

Our Ref: 01.01.01.01-6513U
UKOP Doc Ref:1384641



Offshore Petroleum Regulator
for Environment & Decommissioning

SHELL U.K. LIMITED
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Registered No.: 00140141

Date: 27th February 2025

Department for Energy Security &
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Crimon Place
Aberdeen
AB10 1BJ

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Dear Sir / Madam

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

**VICTORY, Stena Don DRILLING PRODUCER WELL 207/01a- 2017/1a- VICTORY
A1 planned well**

A screening direction for the project detailed in your application, reference DR/2538/0 (Version 3), dated 31st January 2025 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] on [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**

**VICTORY, Stena Don DRILLING PRODUCER WELL 207/01a- 2017/1a- VICTORY
A1 planned well**

DR/2538/0 (Version 3)

Whereas SHELL U.K. LIMITED has made an application dated 31st January 2025, 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/17069/0/IDA/1 V1 and WONS/17069/0/C/1 v1.

Effective Date: 27th February 2025

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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 1 March 2025 until 31 August 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

Tel [REDACTED]



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

-Drilling of the Victory production well;

-Drilling of the 42" and 17 1/2 " sections with Water Based Mud (WBM) and the 12 1/4 " and 8 1/2 " well sections using Low Toxicity Oil Based Mud (LTOBM);

-Completion of well;

-Well clean up involving flaring;

-Contingency options include respud, sidetrack of the (OBM) lower sections or a redrill;

-Contingency well suspension if well is unsuccessful

(WONS/17069/0/IDA/1 V1 and WONS/17069/0/C/1 v1)

Description of the Project

The drilling of the Victory production well will be undertaken from the Mobile Offshore Drilling Unit (MODU) Stena Don. The MODU will be held on location using upto 8 anchors which will be pre-laid prior to MODU arrival. The project will be supported by up to 2 anchor handling vessels (AHV), supply vessels, a guard vessel, an emergency support vessel and helicopter flights. A contingency wet storage area for the anchors will be used in the event of deck space being restricted on the AHVs.

The well will be drilled in 4 sections: 42" and 17 1/2 " will be drilled with WBM and the 12 1/4 " and 8 1/2" with LTOBM. The WBM and cuttings will be discharged directly to the seabed, the LTOBM and cuttings will be circulated back to the MoDU and skipped and shipped ashore for disposal. The well will be cleaned-up prior to production phase and a well test will be undertaken. Non-routine flaring of hydrocarbons is proposed during clean-up of the well as a requirement of the entry agreement to the Shetland Gas Plant. The drilling operations will take place between 1 March until 31 August 2025, taking upto 66 days to complete.

No significant cumulative impacts are expected to occur with any other existing or approved projects. There is not likely to be any significant impact of the project on population and human health. It is not considered likely that the project will be affected by natural disasters. No nuisances are foreseen from the project.



Location of the Project

Having regard 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 Victory Field is a gas field located in the West of Shetland (WoS) region and spans Blocks 206/4, 206/5 and 207/1. The proposed Victory well location is 47 km from the Scottish coastline (Shetland) and 110 km from the UK/Faroe median line where water depths are approximately 160m. Gas from the Victory well will be transported to Shetland Gas Plant.

The Victory development has also been the subject of an Environmental Statement (ES) (ES/2022/003).

The project location is not within any protected areas, with the closest being the Faroe Shetland Sponge Belt Nature Conservation Marine Protected Area (NCMPA) approximately 14km away. Site-specific surveys identified the seabed as comprising of coarse gravel and shell or sand with varying proportions of shell accumulations, pebbles, cobbles, and boulders. The sediment type is described as offshore coarse circalittoral sediment. The most commonly observed benthic fauna included sea starfish, brittle stars, polychaetes, hermit crabs, and anemones. Deep sea sponges have been identified in the area, however these do not meet the criteria for deep sea sponge aggregations. Ocean Quahog (*Arctica islandica*) have been recorded in the Faroe-Shetland Sponge belt, however none have been recorded in surveys at the Victory location, however they have previously been recorded in the area (Glendronah and Edradour).

The project works and timing will take place at a time when a number of fish species may be found to be using the area as spawning, juvenile or nursery locations. Sightings of cetaceans are most common during the months of May to August. Seals are not expected to be seen at the remote location. Seabirds are most common in the area during the summer and winter months when expected density is 5-10 individuals per square km, except for Northern Fulmar which has very high (80-140 individual) during March to July. Sensitivity to oil pollution is low to medium throughout the year, except for October when it is high. The project area is primarily used for demersal and pelagic fishing, but with a low historical effort. Shipping intensity at the project location is low. The nearest oil and gas infrastructure is the Clair installation, over 40km away. There are no INTOG sites in the vicinity of the Victory well and the closest offshore wind site is Arven over 100km away. The well is not within a military activity zone, with no telecommunications cables, or renewable energy locations in proximity, there are sand gravel resources within Block 207/1. There are no wrecks near the proposed well location, the closest being around 20 km away.

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 to the environment from the activities associated with the project were assessed, with focus on the predominant impacts resulting from physical presence from the MODU / vessels, atmospheric emissions from MODU including well clean up flaring, vessel use and helicopter flights, planned discharges to sea from chemical use and discharge, seabed disturbance from siting the MODU and deposition of drill cuttings, and accidental events such as an oil release.

The MODU has the potential to cause interference to other users of the sea, however the MODU and support vessels will be located in a safety zone for the well. Its presence within the safety zone means only authorised vessels would be allowed within the 500 m radius of the well, therefore excluding other users of the sea. Given the low importance of the fishing area and the low vessel traffic, and that the drilling project is a temporary activity - the impact is not significant. A guard vessel will be on location from anchor pre-lay until the MODU arrives on location.

The area of seabed disturbance resulting from temporary disturbance from rig positioning and contingency anchor wet storage is 0.052km². With an area of impact of 0.007 km² from cuttings discharge and a permanent impact area of 0.0002km² from the cement patio. The main receptor impacted by seabed disturbance will be the benthic communities. Physical disturbance can cause mortality or displacement of benthic species in the impacted zone. The temporary installation of the MODU anchor system is not expected to result in significant changes to sediment properties and rapid recovery of faunal communities within the disturbed area may be expected through a combination of larval settlement and migration of animals from the adjacent seabed once the anchors and moorings are removed. Therefore, the impact on benthic communities will not be significant.

Offshore chemicals will be used and discharged during the drilling of the well. The use and discharge of the chemicals have been risk assessed and modelled in accordance with other relevant regulatory requirements. The use and discharge modelling shows a low risk to the environment from the chemicals. Use and discharge of chemicals is not expected to have a significant impact on the environment. The discharge of treated LTOBM cuttings will result in some impacts to marine organisms resulting primarily from smothering and grain size change. The impact of drilling discharges on water quality and benthic fauna is predicted to be minimal as effects will be localised and short-lived. Moreover, given that recovery of the seabed and the associated benthic communities is likely to begin once drilling has been completed, the environmental impact of the discharged cuttings, within the impacted area, is assessed as not significant.

Emissions to air will occur from combustion plant used on the MODU and support vessels and from well clean up (flaring). The quantity of carbon dioxide equivalent from the MODU and support vessel use amounts to 0.056% of the 2018 total emissions from UK offshore oil and gas activity and the emissions from well clean up



amounts to 0.124% of 2018 total emissions from UK offshore oil and gas activity from flaring. The drilling operation emissions will not have a detrimental effect to local air quality over the long-term, nor are they expected to inhibit the ability to reach wider climate change goals. The environmental effects from emissions to air are not expected to have a significant impact on the environment. The impact of the vessel emissions will be mitigated by optimising vessel efficiency (i.e. minimising the number of vessels used and vessel trips required to achieve the project deliverables) and hence minimising fuel use and avoiding the unnecessary operation of power generation / combustion equipment.

In the unlikely event that an accidental spill from a well blow-out occurs the total volume of oil that would be released from the well has been estimated at 5.247m³. The modelling suggests that there is a moderate probability of oil beaching on the Shetland Islands and a low probability of oil beaching on the western coast of Norway and this may result in a Major Environmental Incident (MEI) resulting from an uncontrolled well blow-out. All drilling activities will be carried out in accordance with the Offshore Safety Directive as per Shell's Well Examination Scheme and Guidance Document. An approved Oil Spill Emergency Plan to manage hydrocarbon releases will be in place prior to activities being undertaken.

The operations will be carried out in accordance with the Scottish National Marine Plan objectives.

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

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:

N/A