Our Ref: 01.01.01.01-4529U UKOP Doc Ref:1159382

Offshore Petroleum Regulator for Environment & Decommissioning

Department for Business, Energy & Industrial Strategy

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APACHE BERYL I LIMITED PO BOX 1111 PAGET-BROWN TRUST COMPANY LTD BOUNDARY HALL CRICKET SQUARE GEORGE TOWN GRAND CAYMAN CAYMAN ISLANDS

Registered No.: FC005975

Date: 10th September 2021

Dear Sir / Madam

THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020 STORR, Ocean Patriot DRILLING PRODUCER WELL 9/19b- SCNSSSWC planned well

I refer to your amended application dated 10th September 2021, reference DR/2074/1 (Version 2).

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 **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

STORR, Ocean Patriot DRILLING PRODUCER WELL 9/19b- SCNSSSWC planned well

DR/2074/1 (Version 2)

Whereas APACHE BERYL I LIMITED has made an application dated 10th September 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: 10th 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 21 July 2021 until 31 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:

DR/2074/0 (Version 3) - 20th July 2021

The Department has the following comments to be addressed in the next variation:-

- Section 2.3.2. - Table 2 - Should assumption 1 rather state 'Total powder discharged: ~65% of total cuttings (te)'? This comment was not addressed correctly; assumption 1 still refers to 75% and the text with the note should not have been deleted.

- Section 8.1.2 - The information in this section still does not match OPEP. Please review and revise the text in this section so it aligns.

The Department note that once the habitat assessment report is available the application will be updated to include this information.

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 Our Ref: 01.01.01.01-4529U UKOP Doc Ref:1159382

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Crimon Place Aberdeen AB10 1BJ

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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

This document 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.

Summary of the project

Geological sidetrack of the 8 " reservoir section.

Characteristics of the Project

This post screening direction amendment (ref DR/2074/1) relates to a change to the project for which a screening direction was previously issued.

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:-

Description of the Project

The original screening direction (DR/2074/0) relates to the drilling of the Storr Development well, 9/19b- SCNSSSWC from the existing Storr Drill centre using the semi-submersible rig the Ocean Patriot.

That project covered the drilling of 36" and 26" sections with seawater and sweeps,



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the drilling of a 8.5" (17.5" & 16") pilot hole, 12.25" hole, 8.5" reservoir and 6" reservoir section drilled with Low Toxicity Oil Based Mud (LTOBM), wellbore Clean-up and Completion and the installation of a Wellhead and protection structure installation. WBM cuttings were to be discharged to the seabed and LTOBM cuttings thermally treated and discharged with LTOBM cuttings to be skipped and shipped to shore for disposal should thermal treatment facilities become unavailable. On completion of the drilling operations the well was to be cleaned up and displaced to brine prior to running the completion and installing the wellhead and protection structure.

This screening direction (ref: DR2074/1) relates to a geological sidetrack of the 8.5" section. The current 8.5" section will be isolated with two 850ft cement plugs and the sidetrack will be initiated with the 8 " reservoir section directionally drilled using LTOBM. The 6" section will then be drilled as per the original direction.

As per the original direction, in the uneconomic case the well will be plugged and abandoned in line with Oil & Gas UK Guidelines.

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 Storr Field lies in the northern North Sea (Block 9/19b), 175km from the UK coast (Shetlands) and 4km from the UK/Norwegian Median line. The Field is located approximately 21km from the Beryl Alpha platform, in a water depth of approximately 116m, in an area which is classed as offshore circalittoral coarse sediment' and offshore circalittoral sand.

Site specific surveys identified the seabed in the project area to comprise of silty sand with shell fragments with some localised areas of sand with cobbles. The annual mean significant wave height ranges from 2.4 to 2.7 m. Site surveys of the area shows similarity with a 'sea pen and burrowing megafauna community', an example of a stony reef was observed at one station, shells potentially belonging to A Islandica were identified in the area and one individual of Common ling and one of Raja clavata were observed as part of the surveys. There were no other Annex I



habitats or habitats of conservation importance observed in the survey area. There are no protected sites within 40km from the Storr field.

The proposed well lies within an area identified as an area of potential fluid seeps. However, no fluid seeps were recorded at the well location.

Fish spawning and nursery activity will occur in the area, which may coincide with the drilling operations. Low numbers of Harbour porpoise, which are an Annex II species are present in the area as well as minke whale, white beaked dolphin and killer whale. Seabird vulnerability in Block 9/19 is ranked as 'low' for those months with data. The project area is primarily used for demersal fishing and the fishing effort in the area is ranked as moderate between January to March and July. The closest active aquaculture site is located 175 km north-west of the well location.

There are several oil and gas fields nearby. The nearest marine cable lies approximately 29km to the north. There are no nearby Military of Defence practice areas. There are no planned renewable energy developments in the vicinity. Shipping density in the area is low. There are no protected wrecks located in the vicinity and no sites or objects of archaeological importance have been identified in the 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 remains 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, drilling operations will be undertaken in an established 500m safety zone due to existing infrastructure. The presence of the Ocean Patriot rig is not considered to have a significant impact on other users of the sea. There are no additional impacts identified from drilling the 8.5" geological sidetrack and no additional impacts to seabed disturbance.

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 Storr 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.

No species or habitats of conservation significance have been identified in the immediate drilling location. Surveys undertaken in the area noted the presence of Atlantic islandica (ocean quahog) shells in faunal samples and seabed footage. Low densities of seapens and burrows were identified together with a sandy substrate showed that the biotope seapens and burrowing megafauna communities, is unlikely to occur at the well location. Due to the distance of the species from the well location and their low abundance, the drilling operations are not likely to have a significant effect on benthic populations and communities.

There will be no change to the atmospheric emissions directly attributable to the drilling of the well. These are expected to rapidly disperse and are not likely to have a significant impact.

There is a slight increase in the LTOBM cuttings generated and these 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 and completion operations have been assessed as not likely to have a significant effect on the environment. There is no change to the chemical quantities required.

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.

Although there are fish spawning and nursery activity in the vicinity of the well at certain times of the year, the spawning and nursery areas are part of larger offshore areas.

There are no expected transboundary effects from the drilling operations at the Storr field. The nearest boundary (UK/Norway Median Line) is located approximately 4 km from the operations. Atmospheric emissions generated from the operations are likely to have been dispersed and diluted to very low concentrations by the time they cross the median line and 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. Although the consequences of an oil spill can be severe, the probability of a large oil spill from the proposed operations is low. In addition, the expected hydrocarbons for this well are condensate and gas. If spilled, condensate would float on the sea surface and typically break up naturally in wind and waves with the majority evaporating quickly 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.

The drilling operations are in accordance with the National Marine Plan area for Scotland objectives and policies. It is considered that the change to the drilling of the Storr 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:

N/A