

Our Ref: 01.01.01.01-5561U
UKOP Doc Ref:1279023



Offshore Petroleum Regulator
for Environment & Decommissioning

CHRYSAOR PRODUCTION (U.K.) LIMITED
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Registered No.: 00524868

Date: 7th June 2023

Department for Energy Security &
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Dear Sir / Madam

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

**CALLANISH F6 Well, Paul B. Loyd, Jnr, DRILLING PRODUCER WELL
15/29b-FFQ**

A screening direction for the project detailed in your application, reference DR/2360/0 (Version 2), dated 27th March 2023 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 [REDACTED] or email the Environmental Management Team at OPRED@energysecurity.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**

**CALLANISH F6 Well, Paul B. Loyd, Jnr, DRILLING PRODUCER WELL
15/29b-FFQ**

DR/2360/0 (Version 2)

Whereas CHRYSAOR PRODUCTION (U.K.) LIMITED has made an application dated 27th March 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/15269/0/IDA/1.

Effective Date: 7th June 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 7 June 2023 until 31 December 2023.

2 Commencement and completion of the project

The holder of the screening direction must notify the Department for Energy Security & Net Zero (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: OPRED@energysecurity.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 has no comments.

3) All communications relating to the screening direction should be addressed to:

OPRED@energysecurity.gov.uk

or

Offshore Petroleum Regulator for Environment & Decommissioning
Department for Energy Security & Net Zero
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 assessment undertaken 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

Drilling of new development well 15/29b-FQ (Callanish F6 Well) from the Paul B. Loyd Jnr. Semi submersible rig (PBLJ)

Drilling of 42" x 36" x 26" section from the rotary table with water-based mud (WBM)

Drilling of 20" section using a motor driven Bottom Hole Assembly (BHA) with WBM

Drilling of 13 " section with a single BHA configuration with geo-steering to facilitate a north west directional inclination using Low Toxicity Oil Based Mud (LTOBM)

Drilling of 9 " section to the target depth with a geo-steering tool using LTOBM

Completion is a sand control lower completion, with a gas lift upper completion.

The well will be suspended and flowed directly back to the Britannia platform once tie-in activities are complete.

Description of the project



The 15/29b-FQ well is proposed as the sixth subsea development well on the Paleocene oil and gas bearing Callanish field in the UK Outer Moray Firth area of the North Sea. The well is planned to develop incremental resources on the northwest flank of the field in high quality reservoir that will not otherwise be drained by existing well stock.

The Callanish field is located in the CNS and the existing Callanish wells (F1, F2, F3, F4 and F5) are tied back to the Britannia Bridge Linked Platform (BLP) via the Callanish Production Manifold (CPM). The target of the well is the oil-bearing late Palaeocene age Forties Sandstones, located in the CNS. The hydrocarbon types are gas and oil and the planned well will be a horizontal producer, geo-steered along the top of the reservoir. The drilling operations at the F6 well expected to last 95 days.

The rig will be anchored in a two phase approach. Phase 1 will involve the pre-laying of the anchors and the lower section of the mooring, four weeks in advance of the PBLJ arriving on location. All eight anchors will be positioned and a guard vessel will be present. The rig will be connected to the pre-laid mooring system in phase 2.

The top-hole section will be drilled from the Rotary table with returns to the seabed. The fluid system will be mainly seawater with the use of viscous sweeps. The section will be swept clean before displacing to WBM. The following 20" section will be drilled using a motor driven BHA with returns to the seabed and the same fluid system again displaced to WBM.

The following 13 " and 9 " section will be drilled with BHA with geo-steering at a north western inclination to reach the reservoir. These sections will be drilled with LTOBM with the cuttings skipped and shipped to shore for disposal.

The Callanish F6 completion is a sand control lower completion, with a gas lift upper completion. Following completion, the facilities scope will commence, and the well will be hooked up to the platform. There will be no clean-up of the well back to the rig, instead the well will be suspended and flowed directly back to the Britannia platform once tie-in activities are complete.

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 Callanish F6 well is located in Block 15/29b (Callanish field itself also straddles 15/29b) in the Central North Sea (CNS) approximately 157 kilometres (km) east of Scotland and 61 km west of the UK/Norway median line, in an approximate water depth of 149 metres (m). The F6 well is the sixth well to be developed within the field which currently has a subsea tie-back of five wells, F1 to F5. All wells are connected to the Callanish production manifold producing back to Britannia via the Britannia Bridge Linked Platform located 25km to the northeast in Block 16/26.



The influx of Atlantic water via the Fair Isle channel and north of Shetland results in seabed currents moving south east, the mean residual current surrounding the Callanish area is approximately 0.01m/s. The prevailing winds in the CNS are from the southwest and north-northeast with a speed of mostly 8 m/s but being highly variable and wave height between 2.11-2.40 m.

Surveys indicate that sediments at Callanish comprise poorly sorted medium silt with a thin sandy clay veneer classed as 'circalittoral fine with slightly higher than background levels of hydrocarbon and metal concentrations thought to indicate historic drilling activity. The area has a number of pockmarks with elevated fines found in depressions but none have Annex I methane derived authigenic carbonate and the Scanner Pockmark SAC is 33km from Callanish. Species are indicative of silty sandy sediments mainly comprising annelids (dominant by diversity and composition), molluscs, crustaceans and echinodermata including brittlestar. The presence of heavily bioturbated substrate with burrows and mounds indicates the potential presence of OSPAR listed threatened and or declining habitat 'seapens and burrowing megafauna communities' and OSPAR listed declining ocean quahog with the Norwegian Boundary Sediment Plan Nature Conservation Marine Protected Area 56km east of Callanish.

Callanish is located in International Council of the Sea (ICES) rectangle 45F0 with peak cod/ Norway pout (February, March), Norway lobster (April to June) and a low probability of juvenile species coinciding with operations. Cod spawning in the Callanish field ranges from "unfavourable" to "rare". Scottish Priority Marine Features include anglerfish, blue whiting, cod, ling, Norway pout, herring, whiting, mackerel, sandeels and spurdog. The area is mainly targeted for shellfish followed by demersal species but total landings are low at UK level.

Seabird species include an all year breeding and wintering presence of northern fulmar and gannet, black legged kittiwake and common guillemot, a summer presence of European storm petrel, Arctic skua and tern, Lesser black backed gull and Razorbill and a winter presence of little auk and Herring gull with many species in decline but seabird sensitivity to oil spill is generally low (no data November, December).

Species of national interest (formerly Annex II) include harbour porpoise (peak May) and white-beaked dolphin are widespread with seasonal Minke whales and Atlantic white sided dolphin recorded in the vicinity of the Callanish area in moderate to low density. Grey and harbour seal species of national interest (former Annex II) are not expected due to distance from shore.

There is one protected site feature within a 40km radius of the Callanish field, the Scanner Pockmark Special Area of Conservation (SAC). The Scanner Pockmark Special Area of Conservation is located approximately 33 km to the northeast of Callanish and is designated for the presence of submarine structures made by leaking gases. The Scanner Pockmark is a singular large depression which contains MDAC blocks made by leaking gases, which support a fauna typical of rocky reefs, including anemones *Urticina felina* and *Metridium senile* and squat lobsters.



The Callanish field is in an area of major oil and gas developments and infrastructure and there are several oil and gas fields nearby. Block 15/29 has no Ministry of Defence restriction. There is one active Tampnet Telecom cable approximately 30km southeast of the well. There are no historic marine protected areas or war graves, but there are 22 wrecks within 40km of the proposed operations. All wrecks are classed as non-dangerous. Shipping density in the area is low.

Given the location of the project, the areas identified at paragraphs 2(c)(i), (iii), (iv), (vi), (vii) and (viii) of Schedule 5 are not likely to 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.

Atmospheric emissions are expected to be temporary in nature, to be emitted from combustion plant on the drilling rig and supporting vessels used on the project. Drilling activities are expected to be 95 days however a full assessment of the included in the initial application period of 275 days has been carried out in order to represent the worst-case drilling activities for the F6 well. Well testing is not being carried out as part of these operations. The proposed operations will contribute to 0.065% of the total atmospheric emissions associated with the UK offshore activities in a year. Atmospheric emissions are expected to be rapidly dispersed in the open offshore environment in the direction of the prevailing wind. The impact has not been assessed as significant.

Seabed disturbance will result from locating the PBLJ rig via the eight anchors required to secure on location. The potential area of seabed affected by placement of the anchors, anchor chain contacts will be small. Once the anchors and mooring arrangement have been removed, the natural physical process of sediment transportation and biological settlement will be expected to restore the seabed to its original condition over time. The permanent footprint of the wellhead and wellhead protection are located within the 500m safety zone with a minimal footprint. The impact has not been assessed as significant.

The 42" x 36" x 26" and 20" sections will be drilled using WBM. All mud and cuttings from these sections will be discharged to the marine environment. This will cause initial physical smothering of the benthos within the immediate area, but re-colonisation is expected to be relatively rapid. Sediment movement and effects of the currents in the area (residual current of 0.01 m/s, wave height ranging from 2.11 - 2.40 m and annual mean wave power ranging from 24.1 - 30 kW/m) would cause the cuttings to naturally migrate and disperse along the seabed. The discharge is not



expected to cause an impact to spawning fish species at a population level.

It is anticipated that as the cement slurry falls through the water column it will be naturally dispersed and diluted. Discharge of this nature is not expected to have any significant effect on deterioration in water quality or any significant impact on benthos or fish populations. It is not anticipated to have any negative implications for future decommissioning operations. Any cement slurry discharged to sea will comprise of inert materials and low toxicity additives.

The discharge of chemicals used to drill the well, including cementing, wellbore clean up, and completion chemicals have been assessed and are not considered likely to have a significant impact on the marine environment.

A 500 m default safety exclusion zone will exist around the rig once it is on location. The zone is there for the safety of the rig and vessel traffic. Once in place no unauthorised vessels will be allowed to enter meaning that vessel routes and fishing will have to avoid the area. Commercial fishing intensity and vessel traffic are both regarded as low. These receptors are not at risk of being significantly impacted by the project.

The planned discharge of the oil contaminated wellbore clean up fluids and slops will be at a sufficiently low concentration and quantity that it is not expected to result in a significant impact.

Accidental spill modelling has been undertaken for the project application. The worst-case scenario would result in a spill of crude that would be unlikely to beach on the UK coastline, but would have a higher likelihood of beaching on the coast of Norway. The applicant has outlined multiple response measures available to them which would be enacted in the unlikely unplanned event of a spill. Such measures would be used to reduce the potential impact as far as possible and as quickly as possible.

There are no expected transboundary impacts as a result of the project. No cumulative impacts have been identified given the other known existing and approved projects in the wider area.

It is considered that the drilling of the F6 well at Callanish is not likely to have a significant impact on other offshore activities or other users of the sea, the seabed, marine life or cetacean species 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

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Not applicable.