

Our Ref: 01.01.01.01-4299U
UKOP Doc Ref:1158096



Offshore Petroleum Regulator
for Environment & Decommissioning

NEPTUNE E&P UK LIMITED
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Registered No.: 01483021

Date: 2nd September 2021

Department for Business, Energy
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Dear Sir / Madam

**THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING
AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS
2020
SEAGULL FIELD, VALARIS GORILLA VI DRILLING PRODUCER WELL 22/29c-J2
(JC), HIGH PRESSURE HIGH TEMPERATURE (HPHT) 8.5" WELL SECTION**

I refer to your amended application dated 24th August 2021, reference DR/2080/1 (Version 1).

It has been determined that the proposed changes to the project is not likely to result in a significant effect on the environment, and therefore an environmental impact assessment is not required.

A screening direction is therefore issued for the changes to the project. An amended schedule of conditions, comments, and main reasons for the decision on the amended application, 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 [REDACTED] on [REDACTED] 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**

**SEAGULL FIELD, VALARIS GORILLA VI DRILLING PRODUCER WELL 22/29c-J2
(JC), HIGH PRESSURE HIGH TEMPERATURE (HPHT) 8.5" WELL SECTION**

DR/2080/1 (Version 1)

Whereas NEPTUNE E&P UK LIMITED has made an application dated 24th August 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: 2nd September 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 31 March 2021 until 30 December 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.

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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:

Neptune E & P UK Limited are required to amend the description in the Master Application Template from Seagull Well 3 Application to reflect that the application relates to the Seagull 22/29c - J2 (JC) Well, should it be necessary to submit a further screening direction.

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 [REDACTED]



SCHEDULE OF SCREENING DIRECTION DECISION REASONS

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

- Changes to the well bore clean up, increasing the quantity of oil/condensate and gas to be flared during the well test to a total of 1,983.3 tonnes of hydrocarbons (1,676.0 tonnes of oil and 307.3 tonnes of gas).

Description of the Project

This project (DR/2080/1) consists of changes to the well bore clean up only. Due to downhole losses during the drilling of the well there is a requirement to flare more oil/condensate and gas as part of well clean-up than originally planned, increasing the quantity of oil/condensate and gas to be flared during the well test to a total of 1,983.3 tonnes of hydrocarbons (1,676.0 tonnes of oil and 307.3 tonnes of gas).

The previous screening direction (DR/2080/0) related to the drilling of the 8.5" High Pressure High Temperature (HPHT) section of the Seagull JA Well, and the well bore clean up and suspension or completion of the well.



A direction to drill the top-hole sections of the Seagull 22/29c - J2 Production Well using the Valaris Gorilla VI jack-up rig was issued under the Offshore Petroleum Production and Pipelines (Assessment of Environmental Effects) Regulations 1999 (as amended) in December 2020.

Drilling of the Seagull 22/29c - J2 Well was one of four production wells assessed in the scope of the original Seagull Field Development Environmental Statement which was approved in January 2019. The 8.5" section will be drilled using Low Toxicity Oil Based Mud (LTOBM) with cuttings being treated offshore using a Thermo-Mechanical Cuttings Cleaner (TCC), with treated cuttings and drill cutting clean up fluids being discharged offshore.

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

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.

There is not likely to be any significant impact of the project on population and human health. It is not considered likely that the project will be affected by natural disasters.

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 Seagull field is in the central North Sea (CNS) in United Kingdom Continental Shelf (UKCS) Block 22/29c, approximately 210 km northeast of the Scottish coastline and 39 km from the United Kingdom (UK)/Norway boundary line, in approximately 93 m water depth Lowest Astronomical Tide (LAT).

Site specific surveys identified the seabed sediments within the survey area comprise fine to medium grained sandy silt with some areas of occasional cobbles and shell fragments as well as gravelly sands. Seapen and Burrowing Megafauna Communities are also present. This habitat is a Priority Marine Feature (PMF) ('Burrowed Mud') and listed as an Oslo and Paris Convention (OSPAR) threatened and/or declining habitats. The surveys identified some Ocean Quahog, also a PMF and on the OSPAR List of Threatened and/or Declining Species, although the National Marine Plan interactive has not recorded any Ocean Quahog within Block 22/29. Epifauna density and diversity was classified as moderate and was uniform across most stations. The infaunal community was dominated, in terms of species richness, by annelids, followed by crustaceans and molluscs, while, in terms of abundance, annelids were dominant.

The closest protected site to the area of proposed operations is the East of Gannet and Montrose Field Nature Conservation Marine Protected Area, located



approximately 5 km west of the proposed operations.

Fish spawning and nursery activity will occur in the area and may coincide with the drilling operations. Commercial fisheries comprise mainly demersal and shellfish landings and fishing effort in the area is very low. Seabird sensitivity in the region of the Seagull field is low throughout the year. Bottlenose dolphins and harbour porpoise which are Annex II species have been sighted in the area.

Shipping density in Block 22/29 is considered to be very low to low, with the majority of vessels around the Seagull field associated with in-field traffic servicing the offshore hydrocarbon industry. There are several oil and gas fields nearby. The project is not within a military exercise or danger areas and there are no existing cables crossing the area of the proposed operations. There is no operational renewable energy site, nor any under construction and there are no known wrecks of historical importance within the vicinity of the proposed operations.

The project is in the National Marine Plan Area for Scotland.

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 physical presence, seabed disturbance, atmospheric emissions, planned discharges and accidental spills. There is not likely to be any significant impact of the project on population and human health.

A 500 m safety zone has been established which incorporates the Seagull 22/29c - J2 Well and navigational control measures are contained within the Consent to Locate which has been approved for the location of the Valaris Gorilla VI jack-up rig at the Seagull 22/29c - J2 Well location.

There will be localised impact on benthic fauna from the physical siting of the rig and from the discharge of cuttings. Ocean Quahog were not identified across all stations of the survey and due to the localised impact of the proposed operations, a significant impact is not anticipated on the population of the species. Seapens demonstrate high resistance and resilience to smothering and heavy changes in the siltation rates and are likely to recolonise the area following the proposed operations. The area likely to be impacted by the operations is relatively small and localised and it was concluded the proposed operations were not likely to have a significant effect.

Most sightings of bottlenose dolphins and harbour porpoise (which are Annex II species), occur during the spring and summer months, at moderate density and the proposed operations are unlikely to have a significant impact on these species. Due



to the distance of the Seagull 22/29c - J2 Well from shore (210 Km), harbour and grey seals (Annex II species and PMFs), are not likely to be encountered regularly or in great numbers in the area of the well.

The wellbore clean-up operations may result in the discharge of wastewater containing residual base oil from the LTOBM. There will also be a discharge of drill cuttings and drill cuttings clean-up fluids contaminated with oil-based drilling fluids following offshore treatment of LTOBM drill cuttings. This discharge has been assessed and is not considered to have a likely significant effect on the environment.

Power generation by the rig and well testing will result in the emission of gases to the atmosphere, however it is expected the emissions will be rapidly dispersed and are not likely to have a significant impact.

There are no expected transboundary effects from the drilling of the Seagull 22/29c - J2 well due to the localised and temporary nature of the disturbance and the 39 km distance from the UK/Norway Median Line, which is the nearest boundary. It is not considered likely that any planned operational discharge will be detectable at this distance from the well location.

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

There is no operational renewable energy site, nor any under construction and there are no known wrecks of historical importance or military activity within the vicinity of the proposed operations. 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 Seagull 22/29c - J2 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:

Not applicable.