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Offshore Petroleum Regulator for Environment & Decommissioning

CNOOC PETROLEUM EUROPE LIMITED PROSPECT HOUSE 97 OXFORD ROAD UXBRIDGE UB8 1LU

Registered No.: 01051137

Date: 30th July 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 SCOTT, Scott JD Platform, DRILLING PRODUCER WELL 15/22-J25 ST-79

A screening direction for the project detailed in your application, reference DR/2156/0 (Version 1), dated 22nd July 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

SCOTT, Scott JD Platform, DRILLING PRODUCER WELL 15/22-J25 ST-79

DR/2156/0 (Version 1)

Whereas CNOOC PETROLEUM EUROPE LIMITED has made an application dated 22nd July 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 July 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 30 July 2021 until 31 January 2022.

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 developer 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

This screening direction is a technically a post screening direction amendment (ref: DR/2017/1) which relates to a change to the project for which a screening direction was previously issued. However as the initial screening direction was assessed under The Offshore Petroleum Production and Pipelines (Assessment of Environmental Effects) Regulations 1999 (as amended), the application for an extension to the project is required to be applied for under the new regulations, The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Regulations 2020) (the Regulations).

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

Extension of the current screening direction approval of 4 months

Temporary suspension of well ST-79 at 9 5/8" casing with 2 bridge plugs, to facilitate shutdown operations at Scott

Re-entry of well ST-79 once shutdown period has ended

Description of project:

The original screening direction (DR/2017/1) related to the drilling of an infill (side tracked) well (ST-79) at Scott platform. The reservoir section of the existing J25 was to be permanently abandoned with bridging plugs, with the side tracking of the well ST-79 beginning at 5200 feet. Operations were expected to start in 2020, however due to COVID, the operations did not start until April 2021. Due to the delayed operations encroaching into the planned shutdown of the platform, the well will have to be temporarily suspended to allow for the shutdown period, and will be re-entered once the planned shutdown period is over.

The new well is being drilled with OBM, with the OBM and cuttings treated in a Cuttings Reinjection Unit (CRI). The treated material is discharged into a donor well (J15), with no discharge to the environment. If the CRI unit is unavailable, all OBM and cuttings will be skipped and returned to shore.

This screening direction (although it covers the full workscope of the abandonment of well J25 and the drilling of ST-79), relates to the suspension of the well, and an extension to the drilling period of 4 months until January 2022. The abandonment and drilling of the upper sections of the well have already been completed. Once the well has been suspended, it will be re-entered and drilling will continue with the 8 " section drilled, before the 7x4 " liners are run and cemented in place. The drilling operations, including the abandonment of well J25 are expected to last 120 days in total. On completion of the well, a well bore clean up operation will be undertaken, and the well will change out the OBM to seawater. Any fluids generated will be processed through the CRI unit, and water produced when the well is flowed will be treated though the platform's produced water system. Contingencies for side-tracking the well have also been included in the application.

There are no plans for a well test.

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.

Oher 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 Scott Platform is located approximately 74km from the UK/Norwegian median line and 142km from the nearest Scottish coastline. The project is in an area characterised by sand and slightly gravelly material, with a mean water depth of 140m. The wave height within the Scott field ranges from 2.11 - 2.4m. Surveys indicate that sediments in the area consist of silt and clay or mud. Seabed sampling showed that fauna was moderately diverse, dominated by burrowing anemones and polychaete. No Annex I habitats or communities of conservation significance were present within the survey area. Photographic evidence showed that pockmarks found in the area were relict, and Methane Derived Authigenic Carbonate (MDAC) structures were not observed. Burrowing megafauna were observed in photographic data, however seapen density was low. It was concluded that the potential for the presence of 'sea-pen and burrowing megafauna communities' habitat is low.

The proposed operations will coincide with fish spawning and/or nursery activity for a number of species. However, the operation will utilise/has been utilising existing infrastructure at the Scott platform so there is no potential of physical disturbance to spawning species.

The seabird oil sensitivity index (SOSI) identifies the area around the Scott platform as being extremely high for Blocks 15/21 in January and October, Blocks 15/26 in October, December and January, Block 15/27 in December and January, and very high in December and January for Blocks 15/28 and 15/22.

Harbour porpoise, minke whale and white-beaked dolphin have been recorded in the vicinity of the Scott area in low to moderate densities.

The area is primarily fished for demersal fishing, with fishing activity at its lowest from October to April.

There are six wrecks within the vicinity of the Scott platform, none of which however are of Historical Importance. The closest windfarm is Hywind (Scotland) Limited Buchan Deep Demonstration floating offshore wind farm, which is 127km southwest of the Scott platform. The CNS fibre optic cable is 69km to the south of the Scott platform and there are no Ministry of Defence (MoD) practice and exercise areas within the area. Shipping density in the area is low, with 4 oil and gas installation within 40km of the Scott platform, the nearest being 12 km to the northwest.

The Scott area is located 44 km from the Scanner Pockmark Special Area of Conservation (SAC) with four Nature Conservation Marine Protected Areas (NCMPA) within 60 - 115km from the platform. Operations are not considered to have any impact on the protected sites or Annex I or II species within them.

Given the location of the project, it is not likely that the areas identified at paragraphs 2(c)(i), (iii), (iv), (vi), (vii) or (viii) 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 is a 500 m radius safety zone around the Scott Platform excluding unauthorised access of vessels and prohibiting access to fishing vessels.

The ST-79 well will be drilled as a side-track from the existing well J25. Cuttings from the OBM sections will be treated by the CRI unit, and discharged into a donor well (J15). There will be no discharge to the environment.

The project is not anticipated to cause a significant impact on seabirds present within the area around the Scott platform with SOSI index being low for the majority of the period when operations are occurring. Cetacean species in the area are considered to be low to medium density however the operations are not considered to cause significant disturbance effect to species within the area.

The area around the Scott platform is within an area containing a range of biodiversity from benthic to fish, seabirds and cetaceans. The drilling of well ST-79 is not considered to cause significant impact to these species or biodiversity.

Discharge of offshore chemicals associated with the drilling of the well, OBM, cementing and completion operations have been assessed as not likely to have a



significant effect on the environment. Offshore chemicals associated with OBM will be treated within the CRI unit.

As the well is to be drilled from Scott platform, there is no requirement for a Mobile Offshore Drilling Unit (MODU), and therefore there is no additional disturbance to the seabed.

There are no expected transboundary effects from the drilling operations at Scott platform. The nearest boundary (UK/Norway) is located 74 km from the operations. It is not considered likely that any planned operational discharges (chemicals) will be detected 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 (crude oil) was modelled and assessed. The likelihood of a major release of hydrocarbons occurring during the proposed drilling operations is considered to be extremely 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 that arise from the drilling of the well will be covered by the existing Pollution Prevention and Control (PPC) Permit and have not been considered further. It has been determined that any changes to emissions as a result of the drilling operations will be localised, emissions will rapidly disperse and therefore, it is not likely to have a significant impact.

It is considered that the change to the drilling activities for the ST-79 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 change to 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