

EQUINOR UK LIMITED 1 KINGDOM STREET LONDON W2 6BD

Registered No.: 01285743

Date: 30th April 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

Tiger Lily, West Hercules DRILLING EXPLORATION WELL 16/02a-FGB 16/02a-F planned well

A screening direction for the project detailed in your application, reference DR/2073/0 (Version 2), dated 5th April 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 on or email the Environmental Management Team at bst@beis.gov.uk.

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

Tiger Lily, West Hercules DRILLING EXPLORATION WELL 16/02a-FGB 16/02a-F planned well

DR/2073/0 (Version 2)

Whereas EQUINOR UK LIMITED has made an application dated 5th April 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 April 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 May 2021 until 30 November 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:

No comment.

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





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, 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 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

- Drilling of the Tiger Lily exploration well 16/02a-F (42", 17.5", 12.25", and 8.5" sections);
- Drilling of an optional side-track well (12.25" and 8.5" sections); and
- Permanent abandonment of the main bore and optional side-track well.

Description of the Project

The drilling of the Tiger Lily exploration well will be enabled by use of a semi-submersible mobile rig held in position by pre-laid anchors. The well will be drilled in four sections at the diameters outlined above, and there is an option to drill a side-track well as set out above. The 42" and 17.5" sections will use water-based mud with cuttings discharged to sea. The 12.25" and 8.5" sections will be drilled using low toxicity oil-based mud, with the cuttings shipped to shore for treatment and disposal. Once the well sections have been drilled, casings will be run, and cement will be used to provide integrity of the drilled well. Vertical seismic profiling of the well will be undertaken to gain an understanding of the exploration well. No well testing is



planned, and hydrocarbons will not be flowed back to the rig.

There are no other oil and gas, renewable, or aggregate extraction projects either in existence or approved within 10 km of the Tiger Lily location. Cumulative interactions are therefore not expected. The Tiger Lily exploration well is being drilled in an offshore oil and gas licensed area. Further information on the land use and baseline environment can be found below. Waste fluids created after displacement of oil-based mud from the well will be sampled and discharged to sea if it meets acceptability criteria, if it doesn't it will be shipped to shore for treatment and disposal. No pollution or nuisances are foreseen from the drilling of the side-track section. It is not considered likely that the project will be affected by natural disasters. 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 project is in an offshore oil and gas licenced area, approximately 182 km southeast from the Fair Isle coastline in Scotland and 15 km west of the UK/Norwegian median line, in an area where water depth is approximately 116 m and the seabed type is predominantly characterised as muddy sand. The predominant current in the location originates from well mixed coastal water, Atlantic inflow from the north and the Fair Isle/Dooley current from the Orkney Islands. The expected wave heights for the project area are 2.1 to 2.4 m. The project is not located in any protected areas. The closest protected area is the Braemar Pockmarks Special Area of Conservation, 7 km northeast of the project location.

Site-specific surveys identified the seabed as consisting of muddy sand. Areas of higher reflectivity were observed during surveying but were noted to be patchy areas of coarser sediment including shells, gravel, cobbles and boulders and could not be classified as a stony reef habitat. The survey results revealed that there was a diverse faunal community which was moderately distributed. Burrows in the mud were observed during survey of the project location, but the burrows identified at the Tiger Lily survey area could not be confidently attributed to any of the classified 'megafauna' species within the 'sea pen and burrowing megafauna community' habitat classification, as burrowing fauna were rarely sighted. Ocean quahog shells and fragments were observed but no live samples were observed.

The project works will take place during spawning periods for mackerel, Norway lobster, Norway pout and Saithe. The project location is also within an area of peak spawning for mackerel and Norway lobster. Sightings of cetaceans have been recorded during the period for which the project works are planned, and most abundantly during the month of July. Seabird density is described as low for the period when project works are planned. The project area is not within a commonly fished ground and fishing effort is predominantly focussed on demersal and shellfish species. The area is described as a low intensity fishing area. There is a large



amount of other oil and gas infrastructure in the surrounding area. The project location is not within a military activity zone, aggregate extraction location, or near any renewable energy infrastructure projects. There is a wreck (fishing vessel Eclipse) that lies to the southwest of the licenced block but not in proximity to the project location.

Given the location of the project, the areas identified at paragraphs 2(c)(i), (iii), (iv), (vi), (vii) and (viii) of Schedule 5 are not likely to 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 to the environment from the activities associated with the project were assessed, with particular focus on the predominant impacts resulting from noise linked to the seismic profiling, atmospheric emissions from vessel / rig use, physical presence from the rig being on location, seabed disturbance and discharges to sea from anchor placement and planned discharge of treated drill cuttings, and lastly the potential impact from an accidental spill event.

The risk of injury to cetaceans is low from the seismic profiling operation. The potential impact is mitigated by use of a soft start to the seismic profiling and carrying out pre-shoot searches using marine mammal observers. Passive acoustic monitoring will also be utilised where conditions are appropriate. Risk of injury and behaviour changes to cetaceans and pinnipeds are curtailed to within a radius of less than 340 m from the source, this is before mitigation measures would be employed. The impacts to cetaceans and pinnipeds are expected to be insignificant both before and after mitigation is applied.

Atmospheric emissions are expected to be temporary in nature and be borne from combustion plant on the rig and supporting vessels used on the project. The emissions contribute less than 0.03% of the total emissions estimated for offshore activities in the UK during 2019. The emissions from the project are not expected to result in a significant impact on the environment.

A 500 m default safety exclusion zone will exist around the rig once it is anchored on location. The zone is there for the safety of the rig and vessel traffic. Once in place no unauthorised vessels will be allowed to enter meaning that vessel routes and fishing will have to avoid the area. Given the low intensity commercial fishing observations from the area and the vessel traffic is regarded as low. Both of these receptors are not at risk of being significantly impacted by the project. Further the rigs time on location will be temporary in nature, and once the well has been plug and abandoned the waters at that location will be made available once more.

Seabed disturbance will result from the use of anchors for locating and holding the semi-submersible drill rig on location. The area impacted by the chains and anchors themselves is estimated to be less than 0.09 square km. The impact potential exists from initial installation of the anchor gear and through removal of the infrastructure.



Scarring from movement of the anchor chains and mounds made from the anchors themselves can form. Anchoring can cause mortality or displacement of benthic species on the area of seabed it affects. The impacts are mitigated by way of the biological communities being in flux and able to adjust or re-colonise the area that has been disturbed. The relatively dynamic nature of the marine environment at the location will help return the seabed to its natural state after the project has been completed. The impact has not been assessed as significant.

The 42" and 17.5" sections will have associated cuttings discharged to sea. Smothering of benthic organisms is possible, impairing the feeding and respiratory system of some of the organisms. However, given the tidal and current forces at the location, it is likely that the cuttings will disperse. Given the location of the discharge of water-based mud cuttings (at seabed level) the Braemar Pockmark protected site will not be affected. The proposed Tiger Lily well drilling operations will coincide with peak mackerel and Norway lobster spawning, as well as Norway pout and saithe. Of these species, Norway lobster are benthic spawners. Although Norway lobster are likely to be present, the wide distribution of the species and its muddy sediment habitat means that, in terms of spawning disturbance, there is unlikely to be a significant impact from the water-based mud and cuttings discharge at the proposed location. Overall, the seabed disturbance and discharges to sea impacts from planned discharge of water-based mud and treated drill cuttings is expected to be insignificant.

Accidental spill modelling has been undertaken for the project application. The worst-case scenario would result in a spill of crude that would likely beach on certain coastlines of the UK and other countries adjacent to the east and southeast of the UK. The assessment anticipates that protected species and habitats would not be affected in a way that would affect the conservation objectives for the species or habitat. The applicant has outlined multiple response measures available to them and which could be enacted in the unlikely unplanned event of a spill. Such measures would be used to reduce the potential impact as far as possible and as quickly as possible.

There are no expected transboundary impacts because of the project, and no cumulative impacts have been identified given the other known existing and approved projects in the wider area.

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:



Not applicable.