Our Ref: 01.01.01.01-4290U UKOP Doc Ref:1130431

Offshore Petroleum Regulator for Environment & Decommissioning

APACHE NORTH SEA LIMITED 27-28 EASTCASTLE STREET LONDON W1W 8DH

Registered No.: 04614761

Date: 30th March 2021

Department for Business, Energy & Industrial Strategy

AB1 Building Crimon Place Aberdeen AB10 1BJ

Tel Fax

www.gov.uk/beis bst@beis.gov.uk

Dear Sir / Madam

THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020 BACCHUS, Ocean Patriot DRILLING EXPLORATION WELL 22/06c-B4

A screening direction for the project detailed in your application, reference DR/2102/0 (Version 2), dated 29th March 2021 has been issued under regulation 6 of the above Regulations. The screening direction notice, and any relevant conditions and comments are attached. A copy of this screening direction will be forwarded to the application consultees, the Oil and Gas Authority and published on the gov.uk website.

If you have any queries in relation to this screening direction or the attachments, please do not hesitate to contact **and the state of the state of**

Yours faithfully

THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020

SCREENING DIRECTION CONFIRMING THAT AN ENVIRONMENTAL IMPACT ASSESSMENT IS NOT REQUIRED

BACCHUS, Ocean Patriot DRILLING EXPLORATION WELL 22/06c-B4

DR/2102/0 (Version 2)

Whereas APACHE NORTH SEA LIMITED has made an application dated 29th March 2021, under The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Assessment) Regulations 2020, and whereas the Secretary of State has considered the application and is satisfied that the project is not likely to have a significant effect on the environment; in exercise of the powers available under regulation 6, the Secretary of State hereby directs that the application for consent in respect of the project need not be accompanied by an Environmental Impact Assessment, provided that the project is carried out as described in the application for the screening direction and in accordance with the conditions specified in the attached schedule.

In giving a screening direction under regulation 6 of the above Regulations, the Secretary of State accordingly gives his agreement to the Oil and Gas Authority to the grant of consent for the project as detailed in the application.

Effective Date: 30th March 2021

THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020

SCHEDULE OF SCREENING DIRECTION CONDITIONS

The grant of this screening direction is conditional upon the screening direction holder complying with the following conditions.

1 Screening direction validity

The screening direction shall be valid from 1 April 2021 until 31 August 2021.

2 Commencement and completion of the project

The holder of the screening direction must notify the Department for Business, Energy & Industrial Strategy (hereinafter called the 'Department') of commencement and completion of the project within two days:

- a) of commencement of the project and
- b) of completion of the project.

Notification should be sent by email to the Environmental Management Team Mailbox: bst@beis.gov.uk

3 Prevention of pollution

The holder of the screening direction must ensure that appropriate measures are taken to minimise discharges, emissions and waste, in particular through the appropriate use of technology; and to ensure that necessary measures are taken to prevent incidents affecting the environment or, where they occur, to limit their consequences in relation to the environment.

4 Inspections

Should the Department consider it necessary or expedient for an inspector appointed by the Secretary of State to investigate whether the conditions of the screening direction are being complied with, the holder of the screening direction shall afford the inspector with such facilities and assistance as the inspector considers necessary to exercise the powers conferred by the regulations. The holder of the screening direction shall additionally ensure that copies (electronic or paper) of the screening direction and any other relevant documents are available for inspection by the inspector at:

- a) the premises of the holder of the screening direction; and
- b) the facilities undertaking the project covered by the screening direction.

5 Check monitoring

Should the Department consider it necessary or expedient to undertake an independent monitoring programme to assess the impact of the project covered by the screening direction, the screening direction holder shall afford the Department with such facilities and assistance as the Department considers necessary to undertake the work.

6 Atmospheric emissions returns

Following completion of the project covered by the screening direction, the holder of the screening direction shall report all relevant atmospheric emissions, such as combustion emissions, extended well test emissions or flaring and venting emissions relating to a well test, using the appropriate Environmental Emissions Monitoring System (EEMS) reporting forms. In the case of atmospheric emissions relating to drilling projects undertaken from a fixed installation, they should be included in the annual EEMS reporting forms for the fixed installation.

7 Unauthorised deposits

Following completion of the project covered by the screening direction, the holder of the screening direction shall recover any materials accidentally or temporarily deposited on the seabed, such as debris, temporary containers, structures or deposits, or scientific instruments, and shall return the materials to land. If it is not possible to recover any of these deposits, full details of the materials remaining on the seabed must be reported to the Department in accordance with the requirements of Petroleum Operations Notice No.2 (PON2).

8 Screening direction variation

In the event that the holder of the screening direction proposes changes to any of the particulars detailed in the application for a screening direction, the holder must notify the Department immediately and submit an application for a post screening direction amendment. The post screening direction must be in place prior to the amended proposals taking effect.

COMMENTS ON THE APPLICATION FOR SCREENING DIRECTION

Section 1

The attention of screening direction holders is drawn to the following provisions regarding The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Assessment) Regulations 2020.

1) You are deemed to have satisfied yourself that there are no barriers, legal or otherwise, to the carrying out of the project covered by the screening direction. The issue of a screening direction does not absolve the screening direction holder from obtaining such authorisations, consents etc that may be required under any other legislation.

2) The Department would draw your attention to the following comments:

The Department has no comments.

3) All communications relating to the screening direction should be addressed to:

Out-of-hours emergency screening direction variations:

Telephone Met Office out-of-hours service (0330 135 0010) and ask to be connected to the Department's On-call Response Officer (Offshore Environmental Inspectorate).

Routine communications

bst@beis.gov.uk

or

Offshore Petroleum Regulator for Environment & Decommissioning Department for Business, Energy & Industrial Strategy AB1 Building Crimon Place Aberdeen AB10 1BJ

Tel	
Fax	

SCHEDULE OF SCREENING DIRECTION DECISION REASONS

The Secretary of State has decided that, based on the information provided, the project is not likely to have a significant effect on the environment. The main reasons for this decision are:

1) Decision reasons

The following provides a summary of the assessments undertaken by OPRED to determine whether an Environmental Impact Assessment is required for this project. This document summarises the information considered, the potential impacts and sets out the main reasons for the decision made.

In considering whether an Environmental Impact Assessment is required or not, the following have been taken into account:

a) The information provided by the developer.

b) The matters listed in Schedule 5 of The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Regulations 2020) (the Regulations).

c) The results of any preliminary verifications or assessments of the effects on the environment of the project; and

d) Any conditions that the Secretary of State may attach to the agreement to the grant of consent.

Characteristics of the Project

Having regard, in the particular, to the matters identified at paragraphs 1(a) to (g) of Schedule 5 to the Regulations, the characteristics of the project include the following:-

Summary of the Project

Abandonment of original 8.5" reservoir section with three cement plugs. Drilling of 12.25" section and 8.5" reservoir section using Low Toxicity Oil Based Mud (LTOBM). Well Clean up and Completion

Description of the Project

This project is a sidetrack of the Bacchus south well (22/06c-B4Z). The original well was unsuccessful and will be abandoned with three cement plugs and then suspended. The well will then be sidetracked to the new Bacchus Far East target with a 12.25" section and 8.5" reservoir section. These will be drilled using the semi-submersible rig the Ocean Patriot. The top-hole sections were drilled previously



Offshore Petroleum Regulator for Environment & Decommissioning

and approved in December 2020 under DR/2014. These drilling operations were also subject to an environmental impact assessment, D/4256/2020, approved in November 2020. Operations are expected to take 107 days. The well sections will be drilled with LTOBM with the cuttings thermally treated and discharged. Should thermal treatment facilities become unavailable cuttings will be skipped and shipped to shore for disposal. On completion of the drilling operations the well will be cleaned up and displaced to brine prior to running the completions.

No cumulative impacts are expected to occur with any other existing or approved projects.

It is not considered to be likely that the project will be affected by natural disasters. The risk of a major accident such as a well blowout has been assessed. The Developer has control measures in place to reduce the risk of a major accident occurring and the probability of such an event occurring is very low.

Other than the matters considered further below, there is not likely to be any significant impact of the project on population and human health.

Location of the Project

Having regard, in particular, to the matters identified at paragraphs 2(a) to (c) of Schedule 5 to the Regulations, the environmental sensitivity of geographical areas likely to be affected by the project has been considered as follows:-

The proposed drilling project is located in the Bacchus field in the Central North Sea, in UKCS Block 22/6c, approximately 172 km from the Aberdeenshire coastline, and 55 km from the UK/Norway Median Line, in a depth of approximately 89 metres (m).

Site specific surveys confirmed that surficial seabed sediments are generally homogenous, consisting of a sparse mosaic of small cobbles among a silt and sand matrix. Site and pipeline surveys have not shown the presence of pockmarks in the Bacchus area.

The annual mean significant wave height ranges from 1.5 to 2.95 m.

No Annex I habitats or communities of conservation significance (including both methane-derived authigenic carbonates and potential stony reefs) were present within the survey area. The project is located 33 km away from the East of Gannet and Montrose Fields Nature Conservation Marine Protected fArea (NCMPA). The project is in the National Marine Plan Area for Scotland.

Low densities of Atlantic white-sided dolphin, harbour porpoise, and white-beaked dolphin have been recorded in the area. Grey and harbour seals are also present in low numbers in the Bacchus area.

Seabird vulnerability in the vicinity of the Bacchus field is low throughout the year or shows no data.

The proposed operations will coincide with fish spawning and/or nursery activity for a number of species.

The project area is primarily used for demersal fishing and the fishing effort in the area is rated low.

There are several oil and gas fields nearby. The nearest marine cable is 3.5 km away. There are no operational renewable energy sites, nor any under construction and there are no known wrecks of historical importance or military activity within the vicinity of the proposed operations. Shipping density in the area is low.

Given the location of the project, it is not likely that the areas identified at paragraphs 2(c)(i), (iii), (iv), (vi), (vii) of Schedule 5 to the Regulations will be affected by the project.

Type and characteristics of the potential impact

In accordance with paragraph 3 of Schedule 5 to the Regulations, the likely significant effects of the project on the environment have been considered. Potential effects on the environment from the activities associated with the project were assessed, including impacts arising from atmospheric emissions, seabed disturbance, physical presence, planned discharges and accidental spills.

Other than the matters considered further below, there is not likely to be any significant impact of the project on population and human health.

There will be a temporary 500 m safety exclusion zone around the Ocean Patriot rig during the drilling activities, excluding unauthorised access of vessels and prohibiting access to fishing vessels. In addition, there is already a 500 m zone around the existing Bacchus wells and infrastructure. The presence of the Ocean Patriot rig is not considered to have a significant impact on other users of the sea.

There will be disturbance of the seabed on the benthic fauna as a result of rig anchor placement and subsea works associated with the drilling of the Bacchus well, however, the total area affected is small. The potential impact of anchoring will be minimised by planning the exact location of anchors required for rig safety purposes. Once the anchors have been removed, the natural physical process of sediment transportation and settlement is expected, over time, to restore the seabed to an original condition and therefore any impacts are not considered to be significant.

The LTOBM cuttings generated will be thermally treated and the resultant fine powder mixed with water and discharged to sea with <1% oil on cuttings. These are likely to remain in suspension in the water column and be widely dispersed and would be readily assimilated into the natural sediments and therefore not likely to cause any significant impacts.

Discharge of offshore chemicals associated with the drilling of the well, cementing



Offshore Petroleum Regulator for Environment & Decommissioning

and completion operations have been assessed as not likely to have a significant effect on the environment. Offshore chemicals associated with LTOBM will be returned to shore for treatment and disposal.

The wellbore clean-up operations may result in the discharge of wastewater containing residual base oil from the LTOBM. This discharge has been assessed and is not considered to have a likely significant effect on the environment.

There are no expected transboundary effects from the drilling operations at the Beryl Alpha. The nearest boundary (UK/Norway Median Line) is located approximately 55 km of the operations. It is not considered likely that any planned operational discharge (chemicals) will be detectable at this distance from the well location.

Although not a planned activity, a worst-case major accident scenario resulting from a potential well blow-out was modelled and assessed. The probability of a large oil spill from the proposed operations is low. Therefore, it is considered that the control measures in place to prevent loss of well control minimise the risk of an oil spill which could have a significant impact and the proposed operations carried out as planned are not likely to have a significant effect on the environment.

Atmospheric emissions directly attributable to the drilling of the well are expected to rapidly disperse and are not likely to have a significant impact.

The drilling operations are in accordance with the National Marine Plan for Scotland's objectives and policies. It is considered that the drilling of the Bacchus Far East well is not likely to have a significant impact on other offshore activities or other users of the sea and no cumulative impacts are expected to occur.

Decision

Taking the above considerations into account, the Secretary of State has concluded that the project is not likely to have a significant impact on the environment and that an environmental impact assessment is not required.

2) Mitigation of significant effects

The following are features of the project or measures envisaged that the developer has proposed to avoid or prevent what might otherwise have been significant adverse effects on the environment:

N/A