

Our Ref: 01.01.01.01-5333U
UKOP Doc Ref:1274138



Offshore Petroleum Regulator
for Environment & Decommissioning

BP EXPLORATION OPERATING COMPANY LIMITED
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Registered No.: 00305943

Date: 9th May 2023

Department for Energy Security &
Net Zero

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Crimon Place
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AB10 1BJ

Tel [REDACTED]

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
SCHIEHALLION FIELD, INSTALLATION OF CAN-DUCTOR AND DRILLING
PRODUCER WELL 204/25a- PX423 planned well**

I refer to your amended application dated 8th May 2023, reference DR/2308/2 (Version 4).

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**

**SCHIEHALLION FIELD, INSTALLATION OF CAN-DUCTOR AND DRILLING
PRODUCER WELL 204/25a- PX423 planned well**

DR/2308/2 (Version 4)

Whereas BP EXPLORATION OPERATING COMPANY LIMITED has made an application dated 8th May 2023, 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/14451, WONS/15046/0/IDA/1 and WONS/15046/0/C/1

Effective Date: 9th May 2023



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 13 October 2022 until 31 December 2023.

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:

The Department have no further 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 Energy Security & Net Zero
AB1 Building
Crimon Place
Aberdeen
AB10 1BJ

Tel [REDACTED]
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, 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:

The information provided by the developer.

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

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

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

Characteristics of the Project

DR/2308/2 - This post direction amendment relates to the drilling and completion of the PX423 well after installation of the CAN-ductor.

DR/2308/1 - This post direction amendment related to an extension of the end date to allow for submission of further SAT applications to cover drilling operations in 2023. All aspects of the project remained the same and the decision below remained valid.

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 change to the project

This post direction amendment covers the following:

Batch drilling to be conducted.

Drilling of 26" section with seawater and spud mud, installation of 20" casing and suspension of well with inhibited seawater and trash cap.

Drilling of 17.5" section with WBM the section will be cased with 13 3/8" casing shoe

Drilling of 12.25" section using Low Toxicity Oil Based Mud (LTOBM). The section will be cased with 9 5/8" casing shoe



Drilling of 8.5" section using LTOBM

Well Clean up and Completion

Installation of Wellhead

Well will be suspended post completion with the downhole safety valve, production tubing and production packer as the primary barrier envelope and lubricator valve, tubing hanger and eRED valve as secondary barriers to the formation and a trash cap installed.

The Xmas tree will be installed at a later date by a vessel.

The assessment information has been reassessed with the additional changes to the project.

Summary of the Project

CAN-ductor installation at well PX423

Batch drilling to be conducted.

Drilling of 26" section with seawater and spud mud, installation of 20" casing and suspension of well with inhibited seawater and trash cap.

Drilling of 17.5" section with WBM the section will be cased with 13 3/8" casing shoe

Drilling of 12.25" section using Low Toxicity Oil Based Mud (LTOBM). The section will be cased with 9 5/8" casing shoe

Drilling of 8.5" section using LTOBM

Well Clean up and Completion

Installation of Wellhead

Well will be suspended post completion with the downhole safety valve, production tubing and production packer as the primary barrier envelope and lubricator valve, tubing hanger and eRED valve as secondary barriers to the formation and a trash cap installed.

The Xmas tree will be installed at a later date by a vessel.

Description of the Project

The previous screening directions (DR/2308/0 and DR/2308/1) related to the installation, by suction piling into the seabed, of the CAN-Ductor system, Low Pressure Wellhead housing, Conductor extension and Deflector Base at the PX423 well location. This was completed in November 2022.

This screening direction (DR/2308/2) refers to the drilling of the PX423 well from the Ocean great white semi-submersible.

The well will be drilled in batch sequence with a combination of spud mud, WBM and LTOBM, with the Spud mud discharged at the seabed, the WBM and cuttings discharged at the surface from the rig and the LTOBM and cuttings skipped and shipped. Once the well sections have been drilled, casings will be run, and cement will be used to provide integrity of the well. On completion of the drilling operations, wellbore clean-up operations will be undertaken. The well will be suspended post completion with the downhole safety valve, production tubing and production packer as the primary barrier envelope and lubricator valve, tubing hanger and eRED valve



as secondary barriers to the formation and a trash cap installed. The wellhead will be installed by the Ocean Great White rig and the Xmas tree will be installed at a later date by a vessel.

Drilling operations are expected to take 20 days to target, 27 days to completion.

The cumulative impact of operations at PX423 and PX25 well is not considered to be significant with permanent impact area constituting 0.00038% of the Faroe-Shetland Sponge Belt NCMFA.

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 proposed project is located in the Schiehallion field, West of Shetland (WoS), in UKCS Block 204/25, approximately 132 kilometers (km) to the west of the Shetland Islands, and 34.7km to the east of the UK-Faroes median line, in a depth of approximately 377 metres (m).

The area in the vicinity of Schiehallion and Loyal infrastructure is characterised as the European Nature Information System (EUNIS) habitat "Deep circalittoral mixed sediments (A5.45)". The sediments present across the Schiehallion area consist of coarse sand/gravel with an overlying layer of fine material with varying proportions of pebbles, cobbles, and shells, the seabed sediments appear poorly sorted and heterogenous in their composition, with a large variety in grain size. Site specific surveys identified the sediment types as subtidal sands, gravels, and muds, and as such are considered Priority Marine Features (PMFs).

The mean significant wave height in the area is 3.3m. Current speeds in the area are between 0.26 m s⁻¹ and 0.5 m s⁻¹ during spring peak flow, and during neap peak flow are between 0.11 m s⁻¹ and 0.25 m s⁻¹. The mean spring tidal range is between 2 m and 3 m.

The fauna observed across the survey area are regularly observed within the North East Atlantic area.

The worksite lies within the Faroe-Shetland Sponge Belt NCMFA. Site surveys were conducted in 2014, 2017 and 2021. Most of the seabed images with porifera



(sponges) were found to have < 1% coverage of the sediment, which is significantly less than the 10 % of sponge cover thought to constitute a Deep-sea sponge aggregation. This was applicable for 78 % of the images exhibiting Porifera. Where the density did exceed 5%, this was often due to the camera being relatively close to a large sponge, skewing the area covered in the image.

Several stations had very few images with sponges in them and the sponge cover, when present, ranged from 1 to 5 %.

Within the survey area, only three images exceeded the 10% threshold which were found in sample areas greater than 5km distance from anchor pattern and PX423. This coverage does not meet the requirements for the classification of Deep-sea sponge aggregations and thus it is unlikely this habitat is present. The two closest survey stations to the well (SW 1km and REF3 2km) were further analysed and concluded these two locations did not constitute OSPAR deep sea sponge aggregates either. Overall, when considering all images from the 2021 survey, there was a mean sponge cover of 0.49%. It is therefore unlikely that a significant OSPAR (2010) deep-sea sponge aggregation habitat is present in the area. The nearest known aggregations of deep-sea sponge aggregations are located approximately 12.7 km from the nearest anchor location at PX423.

Only one adult Ocean Quahog shell was identified at any survey station. No juvenile individuals were found.

No areas of stony reef, fluid seep areas or other habitats of conservation significance were recorded in the survey area.

Minke whale, long finned pilot whale, white beaked dolphin, harbour porpoise, killer whales, sperm whales, fin whales, and Risso's dolphins occur in the area at low densities, with Atlantic white-sided dolphins occurring at low to moderate densities. Harbour and grey seals are unlikely to occur in the area.

Seabird vulnerability in Block 204/25 is generally low to medium throughout the year, with the exception of January and November when it is very high. Similar sensitivities are observed in adjacent blocks.

The proposed operations will coincide with fish spawning and/or nursery activity for a number of species.

There are a number of different seabed users which are active in the region. The nearest marine cable is 14 km away. No aggregate dredging and disposal sites, sites of marine archaeological interests, planned offshore renewable energy developments or recreational sailing routes have been identified within 40km of the operation. There is one wreck located 3km from the project area. Fishing effort in the area is low. Shipping density in the area is very low. 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 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.

The well will be drilled from the Ocean Great White semi-submersible, which has a 500m safety exclusion zone in place. The project is also located within the existing 500m safety exclusion zones of the Schiehallion West Drill Center, excluding unauthorised access of vessels and prohibiting access to fishing vessels. An ERRV will be on site and in addition to providing emergency support to the Ocean Great White, it will act as a guard vessel advising other users of the presence of the mooring anchors and lines which will extend beyond the 500 m exclusion zone. All appropriate notifications to mariners will be made prior to the well drilling activities commencing. Given that the PX423 well is located in an area considered to be of low importance to the UK fishing industry, is in an area which has very low shipping density, and the drilling campaign is of a relatively short duration, any impacts on other sea users is not considered to be significant.

The project will result in a total seabed disturbance of 20212 m². These seabed impacts will primarily arise from the discharge of drill cuttings pile as the MODU anchors for the Great White were installed as part of the previous PX25 well and both wells will be batch drilled from the same location. The disturbance from the CAN-ductors was also included in the total seabed disturbance to allow for a cumulative assessment of the impacts.

Individual porifera are likely to be present in the vicinity. However, within the area to be impacted by the drill cuttings, evidence from the site specific surveys and from the JNCC assessment indicate that sponges do not occur at a density considered to represent the OSPAR threatened and/or declining Species and Habitats 'deep-sea sponge aggregations'. The nearest known aggregations of these species are 12.7 km away.

The area of permanent impact from the operations constitutes 0.00038 % of the Faroe-Shetland Sponge Belt NCMPA. The cumulative impact of the operations is therefore considered "negligible" as this operation represents a small increase in the total area of anthropogenic disturbance to the NCMPA. Given the extent of habitat disturbance at Schiehallion in relation to the size of the NCMPA and the distance between the Schiehallion and other activities, it is not expected that this will have a significant cumulative impact on the integrity of the designated features or the



conservation objectives of the NCMPA.

Fish, marine mammals and benthic species (which may be PMFs, Annex II species and EPSs) are not considered to be significantly impacted. This includes noise impacts to marine mammals, as drilling and vessel noise is deemed below levels which present a significant risk.

Drill cuttings modelling has been conducted and concluded that the discharge of the drill cuttings is not expected to result in a significant adverse impact to the marine environment.

Discharge of offshore chemicals associated with the drilling of the well, cementing and abandonment operations have been assessed as not likely to have a significant effect on the environment. However, there may be a cement patio formed due to discharge of cement at the seabed. Offshore chemicals associated with LTOBM will be skipped and shipped.

The emissions associated with these drilling operations and installation of the CAN-ductors may result in short-term deterioration of local air quality within the vicinity of the well location, however, in the exposed conditions that prevail offshore, these emissions are expected to disperse rapidly such that emissions from the vessels are not considered to have a significant impact.

There are no expected transboundary effects from the project. The nearest boundary (Faroes median line) is located approximately 34.7km of the operations.

Although not a planned activity, a worst-case major accident scenario resulting from a potential well blow-out was modelled and assessed. The probability of a large oil spill from the proposed operations is low. Therefore, it is considered that the control measures in place to prevent loss of well control minimise the risk of an oil spill that 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 project is in accordance with the National Marine Plan for Scotland's objectives and policies. It is considered that the drilling of wellPX423 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.

2. 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.

3. 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

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adverse effects on the environment:

Not applicable