Our Ref: 01.01.01.01-5799U
UKOP Doc Ref:1360663

Offshore Petroleum Regulator
for Environment & Decommissioning

BP EXPLORATION OPERATING COMPANY LIMITED
CHERTSEY ROAD
SUNBURY ON THAMES
MIDDLESEX
TW16 7BP

Registered No.: 00305943

Date: 4th September 2024

Department for Energy Security &
Net Zero

AB1 Building
Crimon Place
Aberdeen
AB10 1BJ

Tel [redacted]
Fax

www.gov.uk/desnz
opred@energysecurity.gov.uk

Dear Sir / Madam

THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020
SCHIEHALLION, Drilling of WI well 204/20a- IX215

I refer to your amended application dated 30th August 2024, reference DR/2410/6 (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 [redacted] on [redacted] or email the Environmental Management Team at opred@energysecurity.gov.uk.

Yours faithfully

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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, Drilling of WI well 204/20a- IX215

DR/2410/6 (Version 2)

Whereas BP EXPLORATION OPERATING COMPANY LIMITED has made an application dated 30th August 2024, 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/15658/0/PIDA/1, WONS/16048/0/IDA/1 and WONS/16048/0/C/1

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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 12 October 2023 until 31 March 2025.

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:

N/A

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

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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

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 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:-

DR/2410/0 - CAN-ductor installation at 204/20a-IX215 injector well (hereafter referred to as IX215) as outlined in the application and WONS reference WONS/15658/0/PIDA/1
DR/2410/1 - Inclusion of temporary workbaskets, DP beacons and guidepost ontop of CAN-ductors.
DR/2410/2 - relates to the drilling and completion of the IX215 well following the installation of the CAN-ductors under an earlier approval.
DR/2410/3 - this is for date extension only no changes to the project or impacts.
DR/2410/4 - relates to the changes to drilling schedule from the earlier approval; to batch drill the 26" sections of the IX215 injector well, run the 20" casing, suspend the well and move on to wells PX1410 (DRA/1019) and IX9302 (DRA/1018). Returning to the well to drill and complete the well.

DR/2410/5 - update to spud date only.

DR/2410/6 - Treatment of 12 1/4 inch LTOBM cuttings using the iNOVatherm portable treatment unit

Summary of the Change to the Project

This post direction amendment is for the application of treating the LTOBM cuttings from the 12 1/4 inch section using iNOVatherm portable treatment unit

Summary of the Project

-CAN-ductor installation at well IX215;

Drilling of the 204/20a -IX215 water injector well from the Semi-submersible mobile drilling unit (MODU) Ocean Great White;
- Batch Drilling of the 26" section using Water Based Mud (WBM), riserless;
- Cementing the 20" casing
- Suspending the well using inhibited seawater or pre-hydrated bentonite;
- Placing of a trash cap
- Prior to moving onto the other 26" sections of the batch drilling sequence;
- Re-entering the well with a riser in place, to drill the 17 1/2" section using WBM;
- Run and cement 13 3/8" casing;
- Drilling the 12 1/4 " sections using Low Toxicity Oil Based Mud (LTOBM) cuttings to be treated by iNOVaTHERM Portable Treatment Unit
- Run the production liner and displace wellbore contents from LTOBM to brine or seawater;
- Completions and perforation
- Suspending the well with the downhole safety valve and level 4 valves closed;

-Contingency re-spud and sections included in the assessment.

Description of the Project

The previous screening directions (DR/2410/0 and DR/2410/1) related to the installation, by suction piling into the seabed, of the CAN-Ductor system at the IX215 well location. This infrastructure was pre-installed for future drilling of the well and was completed in Q4 2023. This previous screening direction (DR/2410/2) relates to the drilling of the IX2015 water injector well from the Ocean Great White semi-submersible mobile offshore drilling unit (MODU). The change to the project under DR/2414/3 related only to the changes of dates for the project.

The well will be batch drilled riserless for the 26" section using the Ocean Great White MODU on dynamic positioning. The 26" section will be drilled using WBM and the mud and cuttings will be discharged to the seabed. Following anchors being deployed from the MODU; the riser will be deployed and the lower sections of the well are to be drilled. The 17 " section will be drilled using WBM, with the mud and cuttings discharged at the surface. The 12 1/4" section will be drilled with LTOBM with the mud and the cuttings returns will be treated via using iNOVatherm portable treatment unit. Once the cuttings have been treated, they will be rehydrated to create a slurry and will be discharged along with the drill cuttings clean-up fluids, to sea, with the recovered base oil reused in drilling muds. The discharges will be subject to an approved sampling regimes. If issues are encountered with the treatment unit then LTOBM cuttings will be skipped and shipped to shore for treatment and disposal.

A contingency re-spud and contingency mechanical sidetrack have been included in the assessment.

Casings will be run and cemented in place for each well section 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 expected to take 71 days.

It is not considered to be likely that the project or change to 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.

IX215 is part of the phase A+ campaign which includes 2 other wells to be drilled and Can-Ductors to be installed (IX9302 and WP02RD applied for under DRA/1018 and DRA1019). In addition there has been 4 wells drilled in the phase A stage within the wider Alligin, Schiehallion and Loyal field in 2023. The cumulative atmospheric impacts of phase A, phase A+ and subsea tie in and commissioning equate approximately 0.34% of the total atmospheric emissions associated with UK offshore activities in a year.

The overall seabed impact from the drilling activities for Phase A, phase A+, subsea tie in and well intervention works is 0.2073 km2. The cumulative impacts of these operations and change to the operation are not considered to be significant with an impact area of 0.0039% on the Faroe Shetland Sponge Belt NCMPA.

It is not considered to be likely that the project or change to the project, will be affected by natural disasters.

Other than the matters considered further below, there is not likely to be any significant impact of the project or change to 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 204/20a approximately 130 kilometres (km) to the west of the Scottish coastline, and 36km to the east of the UK-Faroes median line, in a depth of approximately 400 metres (m).

The area in the vicinity of Alligin, 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 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 between 2.7-3m. Currents in the area are predominately north-easterly and mean current speeds are normally in the region of 0.1-0.2ms-1.

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. One of the designated features of this site is the OSPAR defined habitat; 'deep sea sponge aggregations'. The classification of whether the density of sponges constitutes a 'deep sea sponge aggregation' is considered by Det Norske Veritas (DNV, 2013) as dependant on whether each survey image has a greater than 10% coverage of sponges. The JNCC method of determination uses three criteria; Density, Habitat and Ecological function (2014).

Surveys were conducted in 2021 in the Schiehallion and Loyal field which identified that sponges were identified at all stations apart from two. The closest station (SN) to the proposed IX215 well (i.e., <1 km) was the only station to show little of no porifera coverage. Further surveys in 2023 within the vicinity of IX215 were assessed utilising the JNCC criteria and the overall results show relative patchiness of the sponge aggregations across the area. Small areas consistent with the OSPAR definition for Deep sea sponge aggregations were identified in transects of ML2 (26m), ML3 (10m), ML4 (30m) and ML5 (9m), all samples taken in the vicinity of the proposed operations exhibited a sponge density of <10% suggesting deep sea sponge aggregations are rare in the vicinity of the proposed operations.

No Ocean quahog were observed during site survey work with the closest known aggregation located 5km west from IX215. No areas of stony reef, fluid seep areas or other habitats of conservation significance were recorded in the survey area.

Bottlenose dolphins, harbour porpoise and white beaked dolphins were observed, in low densities in the WoS area. Seabird vulnerability in Block 204/20 is medium in June, very high in November and low for the remaining months. Similar sensitivities are observed in adjacent blocks.

The proposed operations and change to the operations will coincide with fish spawning and/or nursery activity for a number of species including as Atlantic mackerel, blue whiting, sandeels and Norway Pout.

There are a number of different seabed users which are active in the region. There are no known submarine telecommunication cables within 10km of the Schiehallion field. No aggregate dredging and disposal sites, planned offshore renewable energy developments or recreational sailing routes have been identified within 40km of the operation. Shipping density in the area is low. There are four global wreck and obstruction points within 10 km of the proposed IX215 well, with the closest being located 1.2 km southeast of the proposed well site. There are no Historic Marine Protected Areas (HMPA) within Block 204/20. 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 or change to 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 and change to 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 or change to the project on population and human health.

The project is located within the existing 500m safety exclusion zones of the Alligin and Schiehallion field excluding unauthorised access of vessels and prohibiting access to fishing vessels. Disturbance to the seabed could result in direct physical impact to benthic habitats and species within the immediate footprint of the operations. The project and change to the project will result in a seabed footprint of 25,022 m2 these primarily arose 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. There will also be a discharge of drill cuttings and drill cuttings clean-up fluids contaminated with oil-based drilling fluids following offshore treatment of LTOBM drill cuttings. Due to the particle size associated with the iNOVaTHERM solids is so fine that most of it is expected to be dispersed through the water column as opposed to settling on the seabed. This discharge has been assessed and is not considered to have a likely significant effect on the environment.

The proposed operations are located within the Faroe-Shetland Sponge Belt NCMPA. This site is designated for deep-sea sponge aggregations, offshore subtidal sands and gravels, ocean quahog, continental slope, channels and iceberg plough-marks and sand waves. The overall size of the protected site is 5,278 km2.

As the proposed operations will impact an estimated 0.025 km2 of the seabed, it is expected that < 0.0004% of the protected site will be impacted.

The cumulative impact of the operations and change to the operations is considered not significant 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 have been assessed as not likely to have a significant effect on the environment.

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 36 km east 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 very low noting that this is a water injector well. 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 and change to the project is in accordance with the National Marine Plan for Scotland's objectives and policies. It is considered that the drilling of the IX215 well is not likely to have a significant impact on other offshore activities.

Decision

Taking the above considerations into account, the Secretary of State has concluded that the project and 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