UK RESPONSE READINESS

Mick Borwell Environmental Issue Director



What we do...





Promote open dialogue within and across all sectors of the industry





Oil & Gas UK Members 2012

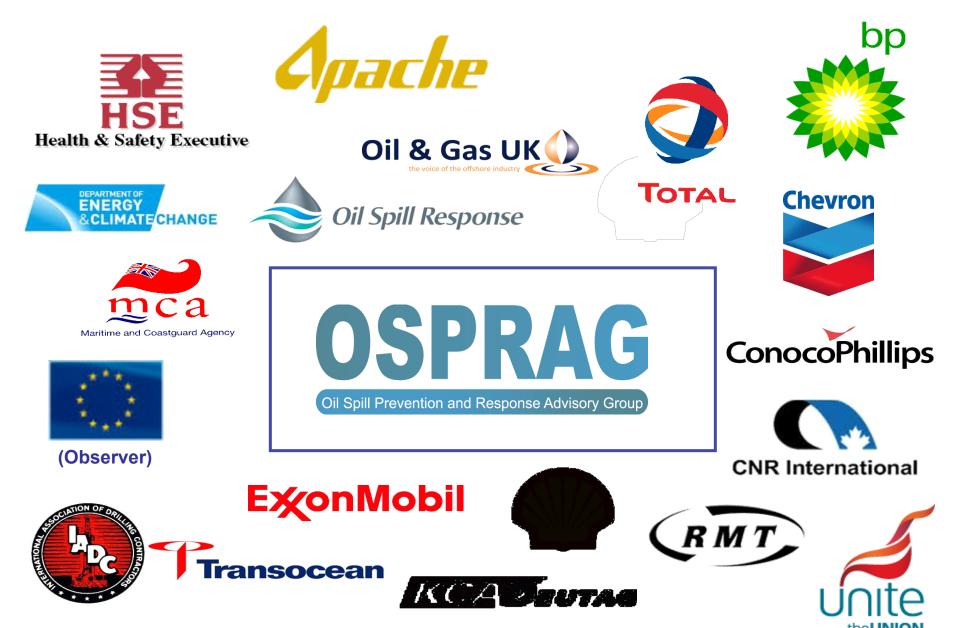


UK RESPONSE TO MACONDO Oil Spill Prevention and Response Advisory Group

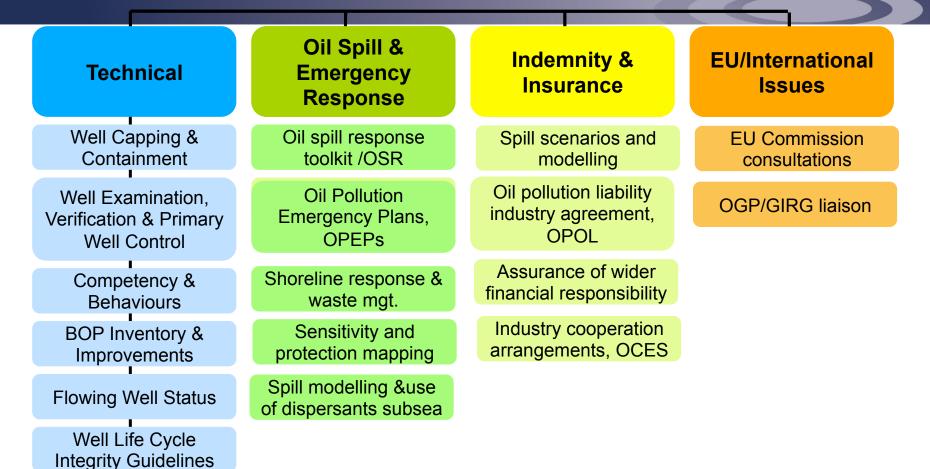
- To review UKCS regulation
- To review UKCS arrangements for oil spill prevention and response
- To assess the adequacy of financial provisions for UKCS response
- To monitor, review and implement pertinent recommendations from Deepwater Horizon



OSPRAG Steering Group Composition







Expert specialist groups to: review practices, assess response readiness & recommend improvements



RESULTS OF THE OSPRAG REVIEW REGULATIONS

• Regulatory regimes on the UKCS, both safety and environmental, are robust and fit for purpose



RESULTS OF THE OSPRAG REVIEW FINANCIAL RESPONSIBILITY

- Current OPOL limit of \$250 million remains appropriate
- Small number of wells likely to require additional financial responsibility above OPOL limit



RESULTS OF THE OSPRAG REVIEW OIL SPILL RESPONSE

 The core response strategy for the UK of surveillance and use of dispersants, where required, remains valid



RESULTS OF THE OSPRAG REVIEW NEW CONCEPTS FOR UKCS

- Industry must be self sufficient in the provision of spill response resources
- 'Toolkit' of response options for a worst case scenario
- Escalation mechanisms for the provision of spill response resources



REVIEW OF SELF SUFFICIENCY

- Response equipment, deployment vessels and aircraft – *sufficient*
- Dispersant stockpiles *not sufficient*
- Competent response personnel sufficient other than for a sustained event

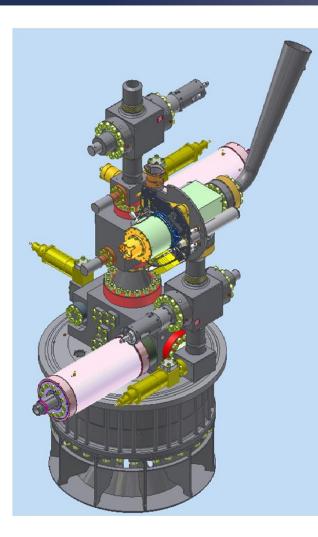


RESPONSE TOOLKIT





OSPRAG Capping Device



- 15,000psi rated equipment throughout
- Modular design, low weight (~38 tonnes); transportable
- 250 deg F temp rating
- Water depth > 3048m
- Handle 75,000bbls/day of fluids
- Configured for H2S service
- 5" vertical through bore
- Wire and drill pipe deployable;
- Multiple chemical injection & p/t sensing points
- 1 year continuous immersion on any single application
- 20 year design life



OSPRAG Capping Device





Aerial Surveillance





Subsea Dispersant



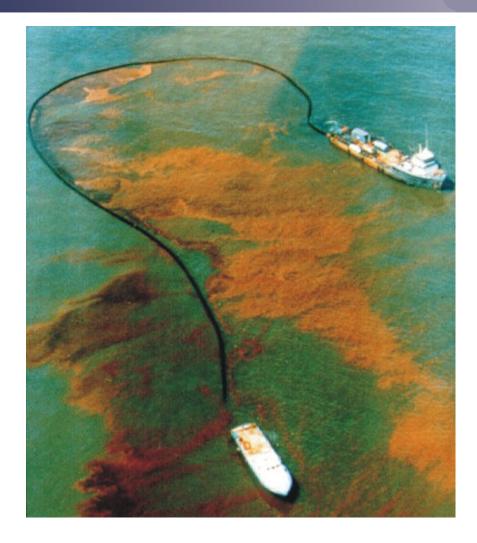


Vessel Dispersant Offshore





Mechanical Recovery Offshore





In-situ Burning





Aerial Dispersant Offshore



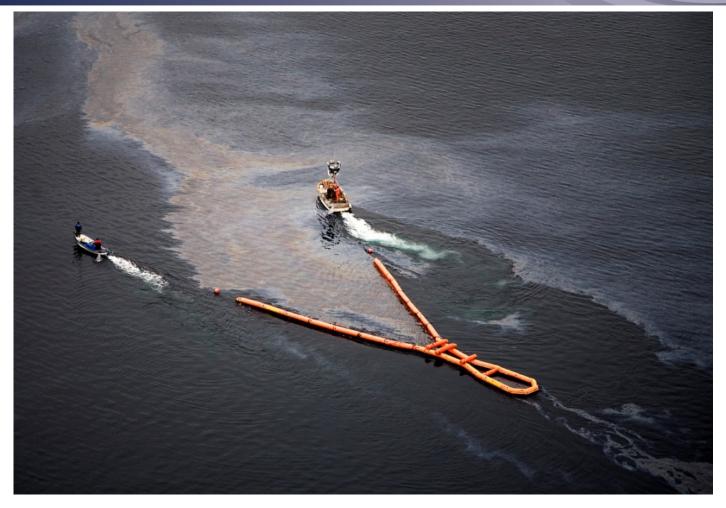


Aircraft Dispersant Near shore





Containment and Recovery Near shore





Using Local Vessels of Opportunity





Vessel Dispersant Nearshore





Shoreline Protection





Waste Disposal





TOOLKIT STATUS

OSPRAG Capping Device

3rd Party Cap

Relief Well

Aerial Surveillance

Subsea Dispersant - Safety

Subsea Dispersant -Environment

Vessel Dispersant Offshore

Mechanical Recovery Offshore

In-situ Burning

Aircraft Dispersant Offshore

Aircraft Dispersant Nearshore

Vessel Dispersant Nearshore

Mechanical Recovery Nearshore

Shoreline Protection

Waste Disposal



RESULTS OF THE OSPRAG REVIEW ESCALATION MECHANISMS

- Response equipment *readily obtainable from global resources*
- Dispersants *readily obtainable from global resources and UK manufacturers*
- Competent responders escalation mechanism required

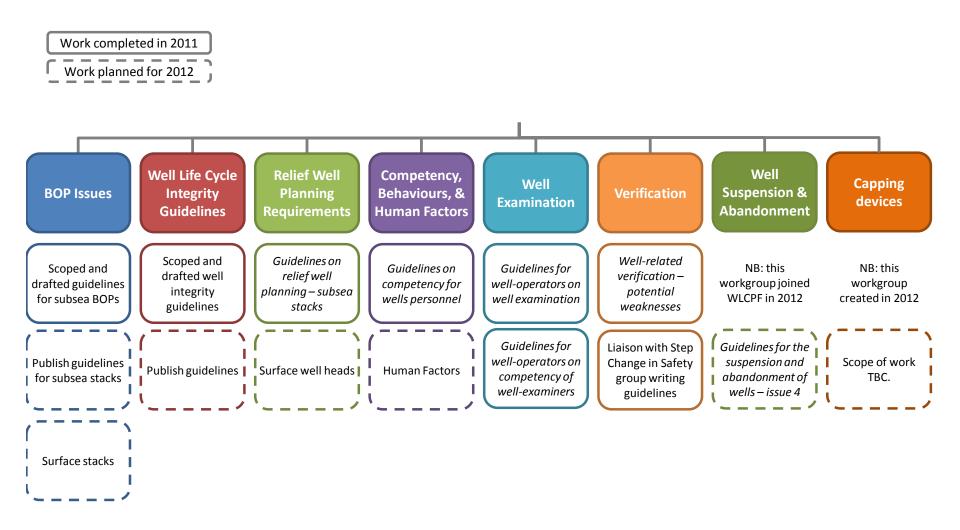


What has changed post Macondo?

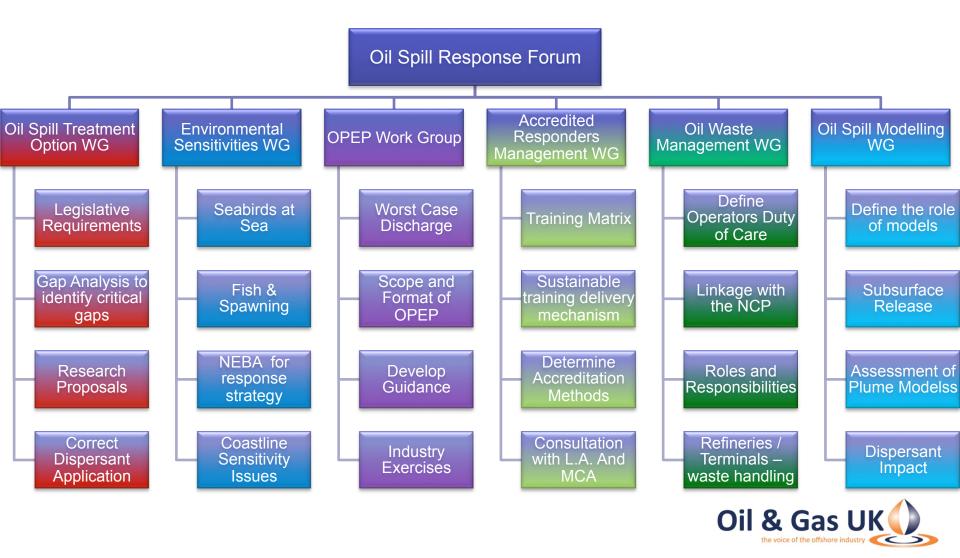
- Perception of risk
 - Worst case scenarios
 - Financial responsibility
- Public scrutiny
- Prevention and response capability strengthened
- Need to avoid complacency



Oil & Gas UK Well Life Cycle Practices Forum



Oil & Gas UK Oil Spill Response Forum



Review of UK Spill Response Strategy Conclusion

- The UK response strategy and capability is essentially robust and can respond effectively to offshore spills that are likely to be encountered. The response to a low probability, sustained release of oil can be enhanced by enabling a 'toolkit' of response techniques that can be applied, where conditions are favourable, to mitigate potential environmental and socio-economic impacts.
- As a result of OSPRAG's work, this oil spill toolkit has been substantially enhanced and gaps in knowledge and uncertainties, particularly the use of dispersants subsea and some elements of shoreline response, have been indentified and work to address these is underway.

