

CHRYSAOR PETROLEUM COMPANY U.K. LIMITED BRETTENHAM HOUSE LANCASTER PLACE LONDON WC2E 7EN

Registered No.: 00792712

Date: 3rd August 2021

Department for Business, Energy & Industrial Strategy

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Dear Sir / Madam

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

## JADE, Ensco 120 DRILLING EXPLORATION WELL 30/02c-J30/02c-J13 planned well JADE South

A screening direction for the project detailed in your application, reference DR/2135/0 (Version 2), dated 2nd 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 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

# JADE, Ensco 120 DRILLING EXPLORATION WELL 30/02c-J30/02c-J13 planned well JADE South

### **DR/2135/0 (Version 2)**

Whereas CHRYSAOR PETROLEUM COMPANY U.K. LIMITED has made an application dated 2nd 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: 3rd August 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 3 August 2021 until 28 February 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





#### 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. Information provided by the developer.
- b. Matters listed in Schedule 5 of The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Regulations 2020) (the Regulations).
- c. Results of any developer 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 Project**

Drilling of 36" and 26" sections using Water Based Muds (WBM)

Drilling of 16", 12.25" and 8.5" sections using Low Toxicity Oil Based Mud (LTOBM)

Contingency drilling of 16", 12.25" and 8.5" sections using Low Toxicity Oil Based Mud (LTOBM)

Clean-up and Completion operations

Installation of X-mas tree

In the event that the well is not successful, the well will be suspended to allow future use of the slot on the platform.

#### **Description of Project**

The Jade South Exploration Well 30/02c-JS, will be drilled from the Ensco120 mobile jack up drilling rig, with operations expected to last 199 days. The drilling rig will be



working within a well-developed area of the Central North Sea and cumulative impacts from drilling discharges, atmospheric release and oil and chemical releases have been assessed. It has been concluded that there will be no cumulative impacts expected to occur from this project due to the selection of low bioaccumulation water-based muds, the proposed mitigation and the short duration of the project.

The well will be drilled with a combination of Water Based Mud (WBM) and Oil Based Mud (OBM). The WBM will be discharged to the seabed, while the OBM and cuttings will be treated with a Hellenes Thermal Treatment Unit, with oil recovered to be reused, and treated water and solids discharged to sea. If the well is successful, the well will be completed as a development well and a xmas tree installed for production hand-over. If the well is unsuccessful, the well will be suspended to allow future use of the slot on the platform.

It is not considered to be likely that the project will be affected by natural disasters and 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.

#### **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:

Jade South exploration well is located approximately 13 km from the UK/Norwegian median line and 254 km from the Scottish mainland. Sediment types found within the area range from slightly gravelly sand to sand, and sediments recorded within recent surveys recorded fine, silty sand with occasional shell fragments. Mean water depth is 110m in the north to below 120m in isolated parts. The wave height within the area varies from 2.11m - 2.4m.

Based on observations within the area, there was no evidence of Methane Derived Authigenic Carbonate (MDAC) in either seabed imagery or from geophysical interpretation.

A number of site surveys have been undertaken in the J-Area, which includes the area for the Jade South well. Seabed habitats in the area identified in multiple surveys undertaken in the area identified a diverse range of taxa including, bristle worms, annelids, shrimps, crabs and molluscs. Burrows in the seabed were observed at most stations across the survey area, indicating the presence of OSPAR threatened and/or declining habitat 'sea pen and burrowing megafauna communities. Burrows were classified as rare, according to the SACFOR abundance scale, and concluded that the survey area is not considered to support the habitat. Horse mussel indicated the potential presence of an Annex I biogenic reef, but based on the consistent, low reflectivity seabed, it is conserved unlikely that there are any aggregations of horse mussel that would exceed the threshold criteria to quality as a biogenic reef. An assessment was also undertaken for the presence of Ocean



quahog, which is an OSPAR threatened and/or declining species. Low numbers were identified in sediment samples, and it was concluded that the area is not considered to be important for the species.

Jade South exploration well is not situated within any conservation areas, with the Fulmar MCZ located 27km to the south of the proposed well location. The nearest NCMPA is East of Gannet and Montrose Fields Nature Conservation Marine Protected Area, which is 40km away.

The Jade South area lies within an area for peak spawning of two species of fish, with a high nursery intensity for one species. Of the species likely to occur in the area during the times of the operations, only sandeel and plaice use the seabed directly for spawning. It is concluded however that it is unlikely that the area will be used by plaice as the preference is to use sandy beaches and coastal estuaries for nurseries, with the closest coastline 253km away. The drilling of the well will be localised in nature and cuttings should disperse quickly in the water column. It is therefore not expected that sandeels would be significantly impacted as a result of the operation.

There are no wrecks designated under the Protection of Military Remains within close proximity of the well location. One wreck (Viking Anton) is located 11km to the south of the well location whilst another 2 unknown wrecks are in Block 30/07 and another wreck in Block 30/13. There are no wind farms within 100km of the area, with the nearest offshore win farm in the Dogger Bank area (180km away). It is not anticipated that the operations at Jade South will have a significant impact on either the wrecks or windfarms.

No other protected sites are located within 40km of the Jade South exploration well area.

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 500 m radius safety zone around the Ensco 120 mobile drilling rig, which excludes unauthorised access of vessels and prohibiting access to fishing vessels. No additional impacts are identified as part of the drilling of well 30/02c.



Cuttings from the WBM sections will be discharged at the seabed and into the water column. Data gathered from studies in the area and referenced studies indicate that the surface hole cuttings are predicted to disperse from the area around the wellhead naturally over time.

Seabed disturbance from the anchor chains from the Ensco 120 mobile drilling rig were assessed (in PRA/160), resulting in a total disturbance area of 3138.04 m2 (spud can placement, anchor chains and their lateral movement). It is expected that disturbance of the seabed through the siting of the drilling rig and anchors will cause smothering and suspension of sediment. However, biological communities are expected to recolonise quickly due to mobility from neighbouring areas which has similar fauna, and areas of disturbance will recover. Also, due to the small area of disturbance, the water depths and low tidal energy, it is expected that the localised disturbed areas will recover over the medium to long term. The placement of the drilling rig and its anchor chains are not expected to have a significant impact on the seabed.

The nearest boundary (UK/Norwegian median) is located approximately 13 km from the proposed well location. It is concluded that accidental events leading to a hydrocarbon release could impact on Norwegian Waters. In the event of a crude oil release, the NORBRIT agreement would be implemented, which agrees a command-and-control procedure for pollution incidents. Modelling indicated that a worst case well blow out could result in contamination on the coastlines of several neighbouring countries. However, the Developer has a number of mitigation and control measures in place to reduce the risk of a major accident occurring and the probability of such an event occurring (including the worst-case scenario identified above) is very low. It should also be noted that the expected hydrocarbons from this well is gas and condensate, and in a pollution event, the condensate is expected to evaporate and dissolve into the water column and an MEI is not expected.

The Jade South exploration well is expected to produce gas and condensate. The J Area Oil Pollution Emergency Plan (OPEP) was approved in December 2020, which assess the worst-case assessment of an oil spill from a number of well operations. The OPEP contains proposed measures to prevent and respond to a worst-case hydrocarbon release addresses the offshore response to a hydrocarbon release from the Ensco 120 mobile drilling rig.

There will be no well test or vertical seismic profiling carried out.

#### **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