

BP EXPLORATION OPERATING COMPANY LIMITED CHERTSEY ROAD SUNBURY ON THAMES MIDDLESEX TW16 7BP Department for Energy Security & Net Zero

AB1 Building Crimon Place Aberdeen AB10 1BJ

Tel Fax

> www.gov.uk/desnz OPRED@energysecurity.gov.uk

Dear Sir / Madam

Registered No.: 00305943

Date: 15th December 2023

THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020 SCHIEHALLION FIELD, Glen Lyon FPSO, DRILLING OF PRODUCER WELL 204/20a

I refer to your amended application dated 7th December 2023, reference DR/2311/3 (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 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

SCHIEHALLION FIELD, Glen Lyon FPSO, DRILLING OF PRODUCER WELL 204/20a

DR/2311/3 (Version 1)

Whereas BP EXPLORATION OPERATING COMPANY LIMITED has made an application dated 7th December 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/14453, WONS/15665/0/IDA and WONS/15665/0/C.

Effective Date: 15th December 2023

Our Ref: 01.01.01.01-5336U UKOP Doc Ref:1315714

Offshore Petroleum Regulator for Environment & Decommissioning

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 30 April 2024.

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: 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 Monitoring

The holder of the screening direction shall undertake monitoring of the anchor chain movement to validate the assumptions presented in the EAJ regarding a 2m abrasion corridor and verify the extent/intensity of damage to sponges in the areas of identified aggregations, as detailed in the Hartley Anderson Technical Note J511.TN4 - Oct 2023. The scheme of monitoring shall be agreed with the Department prior to implementation and monitoring must be undertaken in accordance with the agreed scheme. The results of the monitoring and verification work shall be presented to the Department by email within 4 months of the completion of the drilling operations covered by this screening direction.

6 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.

7 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.

8 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).

9 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: 01.01.01.01-5336U UKOP Doc Ref:1315714

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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/2311/3 15th December 2023

The Department note the following to BP:

The monitoring condition has been amended to 4 months after completion of operations to allow for data collection and analysis to be conducted. BP are required to survey a minimum of 4 of the anchor chains which had the highest abundance to confirm the 2m corridor analysis of anchor chain abrasion.

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

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/2311/3 - this post direction amendment relates to a change in monitoring condition timeline only. There are no changes to the project or assessment as described below.

DR/2311/2 - this post direction amendment relates to the drilling and completion of the PX204 well following the installation of the CAN-ductor under an earlier approval.

DR/2311/1 - This post direction amendment relates 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 remain the same and the decision below remains 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 (DR/2311/3) relates to a change in monitoring condition timeline only. There are no changes to the project or assessment as described below.

The previous amendment (DR/2311/2 covered the following:



The drill of the PX204 well including 26", 17.5", 12.25" and 8.5" sections

Summary of the Project

CAN-ductor installation at well PX204 (WONS/14453); Drilling of the 26" section with seawater sweeps and Water based mud (WBM); Drilling of the 17.5" section with WBM; Drilling of the 12.25" section using low toxicity oil based mud (LTOBM); Drilling of the 8.5" section using low toxicity oil based mud (LTOBM); Well clean up and completion (all under WONS/15665/0/IDA and WONS/15665/0/C).

Description of the Project

The previous screening directions (DR/2311/0 and DR/2311/1) 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 PX204 well location. This infrastructure was pre-installed for future drilling of the well. This was completed in Q4 2022.

The screening direction DR/2311/2 refers to the drilling of the PX204 well from the Ocean Great White semi-submersible mobile offshore drilling unit (MODU). The well will be drilled using seawater sweeps, WBM and LTOBM with sweeps discharged at the seabed, WBM and cuttings discharged at the surface from the MODU and the LTOBM and cuttings skipped and shipped to shore for disposal. 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 and level 4 valves closed. The wellhead will be installed by the Ocean Great White rig and the Xmas tree will be installed at a later date. Drilling operations are exected to take 100 days.

The cumulative impact of operations at PX204, PX104, PX423 and PX25 well is not considered to be significant with permanent impact area constituting 0.0022% of the Faroe-Shetland Sponge Belt NCMPA.

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 204/20, approximately 132 kilometres (km) to the west of the Scottish coastline, and 32 km to the east of the UK-Faroes median line, in a depth of approximately 400 metres (m).

The area in the vicinity of Schiehallion and Loyal infrastructure is characterised under the European Nature Information System (EUNIS) protocol as Atlantic slope mixed sediment which falls under the deep-sea mixed substrata (A6.2) habitat. The superficial sediments in the wider region comprise of coarse sand with variable contributions of shells, gravels, cobbles and small boulders with a mean particle size of 0.9mm. This layer overlies soft brown clay deposits.

The mean significant wave height is expected to be up to 3m. Currents in the area are predominately north-easterly and mean current speeds are normally in the region of 0.1-0.2ms-1 with a maximum of 2ms-1 at the surface; and 0.05-0.1ms-1 with a maximum speed of 0.3ms-1 at the seabed.

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 NCMPA. Site specific surveys identified that sponges were identified at all stations. Some stations along the anchor chain corridors could meet the criteria for sponge aggregations and should be considered to be part of the sponge feature. Semi quantitative analysis of additional survey work undertaken in 2023 using an HD camera identified frequent, common and abundant densities of sponges (according to Henry Roberts criteria) along mooring lines 1 and 4 to 8. Potential sponge aggregations were recorded along 6 of the 8 anchor chain corridors varying from 5m to 153m in length. Another designated feature of the NCMPA is ocean quahog (PMF). The nearest known aggregations of ocean quahog are located approximately 3 km west from PX204. No Ocean quahog were observed during site survey work.

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, and Risso's dolphins occur in the area at low densities, with Killer whale and 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 204/20 is low in October and December and very high in November. 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 10.77 km away. No aggregate dredging and disposal sites,



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sites of marine archaeological interests, planned offshore renewable energy developments or recreational sailing routes have been identified within 40km of the operation. Shipping density in the area is 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 anchors will be located outwith the 500m zone. All appropriate notifications to mariners will be made prior to the well drilling activities commencing. Given that the PX204 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 relativity short duration, any impacts on other sea users is not considered to be significant.

The project will result in a total seabed disturbance of 25,153m2. These seabed impacts will primarily arise from the discharge of drill cuttings and the anchor chains from the MODU.

Individual sponges 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'. However some stations along the anchor chain corridors could meet the criteria for sponge aggregations and are likely to be impacted by the placement of the anchor chains within a 2m corridor.

The area of permanent impact from the PX204 operations constitutes 0.00048 % of the Faroe-Shetland Sponge Belt NCMPA. The cumulative impact of the operations is considered "negligible" as this operation represents a small increase in the total area of anthropogenetic 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. Offshore chemicals associated with LTOBM will be skipped and shipped.

Atmospheric emissions from the MODU and vessels during the drilling operations are expected to be short lived and likely to be negligible relative to the total emissions associated with shipping. These are expected to rapidly disperse and are not likely to have a significant impact.

There are no expected transboundary effects from the project. The nearest boundary (Faroes median line) is located approximately 32 km 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 idrilling of the PX204 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.

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 adverse effect on the environment:

Not applicable.