety and Environmental Management System
S&E	Safety and Environmental
SH&E	Safety, Health and Environmental
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 for Business, Energy and Industrial Strategy (BEIS) requires all operators of offshore installations to produce a Public Statement to report their environmental performance. These 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 BEIS by 1st June of each year.

In accordance with this requirement, this document reports on the environmental performance of Alpha Petroleum Resources Limited's (hereafter referred to as Alpha Petroleum) UK Continental Shelf (UKCS) operated offshore activities during 2017. It is focused on environmental issues associated with operations which were directly under Alpha Petroleum control and direct discharges from Alpha Petroleum assets. It does not include discharges and emissions at host facilities or from facilities which are operated under environmental consents held by the Installation Operator; these discharges and emissions are included within the relevant company's public statement.

2 ALPHA PETROLEUM RESOURCES LIMITED

Alpha Petroleum is a privately owned UK company, headquartered in Guildford and focussed on the UK offshore basins. Further information on the company is available from: www.alphapetroleum.com.

Alpha Petroleum is Licensee and Field Operator of a number of small southern North Sea gas basin developments (Figure 2.1). To date, these include one single well subsea completion (Helvellyn) and three small Normally Unattended Installations (NUIs – Kilmar, Garrow and Wenlock), all of which are tied back to platforms operated by Perenco UK Ltd (Perenco).

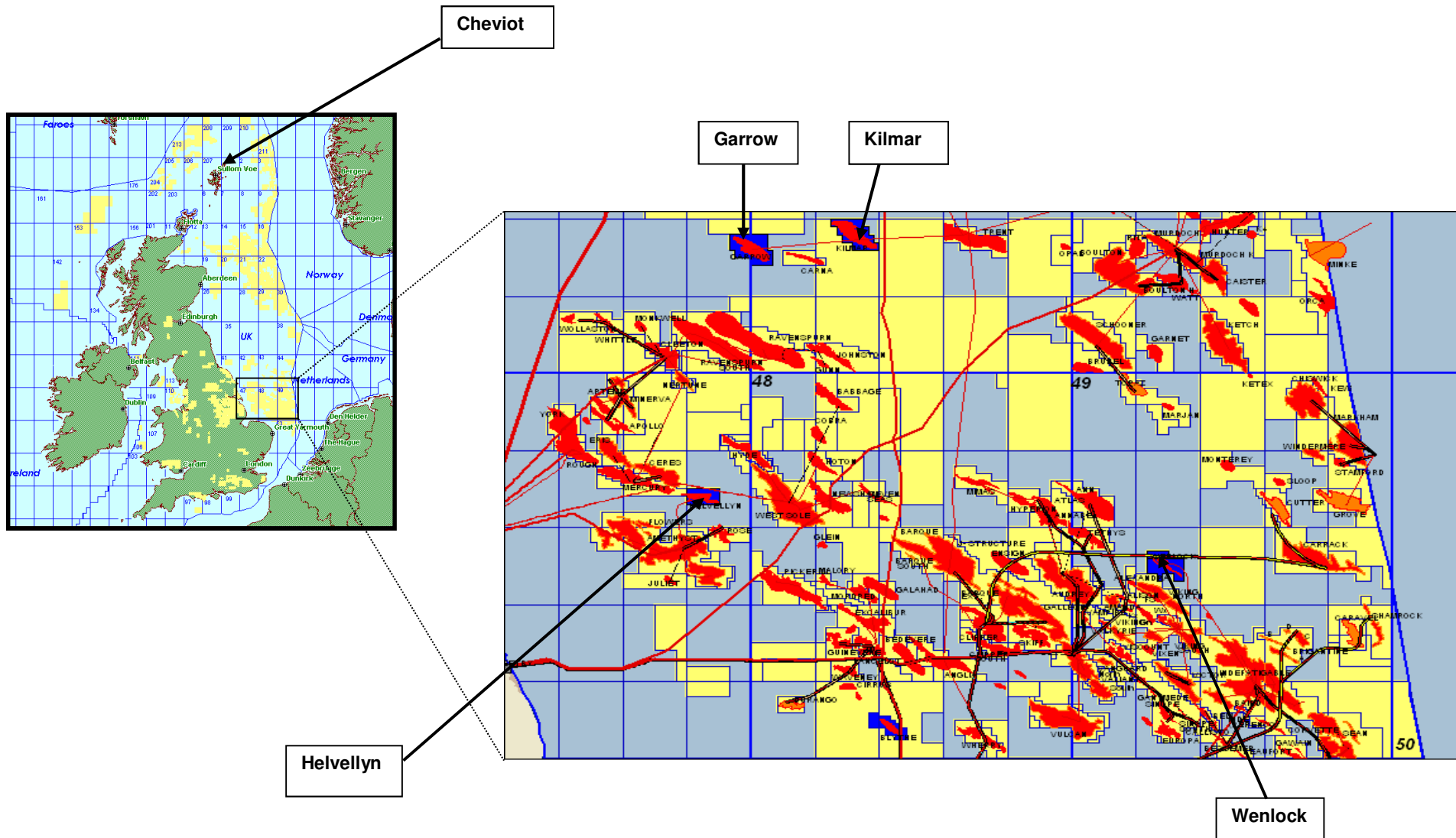
During 2017, Alpha Petroleum was also Licensee of the Blocks that contain the Cheviot Field Development area (including the Cheviot and Peel reservoirs) in the northern North Sea.

Table 2.1 shows the Alpha Petroleum licenses that were held in the UKCS during 2017.

Table 2.1: The Alpha Petroleum Licences held in the UKCS during 2017

Block	Interest	Licence	Field	UKCS Region
47/10a	100%	P001	Helvellyn	Southern North Sea
43/22a	17%	P683	Kilmar	Southern North Sea
42/25a, 43/21a	17%	P1034	Garrow	Southern North Sea
49/12aN, 49/12b	20%	P033	Wenlock	Southern North Sea
2/10b, 2/15a, 3/6a, 3/11b	100%	P1070	Cheviot	Northern North Sea

Figure 2.1: Location of Alpha Petroleum Assets (2017)



3 THE ENVIRONMENTAL MANAGEMENT SYSTEM

Alpha Petroleum operates under an integrated Safety and Environmental Management System (SEMS) to enable the goals and aims of the Company's Safety, Health and Environmental (SH&E) Policy (Figure 3.1) to be achieved. It reflects the principles embodied in existing international and national models for safety and environmental management (e.g. ISO14001, OHSAS 18001, HSG (65)). Alpha Petroleum Senior Management is committed to incorporating the goals of the SH&E Policy into all Company activities: no accidents, no harm to people and no damage to the environment.

The scope of SEMS is the management of safety and environmental aspects related to Alpha Petroleum's position as Licensee, Field Operator, Well Operator and Pipeline Operator in the oil and gas industry. It is designed to identify, control and manage safety and environmental risks arising from business activities and workplaces so that risks to the health and safety of personnel and to the environment are reduced to a level deemed to be as low as reasonably practicable (ALARP).

The SEMS is designed to identify, control and manage S&E risks arising from business activities covering:

- Offshore operations associated with oil and gas appraisal, field development and production within the UK Continental Shelf (UKCS) for which Alpha Petroleum has S&E responsibilities; and,
- Onshore business activities including planning and design phases for field development and production operations undertaken within offices for which Alpha Petroleum has S&E responsibilities, including the Guildford (head) office.

The SEMS provides a flexible management framework through which the Company can systematically identify and manage its safety and environmental risks and opportunities, accommodating individual operational complexities, changing legal and business requirements and the Company's commitment to continual improvement.

The key components of the SEMS are summarised in Table 3.1 and key documents include:

- The SH&E Policy;
- The Corporate Major Accident Prevention policy (CMAPP)
- The SEMS Framework document, which outlines SEMS elements and associated systems and documents;
- SEMS Guidance documents, which describe how SEMS elements are applied;
- Emergency Response Plans, which detail the Company's response to and management of incidents;
- Oil Pollution Emergency Plans, which detail the Company response to pollution incidents; and,
- SEMS Implementation and Supporting Documents, which comprise documents such as annual plans, studies, evaluations and audits.

As required by OSPAR Recommendation 2003/5, Alpha Petroleum's EMS is independently verified with the most recent verification being completed in August 2016. Certification to ISO14001:2015 is scheduled to be completed in June 2018.

Perenco is the Installation Operator, Well Operator and Pipeline Operator for all Alpha Petroleum operating assets; as such, operations on these assets are undertaken under the Perenco SEMS. Perenco's SEMS has been reviewed by Alpha Petroleum and Perenco has been approved by OGA, BEIS and the HSE as a competent Operator.

Figure 3.1: Alpha Petroleum SH&E Policy

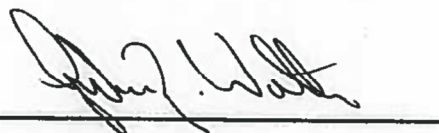


SAFETY, HEALTH AND ENVIRONMENTAL POLICY

Alpha Petroleum Resources Limited will conduct its business with a commitment to the safety and health of people and to the protection of the environment. Our Goals are – No Accidents, No Harm to People and No Damage to the Environment.

To accomplish this we will:

- Recognise the importance of safety, health and environmental factors as an integral part of our business.
- Design and manage all activities to ensure safety and health risks associated with work places are as low as reasonably practicable, to prevent pollution and to minimise environmental impacts.
- Comply with laws, regulations and obligations governing safety and environmental protection and the standards set by industry organisations to which we subscribe.
- Ensure that all personnel who work for us and on our behalf are aware of the Company's safety and environmental goals and expectations and hold them accountable for their performance.
- Provide leadership, professional personnel and training to support this Policy.
- Monitor, evaluate and report safety and environmental performance.
- Participate in programmes designed to improve technology, laws and regulations.
- Seek continual improvement in safety and environmental performance by setting appropriate objectives and targets consistent with the aims of this Policy.



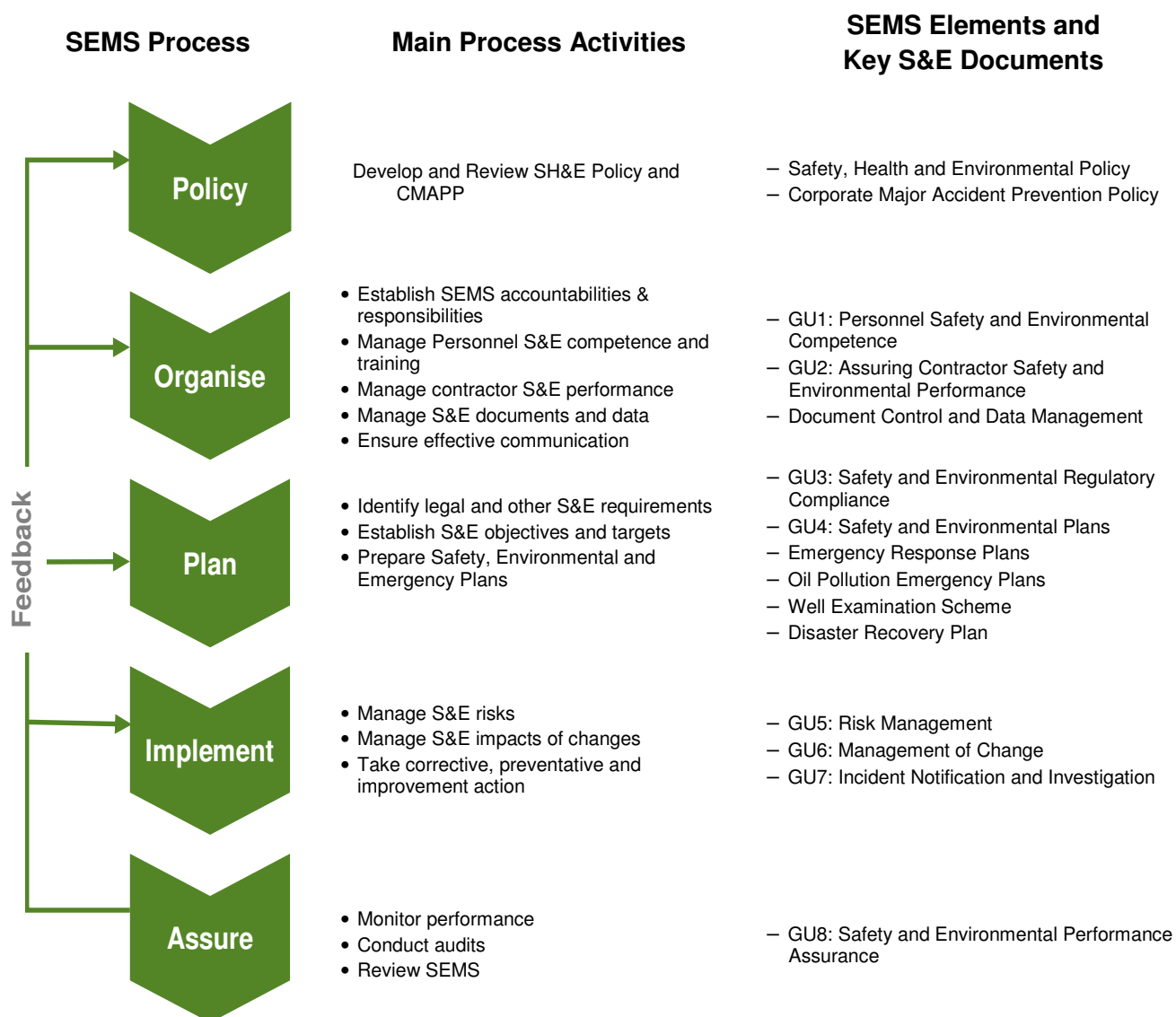
Graham Walters
Chief Operating Officer
Alpha Petroleum Resources Limited

14th March 2018

Date

This Policy is available to interested parties on www.alphapetroleum.com

Table 3.1: SEMS Framework



4 2017 ENVIRONMENTAL PERFORMANCE

4.1 OVERVIEW OF 2017 ACTIVITIES

Alpha Petroleum produced a Safety and Environmental Plan detailing the extent of its intended activity for 2017. This plan was reviewed and updated on a quarterly basis. There was no production from the Kilmar and Garrow installations during 2017 and no offshore activities in the Cheviot Field.

Alpha Petroleum offshore operations undertaken during 2017 comprised:

Helvellyn

- Gas production operations in January 2017 (through Amethyst: operated by Perenco)

Wenlock

- Ongoing gas production operations (through Inde 49/23A-AC: operated by Perenco)

Cheviot

- Approval of Alpha Petroleum as Cheviot Field Operator
- Appointment of Cheviot FPSO Installation Operator
- Finalisation of FDP
- Submission of FDP supporting information to the regulatory authorities
- Continued liaison with regulatory authorities

All operations on the existing installations were undertaken under the Perenco SEMS.

4.2 2017 ENVIRONMENTAL ASPECTS REGISTER

Key environmental risks are identified, assessed and documented in an annual Environmental Aspects Register.

Planned activities and potential unplanned events (e.g. accidental releases) associated with the proposed operations were risk assessed against six environmental elements based on the main types of potential environmental impact for oil and gas activities. These are:

1. Physical Presence;
2. Seabed Disturbance;
3. Noise and Visual Impacts.
4. Atmospheric Emissions;
5. Marine Discharges;
6. Solid Wastes;
7. Resource Usage.

A total of 53 environmental aspects were identified and assessed for 2017. All aspects were assessed as Not Significant (negligible and low environmental risk). No Significant or Highly Significant environmental risks were identified.

All regulated aspects were appropriately monitored. In addition, risk reduction and mitigation measures were put in place to control and mitigate environmental risks and maintain a high standard of environmental management. These included:

- Continued compliance, monitoring and reporting in accordance with all environmental permits, consents and other regulatory requirements;
- Continued liaison with environmental regulators and stakeholders;

- Assessment of and coordination with the designated Installation/Well/Pipeline Operator (Perenco);
- Continued inspection and maintenance of all offshore facilities by the designated Installation/Well/Pipeline operator (Perenco);
- Installation specific emergency response plans in place (Perenco);
- Oil Pollution Emergency Plans in place (Perenco); and,
- Ship Oil Pollution Emergency Plans in place (all support vessels); and

With these controls in place all aspects, including legislatively controlled aspects, were appropriately monitored and managed.

4.3 2017 ENVIRONMENTAL OBJECTIVES

Given that Alpha Petroleum's operations are largely consent driven, good environmental compliance and performance is largely a factor of ensuring that the Company, its' appointed Operator, Perenco, and appointed contractors obtain and maintain all appropriate environmental permits and consents. A series of environmental objectives were set and included in the annual Safety and Environmental Plan. These were set within the context of:

- Past performance;
- Assessment of risks associated with planned activities, as summarised in the Environmental Aspects Register;
- Compliance with existing and future legislation, permits and consents;
- Meeting the commitments made in the Alpha Petroleum SH&E and CMAPP Policies.

For 2017 the following environmental objectives were set:

- Continue the review and communication of the SEMS to ensure a suitable and sufficient system is in place to manage Company operations in accordance with Company policies and statutory regulations;
- Initiate the ISO 14001:2015 certification process for the Alpha Petroleum EMS;
- Ensure wells policies and procedures and the Alpha Petroleum Well Examination Scheme are developed in preparation for Cheviot drilling operations;
- Ensure appropriate communications are held with regulators and environmental stake holders for both offshore operations on existing assets and field development planning for the Cheviot field;
- Ensure appropriate environmental submissions are made to regulators in support of field development planning for the Cheviot field;
- Ensure appropriate assurance of SEMS is undertaken for all contractors to be engaged by Alpha Petroleum;
- Undertake appropriate S&E monitoring and management of contractors during the Cheviot design phase;
- Ensure full legislative and regulatory compliance;
- Complete the transfer of Wenlock environmental permits to Perenco as Installation Operator, in accordance with new regulatory requirements;
- Review and, where practicable, reduce the use of production chemicals;
- Schedule and ensure appropriate personnel undertake relevant S&E training;
- Ensure environmental risk assessments are completed for any major activities;
- Ensure any environmental incidents are investigated and followed through to closure.

All environmental objectives were met although many objectives continue through into the 2018 S&E Plan.

4.4 2017 ENVIRONMENTAL PERFORMANCE

It should be noted that, due to restrictions on the host facilities, the Kilmar and Garrow NUIs were not in production during 2017. In addition, from May 1st 2016, environmental permits and reporting responsibilities for the Garrow and Kilmar NUIs transitioned to Perenco and all environmental reporting for 2017, for these installations, is undertaken by Perenco.

The environmental permits and reporting responsibilities for the Wenlock NUI transitioned to Perenco on 29th October 2017. All environmental reporting for the Wenlock installation from 1st November 2017, is undertaken by Perenco. There were no non-conformances for any environmental permits associated with the Wenlock NUI during 2017.

Table 4.1 summarises the environmental performance data for the Wenlock installation (January 1st 2017 – October 31st 2017).

Table 4.1: Environmental Performance Data

Installation	Environmental indicator	Unit	Volume
Chemical Use/Discharge¹			
Wenlock ^{2,3}	Gold (use / discharge)	Tonnes	0.815 / 0
Diesel Use⁴			
Wenlock ²	Total Diesel Consumed	Tonnes	16.12
Waste			
Wenlock ²	Waste Oils (waste to energy)	Tonnes	1.275
Wenlock ²	General Waste (landfill)	Tonnes	1.22
Atmospheric Emissions⁵			
Wenlock	Total Vented Gas	Tonnes	0.4
Environmental Incidents			
Wenlock	Chemical Release	No Incidents	0
Wenlock	Hydrocarbon release	No Incidents	0

- 1 No SUB warnings on any chemicals
- 2 Totals for January to October 2017; November 1st onwards reported by Perenco
- 3 Single Corrosion Inhibitor chemical injected into the pipelines at the NUI to protect the integrity of the export pipeline
- 4 Diesel used for power generation
- 5 Includes gas vented during operations and shutdowns (for 2017)

5 2018 ENVIRONMENTAL OBJECTIVES

Environmental objectives have been set by Alpha Petroleum for 2018 and include:

- Continue the review and communication of the SEMS to ensure a suitable and sufficient system is in place to manage Company operations in accordance with Company policies and statutory regulations;
- Ensure a thorough identification of Company environmental risks and opportunities and the needs and obligations associated with stakeholders;
- Complete certification of the Alpha Petroleum EMS to meet ISO 14001:2015 requirements;
- Ensure wells policies and procedures and the Alpha Petroleum Well Examination Scheme are completed prior to Cheviot drilling operations;
- Ensure appropriate communications are held with regulators and environmental stake holders for the Cheviot field development;
- Ensure appropriate submissions are made to regulators to support the environmental consenting process for the Cheviot field development;
- Ensure appropriate assurance of SEMS is undertaken for all contractors to be engaged by Alpha Petroleum;
- Undertake appropriate S&E monitoring and management of contractors during Cheviot design, construction and drilling phases;
- Ensure full legislative and regulatory compliance;
- Schedule and ensure appropriate personnel undertake relevant S&E training;
- Ensure environmental risk assessments are completed for any major activities;
- Ensure any environmental incidents are investigated and followed through to closure.