Our Ref: 01.01.01.01-5085U UKOP Doc Ref:1235006

Offshore Petroleum Regulator for Environment & Decommissioning

SPIRIT ENERGY NORTH SEA LIMITED 1ST FLOOR 20 KINGSTON ROAD STAINES-UPON-THAMES TW18 4LG

Registered No.: 04594558

Date: 3rd November 2022

Department for Business, Energy & Industrial Strategy

AB1 Building Crimon Place Aberdeen AB10 1BJ



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

CHISWICK, Maersk Resolve DRILLING PRODUCER WELL 49/04a-C1Y

I refer to your amended application dated 1st November 2022, reference DR/2240/4 (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 **Content on Content** 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

CHISWICK, Maersk Resolve DRILLING PRODUCER WELL 49/04a-C1Y

DR/2240/4 (Version 1)

Whereas SPIRIT ENERGY NORTH SEA LIMITED has made an application dated 1st November 2022, 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 agreement to the Oil and Gas Authority to the grant of consent for the project as detailed in the application WONS/2605, 2606 and WONS/14768/0/GS/1 Version 1.

Effective Date: 3rd November 2022

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 April 2022 until 31 December 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.

Our Ref: 01.01.01.01-5085U UKOP Doc Ref:1235006

Offshore Petroleum Regulator for Environment & Decommissioning

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:

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

DRA/922 - Spirit - Chiswick Development Well - Variation 4

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:

1. The information provided by the developer.

2. The matters listed in Schedule 5 of The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Regulations 2020) (the Regulations);

3. The results of any preliminary verifications or assessments of the effects on the environment of the project; and

4. Any conditions that the Secretary of State may attach to the agreement to the grant of consent.

Characteristics of the Project

This post screening direction amendment (ref DR/2240/4) 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:-

Summary of the Project

This variation revises the application to include the suspension of the well as it was found uneconomic.

Description of the Project

This Screening Direction variation (ref DR2240/4) relates to the suspension of the



well with mechanical plugs. The intention is to return to complete the abandonment of the well as part of future operations or to use the slot for further potential sidetrack opportunities.

The previous screening direction (ref DR/2240/3) relates to the addition of extra emissions to sea of processed cuttings from the Rotomill system arising from the drilling of a further sidetrack to the well.

The previous screening direction (ref DR/2240/2) related to the addition of extra emissions to sea of water based cuttings and processed cuttings from the rotomill system arising from the drilling of a sidetrack to the 12 inch section.

Screening direction (ref DR/2240/1) related to the drilling of a sidetrack to the 12 inch section following issues drilling the original section.

The original screening direction (ref DR/2240/0) relates to the plug and abandonment of the existing C1Y well; drilling of well 49/04a-Beta side-tracked from the C1Y well from below the 20" shoe; well 49/04a-Beta consists of the following sections: 2 x 17.5", 12.25" and the re-drilling of this section, and 8.5"; well-bore clean-up operations; completion operations including hydraulic fracturing operations, and a well test.

Drilling of the 49/4a-Beta well will be undertaken from a mobile offshore drilling unit (MODU) skidded over the Chiswick Platform and is expected to take 128 days to complete. The MODU will be maintained in position using 4 anchors and supported by an emergency response vessel. Drilling will be facilitated using water-based mud with cuttings discharged at the drill site and low toxicity oil-based mud where cuttings will be processed through a Rotomill system and the resulting powder discharged to sea or skipped and shipped to shore for treatment and disposal. On completion of drilling works, the well will be cleaned by flowing and flaring the resulting hydrocarbons, followed by a well test for a period of up to 96 hours. Pollution and nuisances are restricted to use of combustion equipment, flaring and chemicals.

No cumulative interactions are foreseen with any other existing or approved projects. The nearest oil and gas installation is 12 kilometres (km) from the Chiswick location. The MODU will be sited on an area of seabed comprised of gravelly sand which the Chiswick Platform sits within. The project is not at risk from natural disasters, and unplanned major accident scenarios were assessed. There is no risk to 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 located 147 km east of the English coastline and 8 km west of the UK/Netherlands boundary line in an area where the seabed comprises gravely sand



Offshore Petroleum Regulator for Environment & Decommissioning

and the water depth is 40 metres (m). The wave height ranges from 1.51 to 1.8m which is typical of the wider area. Site specific surveys show the seabed at the location to be gravelly sand, which is expected given the location, and is typical of the wider region. It is estimated that anchor scarring will be of a transient nature over a small area. Recovery of faunal communities within any disturbed area of a seabed of this nature may be expected through a combination of larval settlement and immigration of animals from the adjacent seabed.

The drill site is located in Markham's Triangle Marine Conservation Zone which is designated for subtidal coarse sediment, subtidal sand, subtidal mud and subtidal mixed sediment. Site surveys did not identify any environmentally sensitive habitats protected under Annex I of the EU Habitats Directive.

There are no wrecks recorded in Block 49/4a.

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.

The operations will be undertaken in the existing Chiswick 500m exclusion zone excluding unauthorised access of vessels. There are consequently no additional impacts on fishing operations in what is considered a low-effort fishing zone, therefore the impacts will not be significant.

The proposed operations are located within a protected area (Markham's Triangle MCZ) which is designated for subtidal coarse sediment, subtidal mixed sediments, subtidal sand and subtidal mud. Seabed disturbance will occur during the placement of the MODU from spud can placement, anchors and anchor chain handling. This is estimated to disturb an area of 0.018km2 which is negligible in relation to the wider area and is in an area of existing disturbance due to oil and gas operations. Seabed disturbance could result in mortality of sedentary organisms. The potential impacts will not extend to or effect any protected habitats or species or protected sites. The change to the quantity of water based cuttings, and powder produced from the Rotomill process, is expected to contribute to a thin layer in the wider local area over the existing seabed. It is noted that this gravelly seabed may be utilised for herring for spawning during the period of operations, though this area is very small in relation to the overall herring spawning locations and thus any impact on the herring population as a whole will not be significant.

It is expected that the disturbance of other species will be negligible due to impacts being localised and short-lived. Potentially affected species are anticipated to recover quickly in the area and are not expected to be impacted at a population level.

Discharge of chemicals associated with the water-based mud and well completion



operations have been assessed and found not to have a significant impact on the environment. Chemicals associated with low toxicity oil-based mud will be processed through a Rotomill system and the resulting powder discharged to sea or, if the Rotomill is not available, skipped and shipped to shore for treatment and disposal. Either option is deemed to cause in no significant impact to the environment, even with the slight increase in cuttings from the subsequent sidetrack sections.

Flaring resulting from well clean up and testing is expected to result in short-term deterioration in air quality at a local level given the meteorological conditions at the location and are estimated to contribute to 0.163 % of the total atmospheric emissions (including CO2e) associated with UK offshore activities in a year and therefore not expected to have a significant impact on the environment.

The potential for transboundary impacts were assessed given the location's proximity to the UK/Netherlands boundary line. It was concluded that there is no change to the previously assessed transboundary impacts which would be negligible and cumulative impacts unlikely.

Although not a planned activity, a worst-case major accident scenario resulting from a potential well blow-out was modelled and assessed. Due to the properties of the hydrocarbons, it is anticipated that any subsea release will rise rapidly to the surface and evaporate to the atmosphere quickly. The probability of hydrocarbons reaching the coastline is very low and the volume predicted to reach the coastline is also very small. Seabed contamination is not expected while the greatest probability of water column contamination is within a small area from the well. The environmental impact associated with an unplanned spill is not deemed significant. The proposed measures to prevent and respond to any release, including a worst-case scenario has been assessed and are considered to be acceptable.

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