

West Newton Community Liaison Committee
- a written update in lieu of a normal meeting due to the Coronavirus pandemic -
24th May 2021

Circulation List:

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Tom Selkirk (Country Manager, Rathlin Energy (UK) Limited)
Caroline Foster (Operations Engineer, Rathlin Energy (UK) Limited)
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Stephen Croft (Site Technical and Local Liaison, Rathlin Energy (UK) Limited)
Sarah Blanchard (Resident Representative, Aldbrough Parish)
Deborah Stabler (Representing Burton Constable Parish Council)
Ron Jagger (Resident Representative, Burton Constable Parish)
Anita Howell (Representing Ellerby Parish Council)
Harry Clark (Resident Representative, Ellerby Parish)
Lisa Brazier (Representing Humbleton Parish Council)
Vanessa Nolan (Resident Representative, Humbleton Parish)
Annette Ford (Resident Representative, Sproatley Parish)
Matthew Grove (Representing Withernwick Parish)
Tom Copeland (Resident Representative Withernwick Parish)
Don Fields (Resident Representative, Sproatley Parish)
Geoff North (Representing Aldbrough Parish Council)

1. Introduction

The last face-to-face meeting of the Liaison Committee was held on 29 October 2019. A written update to Liaison Committee members, in lieu of a normal meeting due to COVID, was provided 21 May 2020. As it is still not currently possible to hold meetings in person, we (Rathlin Energy (UK) Limited) have decided to issue an update of the works currently being carried out for the testing of the West Newton B-1z and A2 wells. We also give a brief update on progress at West Newton A field development proposal.

Throughout this period of Covid-19 restrictions, all of our work continues to be carried out in compliance with all the relevant Government guidelines.

The safety of Rathlin Energy (UK) Limited's people, our supply chain partners' personnel and the local community remains the central concern of the company. We hope that everyone on the circulation list, your families, and all the residents in the local community, are well.

Since our last meeting Charlie Sharp (Withernwick Parish Council representative) has passed away. We send our condolences to his family and our sincere thanks for his constructive contributions to the community liaison group.

Following the resignation, in July 2020, of David Montagu-Smith as Chairman of Rathlin Energy (UK) Limited, John Hodgins, Rathlin Director, has taken over David's roles and responsibilities.

2. General

All Rathlin Energy (UK) Limited's operations, over the last 16 months, have been conducted in compliance with all regulatory requirements and in accordance COVID guidelines with no reported incidents of covid on site.

We assessed all of our operations during the year and put extra COVID precautions in place including temperature checks, COVID questionnaires, social distancing, additional welfare and cleaning facilities to reduce risk of infection spreading.

We continue to use the local workforce wherever possible to reduce travel requirements and help the local economy during the pandemic.

The Rathlin Energy (UK) Limited team has worked from home whenever possible as per government guidelines.

3. West Newton B operations

Construction of the West Newton B (WNB) site and access track began in May last year and was completed in August.

Operations to install the 74m deep conductor casing began in August. The main drilling rig was mobilised to site in September and drilling of the main borehole started in October. The West Newton B1 (WNB-1) well was drilled safely to a depth of 2,295 metres. WNB-1 did not find sufficiently well-developed reservoir in the Kirkham Abbey or Cadeby zone and the well bore was plugged back and sidetracked to a structurally superior location at West Newton B-1z.

WNB-1z was safely and successfully drilled to a total depth of 2,114 metres in December and the rig was released prior to Christmas. The sidetrack involved plugging the originally drilled wellbore in accordance with the Oil and Gas UK guidelines for abandonment and decommissioning, milling out a window from the original borehole and deviating to a new bottom hole location.

WNB-1z encountered a 62m thick hydrocarbon-bearing Kirkham Abbey reservoir section. 18m of core was cut and recovered from the Kirkham Abbey and has been analysed. Wireline logs for petrophysical evaluation were acquired. The WNB-1z well was cased and cemented to the total drilled depth and then temporarily suspended, pending a well testing programme.

All operations were completed successfully in accordance with regulatory requirements – no issues of non-compliance were found by the Environment Agency following multiple inspections on site and at our office.

In May 2020, we submitted an application for variation of the WNB permit to the environment agency. This variation was made to include an extended well test, similar to the test operations permitted for WNA-2. The variation was approved by the EA in May 2021

In April, we conducted some minor wireline work in the WNB-1z well prior to testing.

On 24 May, we commenced mobilisation for the WNB-1z extended well testing programme.

The planned works consist of a work over rig, a wireline unit and a test spread – including a gas incinerator. The workover rig is a small drilling rig which is utilised to lower items in and out of the well, such as the tubing through which the hydrocarbons flow to surface. The wireline unit will record some additional wireline logs and allow us to set the reservoir completion at the correct depth.

Once the completion is in place, the well will be perforated (small holes punched into the liner to allow a flow path between the wellbore and the reservoir) within the Kirkham Abbey reservoir section at a depth of approximately 1,775m below ground

If the fluids from the reservoir do not come to surface naturally, after perforating, a few techniques may be used to help lift the reservoir fluids. An acid treatment may be undertaken to remove any debris in the well after drilling and allow a free path from the reservoir to the well for the fluids to flow. A nitrogen lift may also be performed, to lift the column of fluid within the well, reducing the hydrostatic pressure, allowing the reservoir fluids to move to surface. During the nitrogen lift there may be a short amount of time (less than 45 minutes) where gas is released without being incinerated (due to the nitrogen mix not being burnable). When previously testing at WNA, the unburnt gas was odorous and this may happen again. These emissions have been assessed and checked by the Environment Agency and do not exceed any air quality limits when based on a worst-case scenario assessment. We plan to incinerate the gas to stop the odour as quickly as possible.

If fluids do not flow to surface on their own, a pump maybe installed to mechanically lift the fluids to surface. Once at surface, the fluids are separated into water, oil and gas. The oil and water will be stored in tanks for subsequent removal off site via tanker, and the gas will be sent to the combustion units to be incinerated.

Once producing, the well will be tested for approximately 14-days. Following the test period, the well will be shut in to allow for measurement of the pressure build up. The well will be suspended for future production and the equipment rigged down. The duration of the well test operations will be approximately six (6) weeks.

Most of the works will be conducted during daytime operations (07:00-19:00) but when the well is flowing, operations will be 24 hours a day. HGV and delivery traffic will be planned for daytime hours (07:00-19:00) Monday to Saturday. HGVs and delivery vehicles will use the approved route via the B1238, Pasture Lane and the private access track. The road closures will be put in place along Crook Lane and Engine Lane, but we will endeavour to keep Pasture Lane open unless any safety concerns are raised.

4. West Newton A operations

A permit variation for West Newton A (WNA) was received from the Environment Agency in April 2020. This variation enables Rathlin Energy (UK) Limited to recommence its well test using a mechanical pump such as a pumpjack (nodding donkey) or similar and a smaller incinerator unit.

WNA-2 retesting operations will follow WNB-1z completion and extended well test operations. Most of the equipment and personnel will be moved to WNA from WNB. We will be seeking authorisation to route the traffic from WNB, down the private access track, West along Pasture Lane, North on Burton Constable road and back down Piper's Lane rather than following the currently approved routes which take traffic back through Sproatley from WNB and then in through New Ellerby and Marton towards WNA.

Following mobilisation and rig up the existing completion will be removed from the well. We may elect to re-perforate and re-acidise the Kirkham Abbey section prior to installation of pumping equipment. Once on pump and producing, the well will be tested for approximately 14-days.

Following the test period, the well will be shut in to allow for measurement of pressure build up. The well will be suspended for future production and the equipment rigged down. Duration of the well test operations will be approximately six (6) weeks.

Operations and traffic movements will be similar to WNB times noted above.

Road closures shall be assessed closer to the time before operations begin.

5. Field development plans

Last year we consulted on plans for two new wellsites – West Newton C & D (WNC & WND) falling to the east of the current sites. Following the drilling of WNB-1 and subsequent analysis of the information gained, it was deemed that the proposed WNC & WND sites were no longer in the best location to continue developing the field and so these sites will not be progressed any further at the moment.

We submitted an Environmental Impact Assessment (EIA) screening request to East Riding of Yorkshire Council (ERYC) and consulted the public to extend the existing WNA wellsite and to drill, test and appraise up to a further six (6) new wells and to produce the wells on the site for up to 25-years, followed by the full restoration of the wells and site. In January 2021, East Riding of Yorkshire Council determined that the proposal did not constitute EIA development. Subsequently, a screening request was submitted by a local councillor to the Secretary of State for Housing, Communities and Local Government. The determination, at the time of writing, is still pending.

If the screening direction stipulates that the project comprises an EIA development, a scoping request will be submitted to East Riding of Yorkshire Council by Rathlin Energy (UK) Limited. A scoping opinion will be issued by East Riding of Yorkshire Council which will set out the extent of the EIA. This will be reported in an Environmental Statement to accompany the planning application.

We are confident that the assessments and reports already commissioned as part of the planning application (and included for in the original screening opinion) would satisfy the requirements of an Environmental Statement.

The public consultation on the proposed West Newton A development was carried out online for a week in late March. Over 370 people visited the consultation website. This information has helped inform our planning application which we are currently finalising. The main comments for the consultation were regarding traffic volumes during production. We have taken this on board and have committed to reduce the maximum number of vehicles allowable during production.

7. Other business

In January we commissioned and installed a defibrillator in the village of West Newton through the Hull and East Yorkshire Smile Foundation. This defibrillator is registered with the Yorkshire Ambulance Service NHS Trust and is available for the public to use by calling 999 if needed. Rathlin Energy (UK) Limited personnel are currently servicing the machine but we would encourage a resident in the area to partake in training enabling them to take care of the unit going forward. We are also happy to arrange training on the use of the defibrillator for the community at an appropriate time.

8. Keep in touch

We would ask our community liaison members to continue to share this 'liaison meeting update' in the usual way with local residents. Please address any of your residents' questions or concerns to the Rathlin Energy (UK) Limited team at: rathlinenergy@rathlinenergy.co.uk.

Thank you and best wishes,

John

John Hodgins

Director

Rathlin Energy (UK) Limited