From:
 James Neave

 To:
 Jonathan Foster

 Cc:
 Nick Bainton

 Bcc:
 James Neave

Subject: Re: Outstanding conditions - BN/31/05

Date: 15/11/2010 11:05

Jonathan, Please see below.

Condition 3: I can confirm that the revised layout (as agreed by the non material amendment) is acceptable. **Condition compliant**. It is noted that the applicant intends to use a new temporary access during the temporary drilling programme. This access would constitute permitted development and thus is not subject to planning controls. However, the applicant should ensure that suitable signage is erected to warn of potential conflict between vehicles and users of the public right of way. Upon completion of drilling, the applicant is encouraged to close up the access and the area be reinstated to its former condition.

Condition 5: I can confirm that the drainage arrangements (including proposed amendments) is acceptable. **Condition discharged**.

Condition 7: The proposed revisions to the layout are in accordance with condition 7. Pollutant storage will be further controlled by the EA PPC Permit. **Condition compliant.**

Condition 8: I can confirm that the submitted rig details and temporary layout, are acceptable. **Condition discharged**.

Condition 9: This condition requires ongoing compliance with set noise limits. The County Planning Authority welcomes the intention to carry out compliance monitoring during the drilling programme (the noisiest activity) and looks forward to receiving the results of the survey. **Condition compliant**.

Condition 18: This condition requires ongoing compliance. Currently compliant.

Condition 20: Provided that the recommendations of the Written Scheme of Investigation are carried out in full (Archaeology South-East, dated July 2010), **condition discharged**.

I trust this is of assistance.

Regards,

James Neave

<u>James Neave</u> | Consultant Planner, County Development, <u>West Sussex County Council</u> | Location: 2nd Floor, Northleigh, County Hall, Chichester

Internal: 56864 | External: 01243 756864 | E-mail: james.neave@westsussex.gov.uk

Think sustainably. Do you have to print? Can you double side? Do you need colour?

▼ "Jonathan Foster" < jonathanfoster@moorhousepetroleum.co.uk>

"Jonathan Foster" <jonathanfoster@moorhousepetroleum.co.uk>

To James.Neave@westsussex.gov.uk

cc Nick.Bainton@westsussex.gov.uk

Subject Re: Non-Material Amendment -

BN/31/05/NMA1

James,

Appreciate this. Thanks.

I assume the outstanding conditions can now be discharged?

Kind regards,

Jonathan Foster HSE & Planning Manager



"This email is from Moorhouse Petroleum Limited and its contents are confidential. It is intended solely for the use of the named recipient(s). If you receive this email in error, please notify the sender. Any views or opinions expressed in this email are those of the author and not necessarily of Moorhouse Petroleum Limited."

Moorhouse Petroleum Limited

Registered Office: 42-44 North Street, Keighley, West Yorkshire BD21 3SE.

Registered Number 2967598.

On Nov 11, 2010 15:08 James.Neave@westsussex.gov.uk wrote:

Please find attached report and decision.

Regards,

James Neave

James Neave | Consultant Planner, County Development, West Sussex County Council | Location: 2nd

Floor, Northleigh, County Hall, Chichester

Internal: 56864 | External: 01243 756864 | E-mail: james.neave@westsussex.gov.uk

Think sustainably. Do you have to print? Can you double side? Do you need colour?

"Jonathan Foster" <jonathanfoster@moorhousepetroleum.co.uk> 26/10/2010 10:29

To James.Neave@westsussex.gov.uk

CC

Subject Re: Non-Material Amendment

James,

Please find attached a copy of the non-material amendment application in PDF.

Kind regards,

Jonathan.

Jonathan Foster HSE & Planning Manager



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Moorhouse Petroleum Limited

Registered Office: 42-44 North Street, Keighley, West

Yorkshire BD21 3SE.

Registered Number 2967598.

On Oct 25, 2010 14:05

James.Neave@westsussex.gov.uk wrote:

Jonathan,

I acknowledge receipt of your application for a non-material amendment today. Could you possibly supply in electronic format also (PDFs)?

Regards,

James

<u>James Neave</u> | Consultant Planner, County Development, <u>West Sussex County Council</u> | Location: 2nd Floor, Northleigh, County Hall, Chichester

Internal: 77258 | External: 01243 777258 | E-mail: james.neave@westsussex.gov.uk



Save the environment - think before you print.

- -

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Case Officers Report for Non Material Amendment

Ref: BN/31/05 NMA1

Local Council: Arun District Council

Site Address:

Lidsey Well Site, Lidsey Road, Aldingbourne, West Sussex

Approved Application

BN/31/05 - Development and operation of a three wellhead and beam pump oil production facility plus ancillary works.

Non Material Amendment sought

Revised site layout required to accommodate the drilling of second production well at the site, including clarification of well locations.

Particulars of amendment

The resultant effects of the amendments will be minimal and are detailed below:

- Clarification of drilling programme/well locations
- Changes to final site layout (including new bund, drainage ditch, extended hardstanding, & second beam pump)

Amended documents

- Supporting Statement (dated October 2010)
- PSSL/KEY/L2/EL/002 (Proposed Elevation Lidsey 1 & Lidsey 2 Production Operations)
- PSSL/KEY/L2/PL/002 (Proposed Layout Lidsey 1 & Lidsey 2 Production Operation)
- PSSL/KEY/L2/EL/003 (Proposed Elevation Lidsey 1 & Lidsey 2 Production Operations)
- PSSL/KEY/L2/EL/004 (Proposed Elevation Lidsey 1 & Lidsey 2 Production Operations)

Notification

Is there anyone other than the applicant owns part/all of the land or has an Agricultural Holding over the land? YES / ${
m NO}$

If YES to the above, has the landowner(s)/Lessee been notified and given 14 days notice to respond? YES / $\frac{NO}{NA}$

Conclusion

The current planning approval BN/31/05 is not precise as to the extent of the approved development. The application particulars, which envisaged 1 new appraisal well and 1 new production well, contradict the description of development i.e. 'development and operation of a three wellhead and beam pump oil production facility.....'. In addition, the current approved plans do not accurately illustrate the final layout of wells on site.

The proposed amendment/clarification would result in two production wells; the existing Lidsey 1 well (that has been made into a production well); & the drilling of a second new production well (including the installation of an additional beam pump (nodding donkey)). This would require an eastwards extension of the existing area of hard standing with associated perimeter drainage ditch, a concreted area of approximately 1500m2 to accommodate the drilling rig, and a new grass seeded bund in the south east corner of the site approximately 25m (L) x 3m (W) x 2m (H) which will be created from excavated material.

The key material issues relate to vehicle movements, and noise arising from the temporary drilling operations as well as potential visual/environmental impacts.

To date the applicant has only part implemented the approved proposals by converting an existing exploration well into a production well (Lidsey 1). No drilling has been undertaken. The approved application always envisaged a temporary period of drilling and associated material impacts (e.g. vehicle movements/noise associated with drilling rig), accordingly, the amended drilling arrangements would not give rise to different impacts to that approved.

Upon completion drilling operations, the only discernable changes to that approved would be minor changes to the physical layout of the site (additional hard standing, new bund, and additional pump beam). No perimeter planting will be detrimentally affected as a result of the amended proposals. West Sussex Fire and Rescue Service is satisfied that acceptable turning arrangements will remain available on site. All conditions relating to BR/31/05 will continue to apply.

In the context of the wider oilfield site, and taking into account the limited views of the site, the proposed amendments are not considered to give rise to different material impacts. Accordingly, they are considered to constitute a non material amendment to the previously approved scheme.

With regard to the proposed temporary access to serve the drilling operation, this is considered Permitted Development by virtue Part 2 of Schedule 2 of the General Permitted Development Order (Minor Operations). Accordingly, there is no means of planning control over this aspect of the proposals.

Decision- Grant Approval for Non-Material Amendment

Section 96A

The application is considered to be a non material amendment pursuant to s96A of the Town and Country Planning Act 1990.

Note: This decision below only relates to the non material amendment as described in this report. This is <u>not</u> a reissue of the original planning permission (BN/31/05), which still stands. The Decision contained in this report and the Decision Notice of the original planning permission should be read together.

Date of Report: 11 th November 2010	Case Officer Name: James Neave	
	Case Officers Signature	



KEY PETROLEUM WEALD BASIN LIMITED

APPLICATION FOR A NON-MATERIAL AMENDMENT

AT

LIDSEY 1 OIL PRODUCTION WELLSITE LIDSEY ROAD ALDINGBOURNE WEST SUSSEX

PLANNING DECISION: BN/31/05

APPLICATION &
SUPPORTING STATEMENT

Moorhouse Petroleum Limited
October 2010

Moorhouse Petroleum Limited
Moor House
Bessingby Way
Bessingby Ind Est
Bridlington
YO16 4SJ



Application for a non-material amendment following a grant of planning permission. Town and Country Planning Act 1990

Publication of applications on planning authority websites

Please note that the information provided on this application form and in supporting documents may be published on the Authority's website. If you require any further clarification, please contact the Authority's planning department.

Please complete using block capitals and black ink.

It is important that you read the accompanying guidance notes as incorrect completion will delay the processing of your application.

2. Agent Name and Address

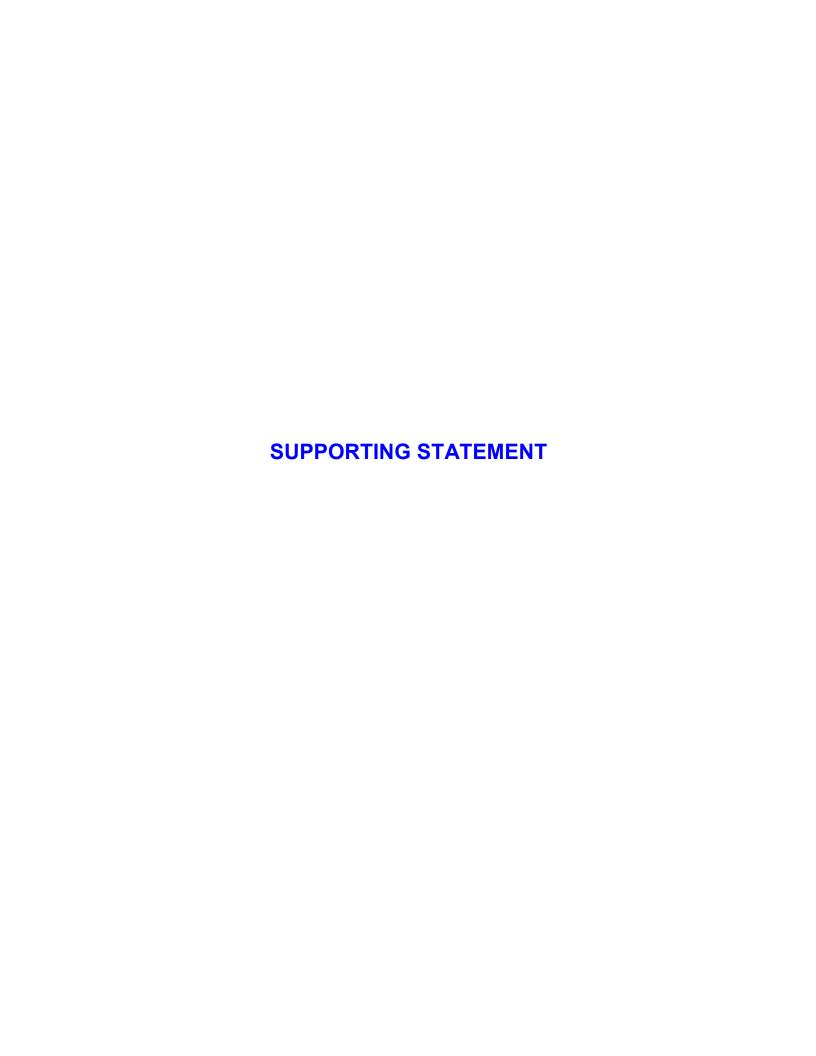
1. Applic	ant Name and Address
Title:	First name:
Last name:	
Company (optional):	Key Petroleum Weald Basin Limited
Unit:	House House suffix:
House name:	
Address 1:	Level 1
Address 2:	14 Outram Street
Address 3:	
Town:	West Perth
County:	Western Australia 6005
Country:	Australia
Postcode:	

Title:	Mr	First name:	Jonathan	
Läst name:	Foster			
Company (optional):	Moorhouse Petroleum Limited			
Unit:		House number:	House suffix:	
House name:	Moor I	House		
Address 1:	Bessir	igby Way		
Address 2:	Bessingby Way Industrial Estate			
Address 3:	T			
Town:	Bridlin	gton		
County:	East R	Riding of Yorks	hire	
Country:	Englar	nd		
Postcode:	YO16	4SJ		

Car Later Carlo	Idress Details ide the full postal address of	the application site.	4. Pre-application Advice Has assistance or prior advice been sought	from the local	
Unit	House number:	House suffix:	authority about this application?	X Yes No	
House name:			If Yes, please complete the following inform you were given. (This will help the authority		
Address 1:	Lidsey Well Site		application more efficiently). Please tick if the full contact details are not		
Address 2:	Lidsey Road		known, and then complete as much as poss	sible:	
Address 3:			Officer name: James Neave		
Town:	Aldingbourne		Reference:		
County:	West Sussex				
Postcode (optional): Description	of location or a grid referen	ce,	Date of advice (DD/MM/YYYY):		
4	mpleted if postcode is not k	The second second	Details of pre-application advice received:		
Easting: 2		hing: 103387.69	Meeting held with Planning Office of information reserved by planni Subsequent correspondence received.	ng condition.	
Oil Prod	duction Well Site		non-material amendment applica		
If you are no	ot the sole owner, has notifice The answered No to this answered Yes to this question Person Notified	ation under article 9 of the question, you cannot n, please give details of pe	ot apply to make a non-material amen	Not Applicable	
	~	,		,	
5					
•	4	•	• •	, • 1	
6. Autho	rity Employee / Memb	er			
	ct to the Authority, I am:	D	o any of these statements apply to you?		
(c) related	per of staff ted member to a member of staff to an elected member	Ī	Yes No		
If yes pleas	se provide details of the nam	e, relationship and role			

7. Description Of Your Proposal Please provide a description of the approved development as shown on the decidate of decision in the sections below. Please also provide the original application	
Development and operation of a three wellhead and beam pun at the Lidsey Oil Exploration Site at Lidsey, Near Bognor Regis Aldingbourne, West Sussex.	
Reference number:	Date of decision (DD/MM/YYYY):
BN/31/05	17/02/2006
What was the original application type?: (e.g. 'Full', 'Householder and Listed Building', 'Outline') Full Planning Perr	mission
For the purpose of calculating fees, which of the following best describes the original Householder development: development to an existing dwelling-house or development.	
Other: anything not covered by the above category	
Approval of plans for the proposed site layout required to according the site, previously approved under Decision Notice: BN/enlarged concrete drilling pad and new soil bund.	
Are you intending to substitute amended plans or drawings? If Yes, please complete the following:	X Yes No
Old plan/drawing number(s): Figure 1, Figure 2, Figure 3, Figure 4, Figure 5, Figure 6, Figure	re 7 Figure 8
	7, Figure 0
New plan/drawing number(s): PSSL/KEY/L1/EL/001, PSSL/KEY/L2/EL/001, PSSL/KEY/L2/EL/002	
PSSL/KEY/L2/PL/002, PSSL/KEY/L2/EL/003, PSSL/KEY/L2/EL/004	
Please state why you wish to make this amendment:	

Please read the information req		you have sent all the		oport of your proposal. Failure to ecepted until all information requ	
The original and	d 3 copies of a completed and da	ated application form:	X		
The original and necessary to de	d 3 copies of other plans and dra scribe the subject of the applica	wings or information tion:	Z.		
The correct fee:					
10. Declarat I/we hereby app information. Signed - Applie	ply for planning permission/con	or signed - Agent:	nis form and the acc	Date (DD/MM/YYYY) 22/10/2010	
11. Applicar	nt Contact Details		12. Agent Co	ontact Details	
Telephone num	nbers	F	Telephone num	bers	F
Country code:	National number:	Extension number:	Country code:	National number:	Extension number:
+61	(08) 9327 3500		+44	(0)1262 608731	
Country code:	Mobile number (optional):		Country code:	Mobile number (optional):	
			+44	(0)7738 857555	
Country code:	Fax number (optional):		Country code:	Fax number (optional):	
Email address (optional):		Email address (c	pptional):	
				ster@moorhousepetroleur	m.co.uk
If the planning	t seen from a public road, public t authority needs to make an app whom should they contact? (Plea	ointment to carry	r other public land?	☐ Applicant ☐ Other (i	if different from the applicant's details)
	en selected, please provide:		Telephone numl	ber:	



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1. INTRODUCTION

Key Petroleum Weald Basin Limited (KPWB) is a wholly owned subsidiary of Key Petroleum Limited (Key Petroleum). The United Kingdom production and development operations are directed from the Operator's head office in West Perth, Western Australia with a number of full time employees based on site overseeing the day to day production operations.

KPWB's principle operation is to continue exploitation of petroleum from the Lidsey and Brockham oil fields within Petroleum Exploration and Development Licences (PEDL) 241 and 235 respectively and further enhance petroleum production by drilling additional production boreholes into the oil fields.

Key Petroleum is an experienced international oil and gas field operator, with operations in Italy, Tanzania, Suriname and, most recently, operator of the Lidsey and Brockham oil fields since its acquisition of Midmar Energy Onshore Limited (MEOL) in September 2009.

2. LIDSEY 1 WELLSITE HISTORY

The Lidsey 1 exploration wellsite was constructed by Carless Exploration PLC ('Carless') in 1986 in preparation for the drilling of Lidsey 1 exploration borehole in 1987. Tests carried out immediately following drilling proved the existence of petroleum (oil). Carless carried out subsequent testing in 1987 and 1989. More recently, Edinburgh Oil & Gas carried out a 90 day extended well test in 2000, which produced 4721 barrels of oil. On completion of the extended well test the well was shut in.

Midmar Energy Onshore Limited ('MEOL') became operator of the Lidsey field in 2001, during which time increasing its equity share to 100% in 2005 following the purchases of equity shares from previous equity partners Star Energy and Noble Energy. MEOL commenced production of oil at the Lidsey 1 Wellsite in 2008 following the construction of new production facilities and continued to produce petroleum until it's acquisition by Key Petroleum in September 2009.

KPWB continues to produce oil and plans to further develop the field with the drilling of an additional production borehole, Lidsey 2.

3. TOWN AND COUNTRY PLANNING PERMISSION HISTORY

A planning application for permission to develop the existing Lidsey production facility, which included the drilling and development of up to two additional production boreholes from within the existing site area, was submitted by MEOL to West Sussex County Planning Authority (County Planning Authority') on 7th October 2005. The application was determined by the County Planning Authority in favour of the development and written confirmation of the decision notice BN/31/05 was issued to MEOL in writing on 17th February 2006.

In accordance with planning decision notice BN/31/05, a number of planning conditions required additional information to be submitted by MEOL for approval in writing by the County Planning Authority and subsequently approved prior MEOL commencing production operations from the Lidsey 1 well. Although planning permission exists under decision notice BN/31/05 for the drilling of a further two production boreholes, to date no additional wells have been drilled from the Lidsey 1 wellsite.

Key Petroleum acquired MEOL in September 2009, which included the Lidsey 1 wellsite and all statutory and non statutory permission associated therewith. Key Petroleum acquired the site with the intension of further developing the field with the drilling of an additional production borehole, Lidsey 2.

Planning decision notice BN/31/05 also included conditions associated with the drilling of additional wells permitted therein. These conditions required information to be submitted by KPWB for approval in writing by the County Planning Authority prior to commencing drilling operations. These conditions, an overview of which is included in Section 4, included proposed site layout, details of the rig and associated drilling equipment.

Following KPWB's submission of information for approval in writing by the County Planning Authority in July 2010 for the drilling of Lidsey 2 production borehole, the County Planning Authority confirmed that "the drilling of Lidsey 2 is likely to result in material matters/impacts consistent with that considered by BN/31/05. The resultant approved development would consist of two production wells; the existing Lidsey 1 well (that has now been made into a production well & the drilling of a second new production well) and regularise the development without the need for formal planning permission".

In addition, in order to ensure compliance with existing planning conditions and to ensure that all operations under the development are regularised, the County Planning Authority suggested KPWB submit an application for a non-material amendment to the previously approved plans to take account of the proposed concrete drilling pad and new soil storage bund, both of which are required in order to comply with the Pollution Prevention and Control (PPC) permit YP3232LL, issued and subsequently enforced by the Environment Agency (EA) in February 2007. Further clarification on the request for a non-material amendment is included in Section 5. Following KPWB's submission of information for approval in writing by the County Planning Authority in July 2010 for the drilling of Lidsey 2 production borehole, the County Planning Authority confirmed that "given the need for non-material amendments to be submitted. whilst the submitted information is sufficient for consideration compliance/accordance with conditions, I proposed to formally discharge conditions (where necessary) subsequent to the approval of a non-material amendment (provided it is considered acceptable)".

4. INFORMATION RESERVED BY PLANNING CONDITION

In accordance with planning decision notice BN/31/05, KPWB submitted the following information for approval in writing by the County Planning Authority in

support of the conditions associated with the drilling of an additional well (Lidsey 2) under the existing planning permission.

4.1 Condition 3 – Proposed Site Layout

In order to safely accommodate the proposed drilling rig and associated equipment during the drilling of the additional boreholes, KPWB proposes to extend the existing facility utilising the majority of the vacant 'Area 2', contained within the 1.7 hectare site, to construct a new drilling pad. The proposed extent of the new drilling pad was highlighted in red hatching in Appendix C of the submission.

The new drilling pad will incorporate two (2) new drilling cellar positions as detailed in Appendix B of the submission, together with an active working area immediately to the north and south of these cellars. The new drilling pad has been designed in accordance with the requirements set out in the EA PPC Permit Table 1 S1.4B Pre Operational Measures for Future Drilling.

In accordance with the EA PPC Permit the proposed new drilling pad surface area will be of concrete construction and constructed in such a way that the surface levels fall towards a northern and eastern perimeter containment ditches, which will be connected to the existing site drainage system. The Class 1 Interceptor will be locked in the closed position during future drilling operations to ensure that the sites perimeter drainage system is fully contained. Surface water collected in the perimeter drainage system will be reused in the drilling operation or removed from site by a licensed waste haulier and disposed of at an approved waste disposal site.

Depth and strength of the concrete to be used to construction of the new drilling pad will be based on a geotechnical assessment of the ground stability.

The two drilling cellars will be constructed approximately 6m apart (well centres) by excavating the existing stone surface and underlying subsoils using a 360° excavating machine to approximately 2.7m depth. A single 3m length of casings (circa 20 inch) will then be concreted vertically in the base of both drilling cellars. Once the concrete around the casing is set, the drilling cellar walls, consisting of 2.4 internal diameter Pre Cast Concrete (PCC) rings, will be installed and concreted at the base. Each ring will be bonded together until the proposed finished site level is achieved. The excavation will then be backfilled and compacted using the excavated material. A layer of needle punch non woven protection matting will then be laid down around the cellars to protect the liner from below.

The existing site stone will be scraped back to a depth sufficient to achieve the required depth of concrete to form the new drilling pad. The area will them be trimmed to level. The perimeter drainage ditch will then be excavated in accordance with Section 4.2 and then a HDPE liner will be laid across the site and fully weld to the existing site membrane. The liner will be protected above and below by a layer of needle punch non woven protection matting to protect the liner from the stone above.

In accordance with the EA PPC Permit Table S1.4B POC11, an existing site access at the southeast corner of the site will be utilised temporarily during the Lidsey 2 drilling operation. This access will be used for transfer of drilling fluid and drill cuttings of site to an approved waster disposal site and for the emergency services, in the event of an emergency requiring access to the eastern side of the drilling rig.

4.2 Condition 5 – Revision of Scheme for Provision of Water Drainage System

A scheme for the provision and implementation of a foul and surface water drainage system was submitted to and subsequently approved by the County Planning Authority prior to MEOL commencing production operations on site.

In accordance with the EA PPC Permit Table S1.4B POC 9, the existing western perimeter ditch is required to be extended along the northern boundary of the site along the northern boundary of proposed new drilling pad. The HDPE site membrane will run into this new extended containment ditch, constructed in such a way that the surface levels fall towards a northern perimeter containment ditch and flow towards the existing Class 1 Interceptor.

In addition to the construction of the northern perimeter containment ditch, the EA PPC Permit Table S1.4B POC 9 also required the construction of a containment ditch on the southern perimeter of the proposed new drilling pad. KPWB has carried out a review of constructing a containment ditch on the southern boundary of the proposed new drilling pad and has concluded that, due to the proposed layout of the drilling rig, a perimeter containment ditch on the eastern boundary of the proposed new drilling pad provides greater environmental protection.

Materials excavated to extend the perimeter ditch will be used for the construction of a Berm along the southern perimeter of the proposed ne drilling pad. The new Berm will have an impervious concrete surface along its lower edge (600mm deep minimum).

The proposed extent of the new perimeter containment ditch was highlighted in blue in Appendix C of the submission.

4.3 Condition 7 – Potential Drilling Pollutants

All drilling fluid storage tanks, fluid pumps and flowlines will be contained within the concreted surface of the proposed new drilling pad in accordance with the EA PPC Permit Table S1.4B requirements.

4.4 Condition 8 – Drilling Rig and Associated Equipment

The drilling rig which is being proposed to drill the Lidsey 2 well is the British Drilling and Freezing (BDF) Rig 28, which is conventional doubles rig and is one of the smallest such drilling units available onshore UK capable of achieving the required depth of well.

The total lorry movement for both the mobilisation and subsequent demobilisation of BDF Rig 28 to and from site is expected to be as follows:

1 load
1 load
1 load
2 loads
2 loads
1 load
2 loads

Total Loads 15 loads

Additional equipment will be mobilised to site, which will include casing, cementing equipment and accommodation units totalling a further 16 lorry movements.

Throughout the proposed drilling operation, including rig mobilisation and demobilisation, all vehicle movement both to and from the site will strictly adhere to the previously agreed access route.

The proposed site layout during the Lidsey 2 drilling operation was included in Appendix D of the submission. Photographs of the BDF Rig 28 was included as Appendix E of the submission.

4.5 Condition 9 – Noise Monitoring Scheme

Although not a requirement of Condition 9 of the planning decision notice BN/31/05, KPWB is proposing to carry out a programme of noise monitoring to ensure compliance with permitted noise levels of 35dB(A) LAeq/1 hr at all times throughout any stage of the development.

A copy of the proposed noise monitoring programme was included in Appendix F of the submission.

4.6 Condition 11 – Flaring or Venting

No flaring and/or venting is planned during the Lidsey 2 drilling and completion operation.

4.7 Condition 18 – Vehicle Cleaning

The proposed new drilling pad will incorporate a dedicated wheel washing area. The wheel washing pad will be of concrete construction and constructed such

that the water used to clean the wheels of vehicles will flow into an independent drain sump and transferred to a storage tank on site for subsequent removal by a licensed haulier and disposed of at a licensed waste disposal site, previously approved by KPWB.

4.8 Condition 20 – Archaeology

In accordance with Condition 20 of the planning decision notice BN/31/05, KPWB has consulted the County Archaeologist and, in addition to the archaeological scheme agreed between the previous operator MEOL, KPWB will obtain the services of an experienced geoarchaeologist who specialises in evaluations of the Sussex coastal plain raised beach deposits to be present during the excavation of the subsoil for the construction of the drilling cellars by way of a watching brief. The specialist archaeologist and the method of watching brief shall be approved by the County Archaeologist prior to the excavation taking place.

A copy of the proposed scheme of archaeological investigation was included as Appendix G in the submission.

4.9 Additional Information Included in the Submission

Additional information included in the submission of information for approval in writing by the County Planning Authority included during of works for site construction and drilling, confirmation of written notification of commencement to the County Planning Authority, Pollution Prevention & Control and heath and safety.

5. APPLICATION FOR NON-MATERIAL AMENDMENT

In order to ensure compliance with existing planning conditions and to ensure that all operations under the development are regularised, the County Planning Authority suggested KPWB submit an application for a non-material amendment to the previously approved plans to take account of the proposed concrete drilling pad and new soil storage bund, both of which are required in order to comply with PPC permit YP3232LL, issued and subsequently enforced by the EA.

The County Planning Authority recommended that the an application for a non-material amendment be submitted together with a supported statement (this document) making reference to the submission of information reserved by planning condition, submitted to the County Planning Authority in July 2010 and an explanation as to why the non-material amendment is being requested.

5.1 Justification for a Non-Material Amendment

A planning application for permission to develop the existing Lidsey production facility, which included the drilling and development of up to two additional production boreholes from within the existing site area, was submitted by MEOL to West Sussex County Planning Authority (County Planning Authority') on 7th

October 2005. The application set out the proposal for necessary modification to the site in order to facilitate the production of petroleum (oil).

Since the application was submitted in October 2005, PPC permit YP3232LL has been issued in which it sets out measures to be taken to prevent pollution during the various stages of the development.

The initial stage of the development consisted of changing the Lidsey 1 exploration borehole into an oil producing borehole and the associated equipment (beam pumps, oil storage tanks etc.) required to facilitate such activity. Pre-operation measures required under the PPC permit were carried out under the existing planning permission, which included the construction of a concrete site surface with integrated drainage ditch to a Class 1 Interceptor, the construction of an oil tank storage bund and the drilling of groundwater monitoring boreholes.

The PPC permit also specifies pre-operational measures for future development (the drilling of addition production boreholes). In order to comply with the requirements of the PPC permit for future development, modifications to the site, which were anticipated but not fully understood at the time of submitting the planning application in October 2005, are required in order for the drilling rig to fit on to the site within a concrete site surface, which has an integrated drainage ditch connecting to the existing drainage ditch. In addition, soil excavated during the construction of the new drilling cellars is required to be stored on site. Its location, height and maintenance scheme was not detailed in the planning application.

Although the Minerals Planning Authority is of the opinion that the drilling of Lidsey 2 borehole is likely to result in material matters/impacts consistent with the planning permission BN/31/05, a non-material amendment application will ensure compliance with existing planning conditions and to ensure that all operations under the development are regularised.

5.2 Key Aspects in Consideration of a Non-Material Amendment

During discussions with the Minerals Planning Authority, key aspects in consideration of a non-material amendment were identified. These aspects relate to drainage proposals, tree retention and the provision of manoeuvring space for the fire and rescue vehicles (as detailed in condition 23 of the planning permission. A review of these key aspects has been carried out by KPWB and is detailed overleaf.

5.2.1 Drainage Proposal

In order to comply with the PPC permit YP3232LL a scheme for collection of surface water from the drilling pad is required.

As part of the initial stage of the development (changing the Lidsey 1 exploration borehole into an oil producing borehole) pre-operation measures required under

the PPC permit included the construction of a concrete site surface with integrated drainage ditch, which collected the surface water channelled the water to a Class 1 Interceptor and thereafter to a soak-away.

The proposed new drilling pad will also include an integrated drainage ditch. The intension is to connect the new drainage ditch to the existing drainage ditch and utilise the existing Class 1 Interceptor and soak-way. During future drilling operation, environmental procedures developed by KPWB requires the Class 1 Interceptor to be locked in the closed position to ensure the sites perimeter drainage system is fully contained. Surface water collected in the perimeter drainage system will be reused in the drilling operation or removed from site by a licensed waste haulier and disposed of at an approved waste disposal site.

5.2.2 Tree Retention

The Lidsey 1 wellsite is surrounded by trees and shrubs which form the sites planting scheme. Within the site there are a number of shrubs that have germinated and subsequently grown. An assessment of the existing trees and shrubs has been carried out on site by KPWB and we can confirm that no trees or shrubs that form the perimeter planning scheme will be detrimentally affected by the construction of the new drilling platform. It is expected, however, that some pruning of trees and shrubs that form the perimeter planting scheme will be necessary adjacent to the access gates on the southeast corner of the site.

A number of shrubs, which have germinated and subsequently grown within the site adjacent to the eastern and northern edge of the proposed new drilling pad will need to be removed.

5.2.3 Manoeuvring Space for Fire and Rescue Vehicles

In order to determine acceptable measures for the manoeuvring of Fire and Rescue vehicles on site in the unlikely event of an emergency situation arising on site during the Lidsey 2 drilling operation and subsequent production operations, KPWB requested a meeting at the Lidsey 1 wellsite with the West Sussex Fire and Rescue Service. During the meeting KPWB provided a detailed description of the proposed operations, in particular the equipment used and its likely impact on emergency access.

Although is was accepted that during the Lidsey 2 drilling operation access to the eastern perimeter of the site from the main site entrance is restricted, it was not inaccessible and emergency vehicles could obtain access via the existing access gates in the southeast corner of the site if necessary. It was agreed that primary access to the wellsite in the unlikely event of an emergency situation arising on site would be the main wellsite access gates located in the southwest corner of the site.

Access during subsequent production operations was also discussed and considered of no concern to the Fire and Rescue Service.

An email confirm that the fire safety precaution measures during the construction of the new well head and additional fire service access are acceptable to the West Sussex Fire and Rescue Service is included as Appendix B.

6. SITE CONSTRUCTION LAYOUT

Site construction works are explained in detail in Section 4 of this supporting statement. Proposed site layout drawings indicating the proposed layout of the site following construction, during drilling and during subsequent production are included in Appendix A.

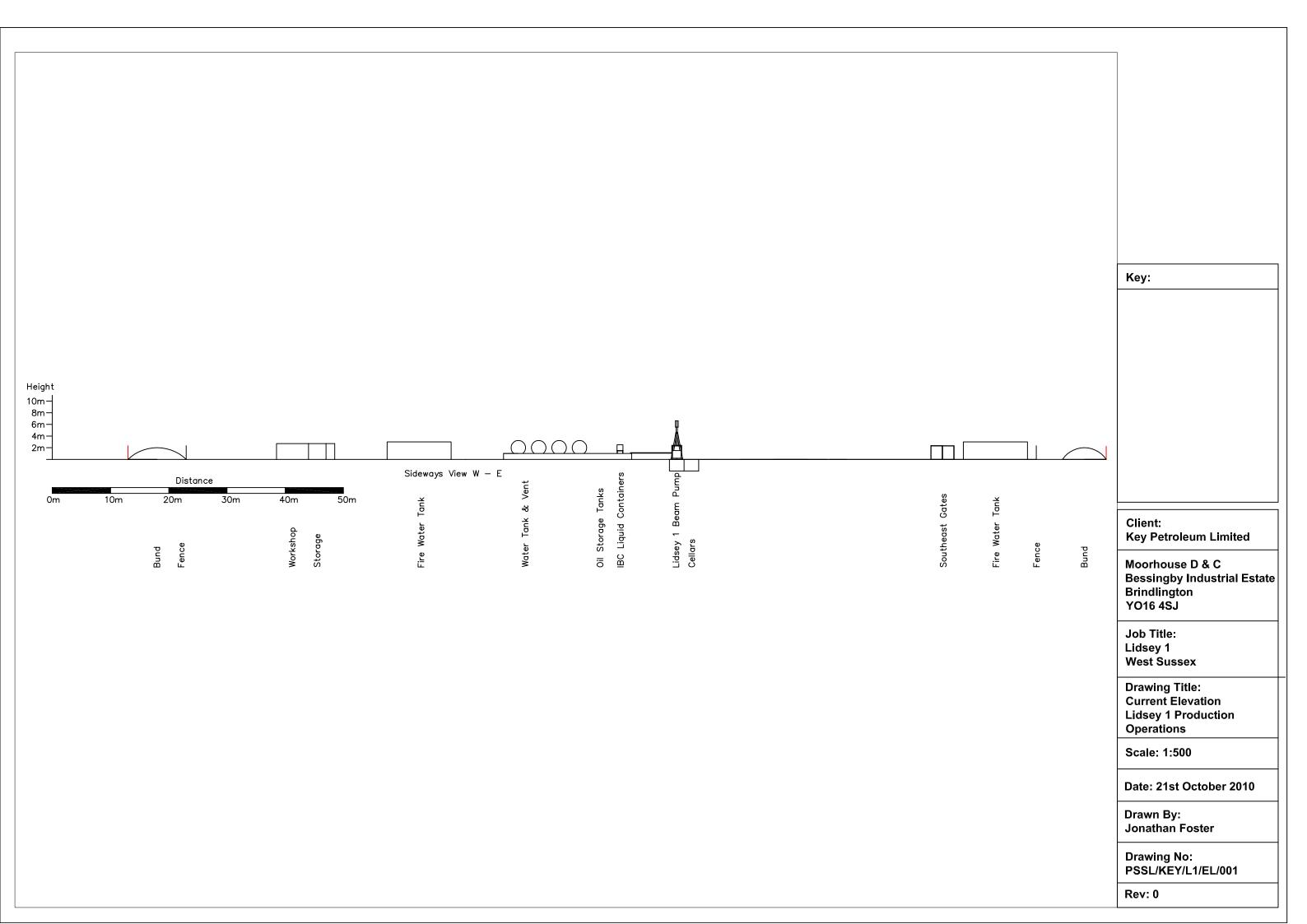
6.1 Location, Specification and Maintenance of the Bund

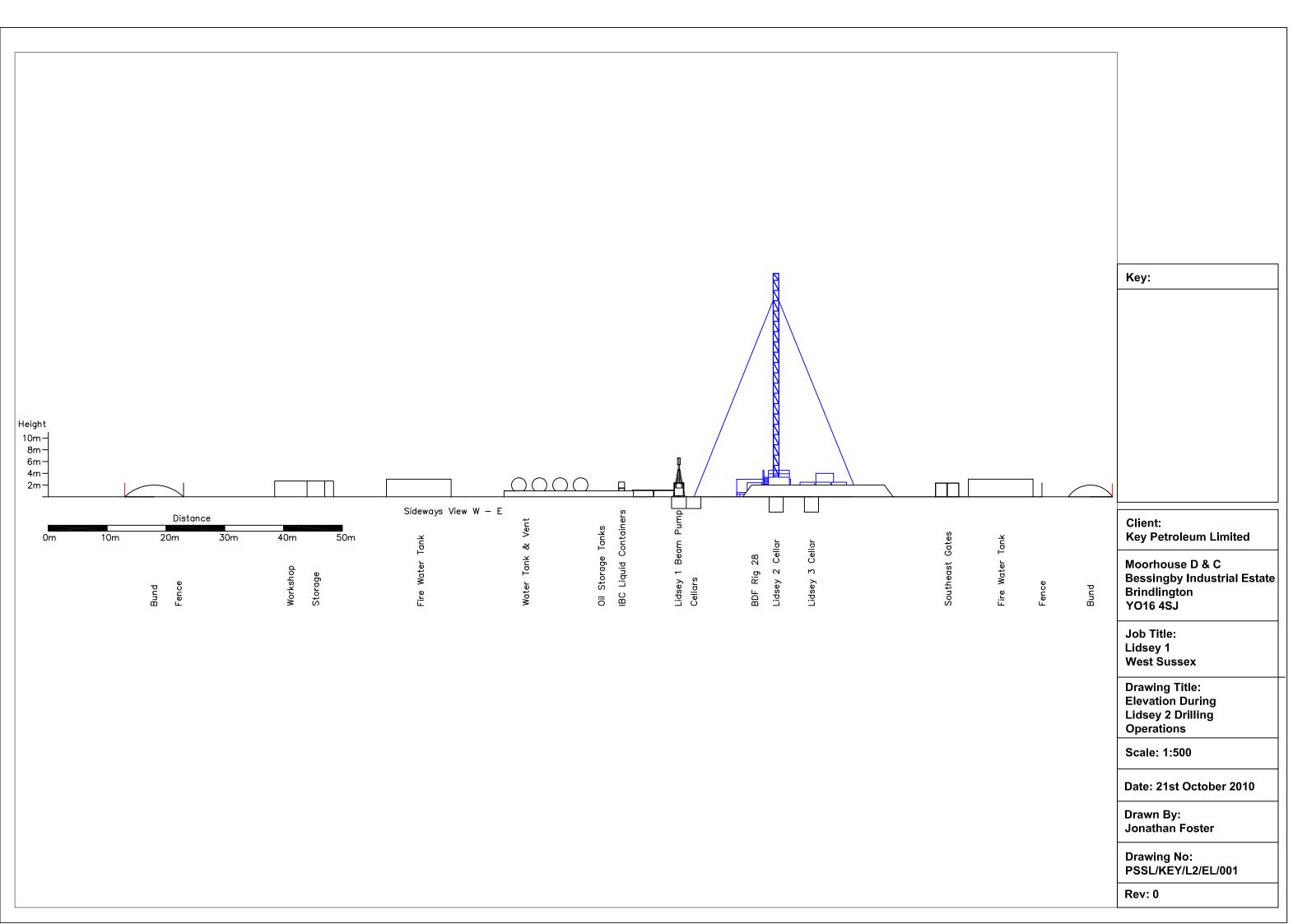
In addition the proposed concrete works, a new bund will be created from excavated soil during the construction of the drilling cellars. The proposed location of the bund is on the southern boundary of the new drilling pad and will be integrated into the new drilling pad by way of a concrete lip which will extend 600mm up the edge of the bund to form an impermeable concrete surface.

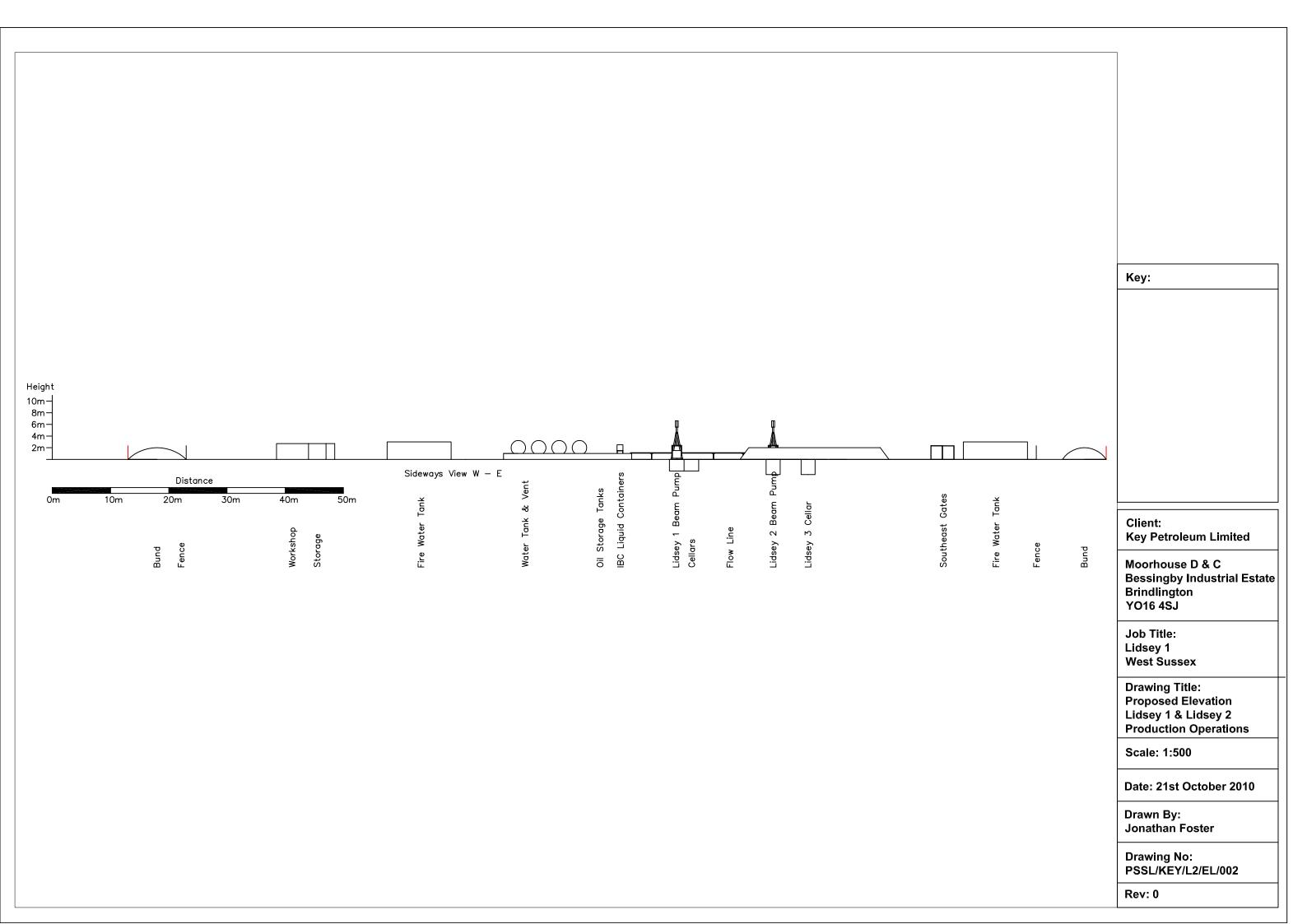
The anticipated height of the new bund will be 2m in height and approximately 25m in length.

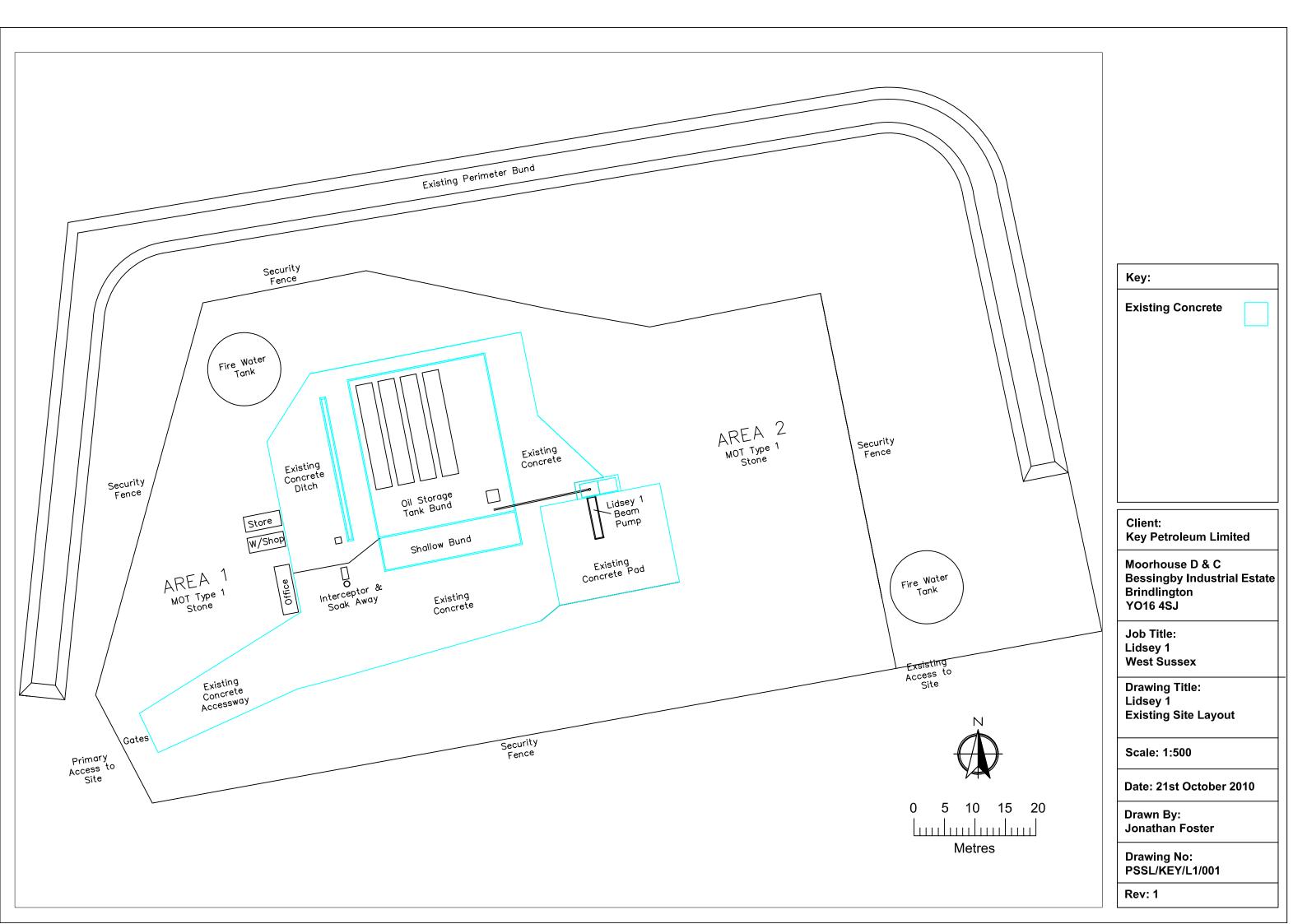
The bund will be seeded with grass to assist soil stability. Weed growth will be eliminated by the use of a non-persistent contact weed killer such as "Roundup".

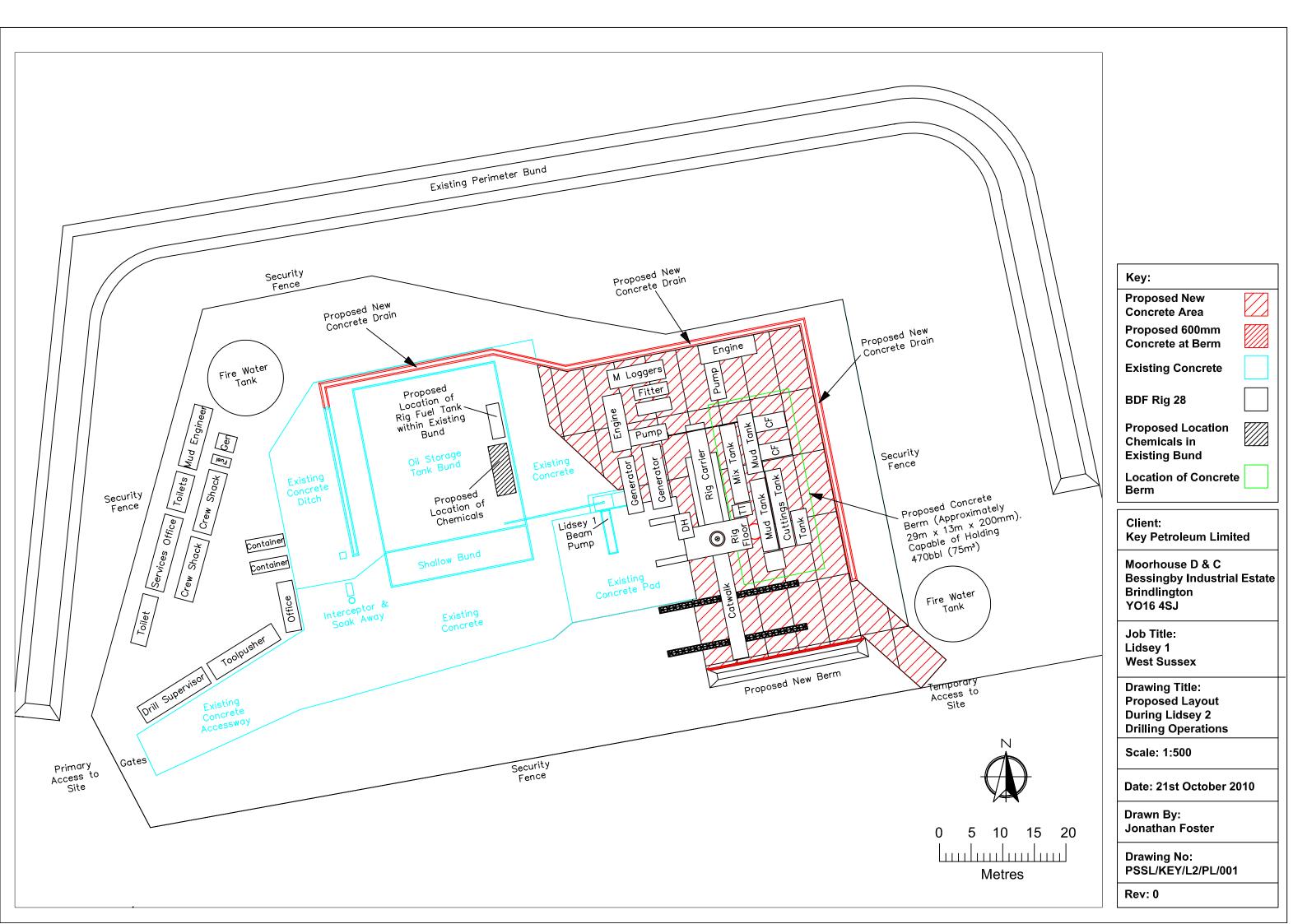
APPENDIX A AMENDED SITE PLANS



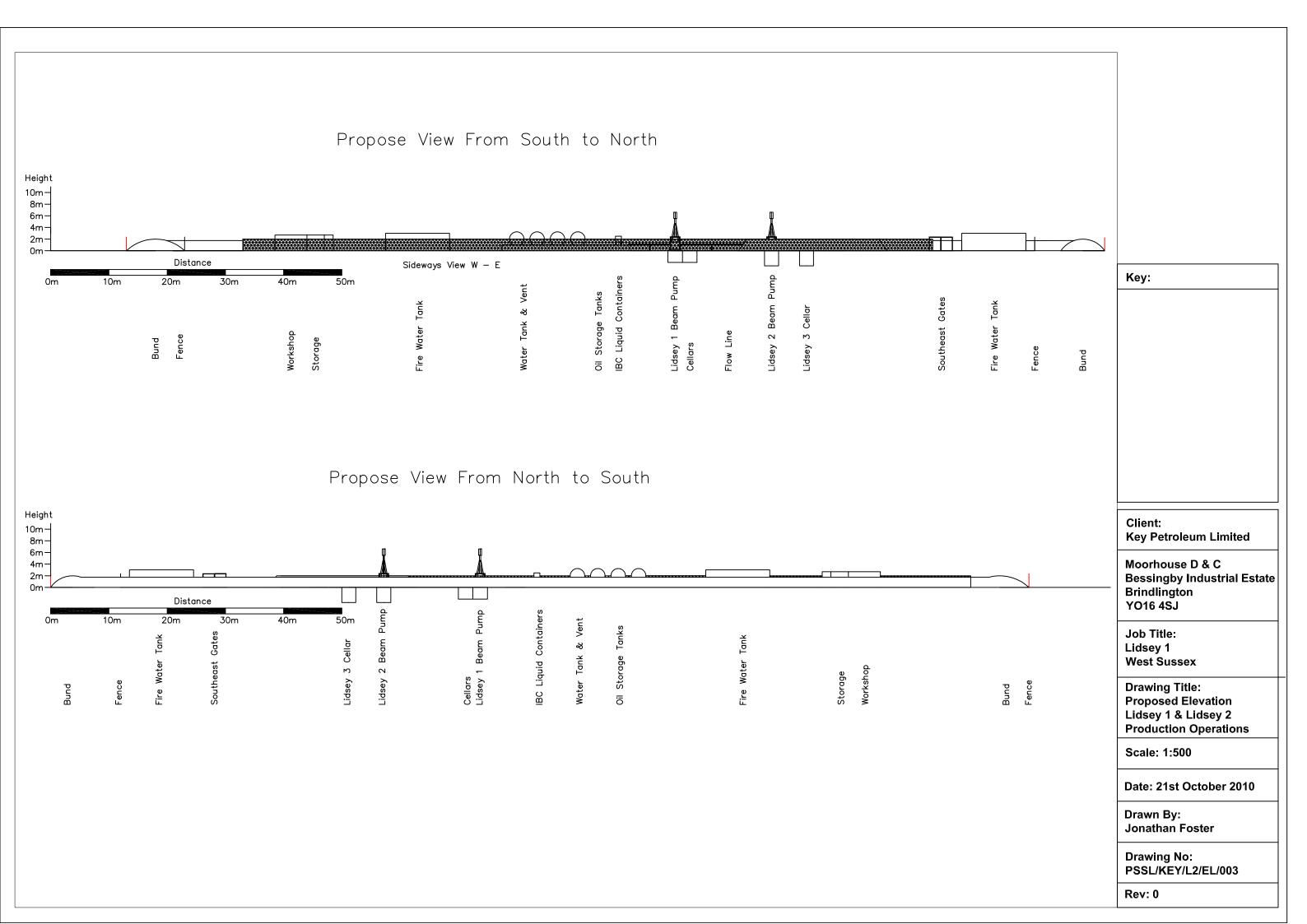


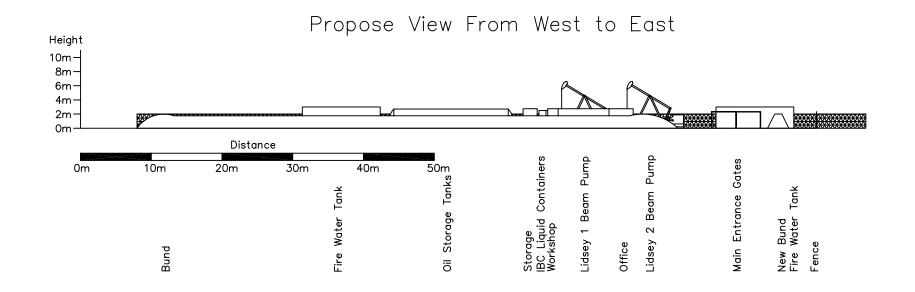


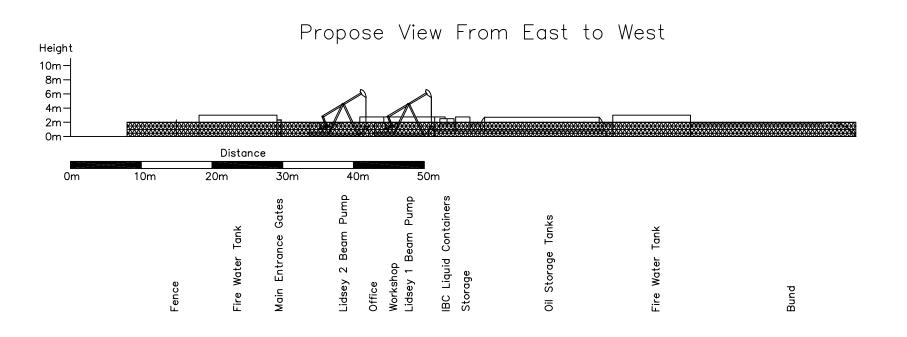












Key:

Client: Key Petroleum Limited

Moorhouse D & C
Bessingby Industrial Estate
Brindlington
YO16 4SJ

Job Title: Lidsey 1 West Sussex

Drawing Title:
Proposed Elevation
Lidsey 1 & Lidsey 2
Production Operations

Scale: 1:500

Date: 21st October 2010

Drawn By: Jonathan Foster

Drawing No: PSSL/KEY/L2/EL/004

Rev: 0

APPENDIX B

WEST SUSSEX FIRE & RESCUE SERVICE EMAIL CORRESPONDENCE

Edit as New View e-mail source View headers

From: <u>Duncan.Bennett@westsussex.gov.uk</u>
To: <u>jonathanfoster@moorhousepetroleum.co.uk</u>
Cc: <u>Gary.Mant-Smith@westsussex.gov.uk</u>
Date: Oct 7, 2010 16:58

Subject: Re: LIDSEY OIL EXPLORATION SITE C/3492

Good afternoon Jonathan,

Further to our site meeting today at the above premises regarding the fire safety precautionary measures during construction of the new well head and proposed additional Fire Service access, West Sussex Fire & Rescue Service consider the proposals to be acceptable.

As discussed, you are requested to notify Arun District Office prior to commencement of the second well head.

Should you have any additional queries, please do not hesitate to contact the undersigned.

Regards,

Duncan

Duncan Bennett | Fire Safety Officer, West Sussex Fire & Rescue Service , West Sussex County Council
Location: Arun District Fire Safety Office, West Sussex Fire & Rescue Service, Bognor Regis Fire Station, West Meads Dr
Bognor Regis, West Sussex, PO21 5TB

Internal: 52534 | External: +44 (0) 1243 837785 | E-mail: duncan.bennett@westsussex.gov.uk



KEY PETROLEUM WEALD BASIN LIMITED

APPLICATION FOR A NON-MATERIAL AMENDMENT

AT

LIDSEY 1 OIL PRODUCTION WELLSITE LIDSEY ROAD ALDINGBOURNE WEST SUSSEX

PLANNING DECISION: BN/31/05

APPLICATION &
SUPPORTING STATEMENT

Moorhouse Petroleum Limited October 2010

Moorhouse Petroleum Limited
Moor House
Bessingby Way
Bessingby Ind Est
Bridlington
YO16 4SJ



Application for a non-material amendment following a grant of planning permission. Town and Country Planning Act 1990

Publication of applications on planning authority websites

Please note that the information provided on this application form and in supporting documents may be published on the Authority's website. If you require any further clarification, please contact the Authority's planning department.

Please complete using block capitals and black ink.

It is important that you read the accompanying guidance notes as incorrect completion will delay the processing of your application.

2. Agent Name and Address

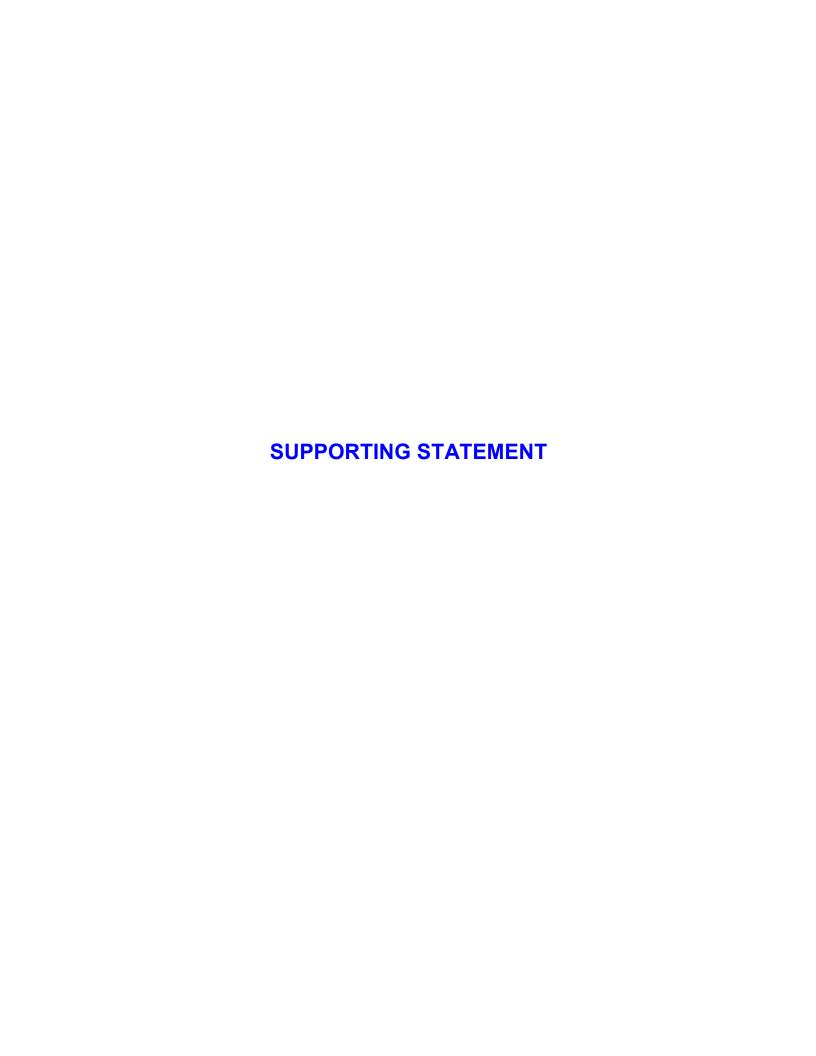
1. Applic	ant Name and Address
Title:	First name:
Last name:	
Company (optional):	Key Petroleum Weald Basin Limited
Unit:	House House suffix:
House name:	
Address 1:	Level 1
Address 2:	14 Outram Street
Address 3:	
Town:	West Perth
County:	Western Australia 6005
Country:	Australia
Postcode:	

Title:	Mr	First name:	Jonathan	
Läst name:	Foster			
Company (optional):	Moorhouse Petroleum Limited			
Unit:		House number:	House suffix:	
House name:	Moor I	House		
Address 1:	Bessir	igby Way		
Address 2:	Bessir	ngby Way Indu	strial Estate	
Address 3:	T			
Town:	Bridlin	gton		
County:	East R	Riding of Yorks	hire	
Country:	Englar	nd		
Postcode:	YO16	4SJ		

Car Later Carlo	Idress Details ide the full postal address of	the application site.	4. Pre-application Advice Has assistance or prior advice been sought	from the local	
Unit	House number:	House suffix:	authority about this application?	X Yes No	
House name:			If Yes, please complete the following inform you were given. (This will help the authority		
Address 1:	Lidsey Well Site		application more efficiently). Please tick if the full contact details are not		
Address 2:	Lidsey Road		known, and then complete as much as pos	sible:	
Address 3:			Officer name: James Neave		
Town:	Aldingbourne		Reference:		
County:	West Sussex				
Postcode (optional): Description	of location or a grid referen	ce,	Date of advice (DD/MM/YYYY):		
4	mpleted if postcode is not k	The second second	Details of pre-application advice received:		
Easting: 2		hing: 103387.69	Meeting held with Planning Office of information reserved by planni Subsequent correspondence rec	ng condition.	
Oil Prod	duction Well Site		non-material amendment applica		
If you are no	ot the sole owner, has notifice The answered No to this answered Yes to this question Person Notified	ation under article 9 of the question, you cannot n, please give details of pe	ot apply to make a non-material amen	Not Applicable	
	~	,		,	
5					
•	4	•	• 1	, • 1	
6. Autho	rity Employee / Memb	er			
	ct to the Authority, I am:	D	o any of these statements apply to you?		
(c) related	per of staff ted member to a member of staff to an elected member	Ī	Yes No		
If yes pleas	se provide details of the nam	e, relationship and role			
				7	

7. Description Of Your Proposal Please provide a description of the approved development as shown on the decidate of decision in the sections below. Please also provide the original application	
Development and operation of a three wellhead and beam pun at the Lidsey Oil Exploration Site at Lidsey, Near Bognor Regis Aldingbourne, West Sussex.	
Reference number:	Date of decision (DD/MM/YYYY):
BN/31/05	17/02/2006
What was the original application type?: (e.g. 'Full', 'Householder and Listed Building', 'Outline') Full Planning Perr	mission
For the purpose of calculating fees, which of the following best describes the original Householder development: development to an existing dwelling-house or development.	
Other: anything not covered by the above category	
Approval of plans for the proposed site layout required to acco from the site, previously approved under Decision Notice: BN/ enlarged concrete drilling pad and new soil bund.	
Are you intending to substitute amended plans or drawings? If Yes, please complete the following:	X Yes No
Old plan/drawing number(s): Figure 1, Figure 2, Figure 3, Figure 4, Figure 5, Figure 6, Figure	re 7 Figure 8
	7, Figure 0
New plan/drawing number(s): PSSL/KEY/L1/EL/001, PSSL/KEY/L2/EL/001, PSSL/KEY/L2/EL/002	
PSSL/KEY/L2/PL/002, PSSL/KEY/L2/EL/003, PSSL/KEY/L2/EL/004	
PSSL/KEY/L2/PL/002, PSSL/KEY/L2/EL/003, PSSL/KEY/L2/EL/004 Please state why you wish to make this amendment:	

Please read the information req		you have sent all the		oport of your proposal. Failure to ecepted until all information requ	
The original and	d 3 copies of a completed and da	ated application form:	X		
The original and necessary to de	d 3 copies of other plans and dra scribe the subject of the applica	wings or information tion:	⊠		
The correct fee:					
10. Declarat I/we hereby app information. Signed - Applie	ply for planning permission/con	or signed - Agent:	nis form and the acc	Date (DD/MM/YYYY) 22/10/2010	
11. Applicar	nt Contact Details		12. Agent Co	ontact Details	
Telephone num	nbers	F	Telephone num	bers	F
Country code:	National number:	Extension number:	Country code:	National number:	Extension number:
+61	(08) 9327 3500		+44	(0)1262 608731	
Country code:	Mobile number (optional):		Country code:	Mobile number (optional):	
			+44	(0)7738 857555	
Country code:	Fax number (optional):		Country code:	Fax number (optional):	
Email address (optional):		Email address (c	pptional):	
				ster@moorhousepetroleur	m.co.uk
If the planning	t seen from a public road, public t authority needs to make an app whom should they contact? (Plea	ointment to carry	r other public land?	☐ Applicant ☐ Other (i	if different from the applicant's details)
	en selected, please provide:		Telephone numl	ber:	



SUPPORTING STATEMENT CONTENTS

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1. INTRODUCTION

Key Petroleum Weald Basin Limited (KPWB) is a wholly owned subsidiary of Key Petroleum Limited (Key Petroleum). The United Kingdom production and development operations are directed from the Operator's head office in West Perth, Western Australia with a number of full time employees based on site overseeing the day to day production operations.

KPWB's principle operation is to continue exploitation of petroleum from the Lidsey and Brockham oil fields within Petroleum Exploration and Development Licences (PEDL) 241 and 235 respectively and further enhance petroleum production by drilling additional production boreholes into the oil fields.

Key Petroleum is an experienced international oil and gas field operator, with operations in Italy, Tanzania, Suriname and, most recently, operator of the Lidsey and Brockham oil fields since its acquisition of Midmar Energy Onshore Limited (MEOL) in September 2009.

2. LIDSEY 1 WELLSITE HISTORY

The Lidsey 1 exploration wellsite was constructed by Carless Exploration PLC ('Carless') in 1986 in preparation for the drilling of Lidsey 1 exploration borehole in 1987. Tests carried out immediately following drilling proved the existence of petroleum (oil). Carless carried out subsequent testing in 1987 and 1989. More recently, Edinburgh Oil & Gas carried out a 90 day extended well test in 2000, which produced 4721 barrels of oil. On completion of the extended well test the well was shut in.

Midmar Energy Onshore Limited ('MEOL') became operator of the Lidsey field in 2001, during which time increasing its equity share to 100% in 2005 following the purchases of equity shares from previous equity partners Star Energy and Noble Energy. MEOL commenced production of oil at the Lidsey 1 Wellsite in 2008 following the construction of new production facilities and continued to produce petroleum until it's acquisition by Key Petroleum in September 2009.

KPWB continues to produce oil and plans to further develop the field with the drilling of an additional production borehole, Lidsey 2.

3. TOWN AND COUNTRY PLANNING PERMISSION HISTORY

A planning application for permission to develop the existing Lidsey production facility, which included the drilling and development of up to two additional production boreholes from within the existing site area, was submitted by MEOL to West Sussex County Planning Authority (County Planning Authority') on 7th October 2005. The application was determined by the County Planning Authority in favour of the development and written confirmation of the decision notice BN/31/05 was issued to MEOL in writing on 17th February 2006.

In accordance with planning decision notice BN/31/05, a number of planning conditions required additional information to be submitted by MEOL for approval in writing by the County Planning Authority and subsequently approved prior MEOL commencing production operations from the Lidsey 1 well. Although planning permission exists under decision notice BN/31/05 for the drilling of a further two production boreholes, to date no additional wells have been drilled from the Lidsey 1 wellsite.

Key Petroleum acquired MEOL in September 2009, which included the Lidsey 1 wellsite and all statutory and non statutory permission associated therewith. Key Petroleum acquired the site with the intension of further developing the field with the drilling of an additional production borehole, Lidsey 2.

Planning decision notice BN/31/05 also included conditions associated with the drilling of additional wells permitted therein. These conditions required information to be submitted by KPWB for approval in writing by the County Planning Authority prior to commencing drilling operations. These conditions, an overview of which is included in Section 4, included proposed site layout, details of the rig and associated drilling equipment.

Following KPWB's submission of information for approval in writing by the County Planning Authority in July 2010 for the drilling of Lidsey 2 production borehole, the County Planning Authority confirmed that "the drilling of Lidsey 2 is likely to result in material matters/impacts consistent with that considered by BN/31/05. The resultant approved development would consist of two production wells; the existing Lidsey 1 well (that has now been made into a production well & the drilling of a second new production well) and regularise the development without the need for formal planning permission".

In addition, in order to ensure compliance with existing planning conditions and to ensure that all operations under the development are regularised, the County Planning Authority suggested KPWB submit an application for a non-material amendment to the previously approved plans to take account of the proposed concrete drilling pad and new soil storage bund, both of which are required in order to comply with the Pollution Prevention and Control (PPC) permit YP3232LL, issued and subsequently enforced by the Environment Agency (EA) in February 2007. Further clarification on the request for a non-material amendment is included in Section 5. Following KPWB's submission of information for approval in writing by the County Planning Authority in July 2010 for the drilling of Lidsey 2 production borehole, the County Planning Authority confirmed that "given the need for non-material amendments to be submitted. whilst the submitted information is sufficient for consideration compliance/accordance with conditions, I proposed to formally discharge conditions (where necessary) subsequent to the approval of a non-material amendment (provided it is considered acceptable)".

4. INFORMATION RESERVED BY PLANNING CONDITION

In accordance with planning decision notice BN/31/05, KPWB submitted the following information for approval in writing by the County Planning Authority in

support of the conditions associated with the drilling of an additional well (Lidsey 2) under the existing planning permission.

4.1 Condition 3 – Proposed Site Layout

In order to safely accommodate the proposed drilling rig and associated equipment during the drilling of the additional boreholes, KPWB proposes to extend the existing facility utilising the majority of the vacant 'Area 2', contained within the 1.7 hectare site, to construct a new drilling pad. The proposed extent of the new drilling pad was highlighted in red hatching in Appendix C of the submission.

The new drilling pad will incorporate two (2) new drilling cellar positions as detailed in Appendix B of the submission, together with an active working area immediately to the north and south of these cellars. The new drilling pad has been designed in accordance with the requirements set out in the EA PPC Permit Table 1 S1.4B Pre Operational Measures for Future Drilling.

In accordance with the EA PPC Permit the proposed new drilling pad surface area will be of concrete construction and constructed in such a way that the surface levels fall towards a northern and eastern perimeter containment ditches, which will be connected to the existing site drainage system. The Class 1 Interceptor will be locked in the closed position during future drilling operations to ensure that the sites perimeter drainage system is fully contained. Surface water collected in the perimeter drainage system will be reused in the drilling operation or removed from site by a licensed waste haulier and disposed of at an approved waste disposal site.

Depth and strength of the concrete to be used to construction of the new drilling pad will be based on a geotechnical assessment of the ground stability.

The two drilling cellars will be constructed approximately 6m apart (well centres) by excavating the existing stone surface and underlying subsoils using a 360° excavating machine to approximately 2.7m depth. A single 3m length of casings (circa 20 inch) will then be concreted vertically in the base of both drilling cellars. Once the concrete around the casing is set, the drilling cellar walls, consisting of 2.4 internal diameter Pre Cast Concrete (PCC) rings, will be installed and concreted at the base. Each ring will be bonded together until the proposed finished site level is achieved. The excavation will then be backfilled and compacted using the excavated material. A layer of needle punch non woven protection matting will then be laid down around the cellars to protect the liner from below.

The existing site stone will be scraped back to a depth sufficient to achieve the required depth of concrete to form the new drilling pad. The area will them be trimmed to level. The perimeter drainage ditch will then be excavated in accordance with Section 4.2 and then a HDPE liner will be laid across the site and fully weld to the existing site membrane. The liner will be protected above and below by a layer of needle punch non woven protection matting to protect the liner from the stone above.

In accordance with the EA PPC Permit Table S1.4B POC11, an existing site access at the southeast corner of the site will be utilised temporarily during the Lidsey 2 drilling operation. This access will be used for transfer of drilling fluid and drill cuttings of site to an approved waster disposal site and for the emergency services, in the event of an emergency requiring access to the eastern side of the drilling rig.

4.2 Condition 5 – Revision of Scheme for Provision of Water Drainage System

A scheme for the provision and implementation of a foul and surface water drainage system was submitted to and subsequently approved by the County Planning Authority prior to MEOL commencing production operations on site.

In accordance with the EA PPC Permit Table S1.4B POC 9, the existing western perimeter ditch is required to be extended along the northern boundary of the site along the northern boundary of proposed new drilling pad. The HDPE site membrane will run into this new extended containment ditch, constructed in such a way that the surface levels fall towards a northern perimeter containment ditch and flow towards the existing Class 1 Interceptor.

In addition to the construction of the northern perimeter containment ditch, the EA PPC Permit Table S1.4B POC 9 also required the construction of a containment ditch on the southern perimeter of the proposed new drilling pad. KPWB has carried out a review of constructing a containment ditch on the southern boundary of the proposed new drilling pad and has concluded that, due to the proposed layout of the drilling rig, a perimeter containment ditch on the eastern boundary of the proposed new drilling pad provides greater environmental protection.

Materials excavated to extend the perimeter ditch will be used for the construction of a Berm along the southern perimeter of the proposed ne drilling pad. The new Berm will have an impervious concrete surface along its lower edge (600mm deep minimum).

The proposed extent of the new perimeter containment ditch was highlighted in blue in Appendix C of the submission.

4.3 Condition 7 – Potential Drilling Pollutants

All drilling fluid storage tanks, fluid pumps and flowlines will be contained within the concreted surface of the proposed new drilling pad in accordance with the EA PPC Permit Table S1.4B requirements.

4.4 Condition 8 – Drilling Rig and Associated Equipment

The drilling rig which is being proposed to drill the Lidsey 2 well is the British Drilling and Freezing (BDF) Rig 28, which is conventional doubles rig and is one of the smallest such drilling units available onshore UK capable of achieving the required depth of well.

The total lorry movement for both the mobilisation and subsequent demobilisation of BDF Rig 28 to and from site is expected to be as follows:

1 load
1 load
1 load
2 loads
2 loads
1 load
2 loads

Total Loads 15 loads

Additional equipment will be mobilised to site, which will include casing, cementing equipment and accommodation units totalling a further 16 lorry movements.

Throughout the proposed drilling operation, including rig mobilisation and demobilisation, all vehicle movement both to and from the site will strictly adhere to the previously agreed access route.

The proposed site layout during the Lidsey 2 drilling operation was included in Appendix D of the submission. Photographs of the BDF Rig 28 was included as Appendix E of the submission.

4.5 Condition 9 – Noise Monitoring Scheme

Although not a requirement of Condition 9 of the planning decision notice BN/31/05, KPWB is proposing to carry out a programme of noise monitoring to ensure compliance with permitted noise levels of 35dB(A) LAeq/1 hr at all times throughout any stage of the development.

A copy of the proposed noise monitoring programme was included in Appendix F of the submission.

4.6 Condition 11 – Flaring or Venting

No flaring and/or venting is planned during the Lidsey 2 drilling and completion operation.

4.7 Condition 18 – Vehicle Cleaning

The proposed new drilling pad will incorporate a dedicated wheel washing area. The wheel washing pad will be of concrete construction and constructed such

that the water used to clean the wheels of vehicles will flow into an independent drain sump and transferred to a storage tank on site for subsequent removal by a licensed haulier and disposed of at a licensed waste disposal site, previously approved by KPWB.

4.8 Condition 20 – Archaeology

In accordance with Condition 20 of the planning decision notice BN/31/05, KPWB has consulted the County Archaeologist and, in addition to the archaeological scheme agreed between the previous operator MEOL, KPWB will obtain the services of an experienced geoarchaeologist who specialises in evaluations of the Sussex coastal plain raised beach deposits to be present during the excavation of the subsoil for the construction of the drilling cellars by way of a watching brief. The specialist archaeologist and the method of watching brief shall be approved by the County Archaeologist prior to the excavation taking place.

A copy of the proposed scheme of archaeological investigation was included as Appendix G in the submission.

4.9 Additional Information Included in the Submission

Additional information included in the submission of information for approval in writing by the County Planning Authority included during of works for site construction and drilling, confirmation of written notification of commencement to the County Planning Authority, Pollution Prevention & Control and heath and safety.

5. APPLICATION FOR NON-MATERIAL AMENDMENT

In order to ensure compliance with existing planning conditions and to ensure that all operations under the development are regularised, the County Planning Authority suggested KPWB submit an application for a non-material amendment to the previously approved plans to take account of the proposed concrete drilling pad and new soil storage bund, both of which are required in order to comply with PPC permit YP3232LL, issued and subsequently enforced by the EA.

The County Planning Authority recommended that the an application for a non-material amendment be submitted together with a supported statement (this document) making reference to the submission of information reserved by planning condition, submitted to the County Planning Authority in July 2010 and an explanation as to why the non-material amendment is being requested.

5.1 Justification for a Non-Material Amendment

A planning application for permission to develop the existing Lidsey production facility, which included the drilling and development of up to two additional production boreholes from within the existing site area, was submitted by MEOL to West Sussex County Planning Authority (County Planning Authority') on 7th

October 2005. The application set out the proposal for necessary modification to the site in order to facilitate the production of petroleum (oil).

Since the application was submitted in October 2005, PPC permit YP3232LL has been issued in which it sets out measures to be taken to prevent pollution during the various stages of the development.

The initial stage of the development consisted of changing the Lidsey 1 exploration borehole into an oil producing borehole and the associated equipment (beam pumps, oil storage tanks etc.) required to facilitate such activity. Pre-operation measures required under the PPC permit were carried out under the existing planning permission, which included the construction of a concrete site surface with integrated drainage ditch to a Class 1 Interceptor, the construction of an oil tank storage bund and the drilling of groundwater monitoring boreholes.

The PPC permit also specifies pre-operational measures for future development (the drilling of addition production boreholes). In order to comply with the requirements of the PPC permit for future development, modifications to the site, which were anticipated but not fully understood at the time of submitting the planning application in October 2005, are required in order for the drilling rig to fit on to the site within a concrete site surface, which has an integrated drainage ditch connecting to the existing drainage ditch. In addition, soil excavated during the construction of the new drilling cellars is required to be stored on site. Its location, height and maintenance scheme was not detailed in the planning application.

Although the Minerals Planning Authority is of the opinion that the drilling of Lidsey 2 borehole is likely to result in material matters/impacts consistent with the planning permission BN/31/05, a non-material amendment application will ensure compliance with existing planning conditions and to ensure that all operations under the development are regularised.

5.2 Key Aspects in Consideration of a Non-Material Amendment

During discussions with the Minerals Planning Authority, key aspects in consideration of a non-material amendment were identified. These aspects relate to drainage proposals, tree retention and the provision of manoeuvring space for the fire and rescue vehicles (as detailed in condition 23 of the planning permission. A review of these key aspects has been carried out by KPWB and is detailed overleaf.

5.2.1 Drainage Proposal

In order to comply with the PPC permit YP3232LL a scheme for collection of surface water from the drilling pad is required.

As part of the initial stage of the development (changing the Lidsey 1 exploration borehole into an oil producing borehole) pre-operation measures required under

the PPC permit included the construction of a concrete site surface with integrated drainage ditch, which collected the surface water channelled the water to a Class 1 Interceptor and thereafter to a soak-away.

The proposed new drilling pad will also include an integrated drainage ditch. The intension is to connect the new drainage ditch to the existing drainage ditch and utilise the existing Class 1 Interceptor and soak-way. During future drilling operation, environmental procedures developed by KPWB requires the Class 1 Interceptor to be locked in the closed position to ensure the sites perimeter drainage system is fully contained. Surface water collected in the perimeter drainage system will be reused in the drilling operation or removed from site by a licensed waste haulier and disposed of at an approved waste disposal site.

5.2.2 Tree Retention

The Lidsey 1 wellsite is surrounded by trees and shrubs which form the sites planting scheme. Within the site there are a number of shrubs that have germinated and subsequently grown. An assessment of the existing trees and shrubs has been carried out on site by KPWB and we can confirm that no trees or shrubs that form the perimeter planning scheme will be detrimentally affected by the construction of the new drilling platform. It is expected, however, that some pruning of trees and shrubs that form the perimeter planting scheme will be necessary adjacent to the access gates on the southeast corner of the site.

A number of shrubs, which have germinated and subsequently grown within the site adjacent to the eastern and northern edge of the proposed new drilling pad will need to be removed.

5.2.3 Manoeuvring Space for Fire and Rescue Vehicles

In order to determine acceptable measures for the manoeuvring of Fire and Rescue vehicles on site in the unlikely event of an emergency situation arising on site during the Lidsey 2 drilling operation and subsequent production operations, KPWB requested a meeting at the Lidsey 1 wellsite with the West Sussex Fire and Rescue Service. During the meeting KPWB provided a detailed description of the proposed operations, in particular the equipment used and its likely impact on emergency access.

Although is was accepted that during the Lidsey 2 drilling operation access to the eastern perimeter of the site from the main site entrance is restricted, it was not inaccessible and emergency vehicles could obtain access via the existing access gates in the southeast corner of the site if necessary. It was agreed that primary access to the wellsite in the unlikely event of an emergency situation arising on site would be the main wellsite access gates located in the southwest corner of the site.

Access during subsequent production operations was also discussed and considered of no concern to the Fire and Rescue Service.

An email confirm that the fire safety precaution measures during the construction of the new well head and additional fire service access are acceptable to the West Sussex Fire and Rescue Service is included as Appendix B.

6. SITE CONSTRUCTION LAYOUT

Site construction works are explained in detail in Section 4 of this supporting statement. Proposed site layout drawings indicating the proposed layout of the site following construction, during drilling and during subsequent production are included in Appendix A.

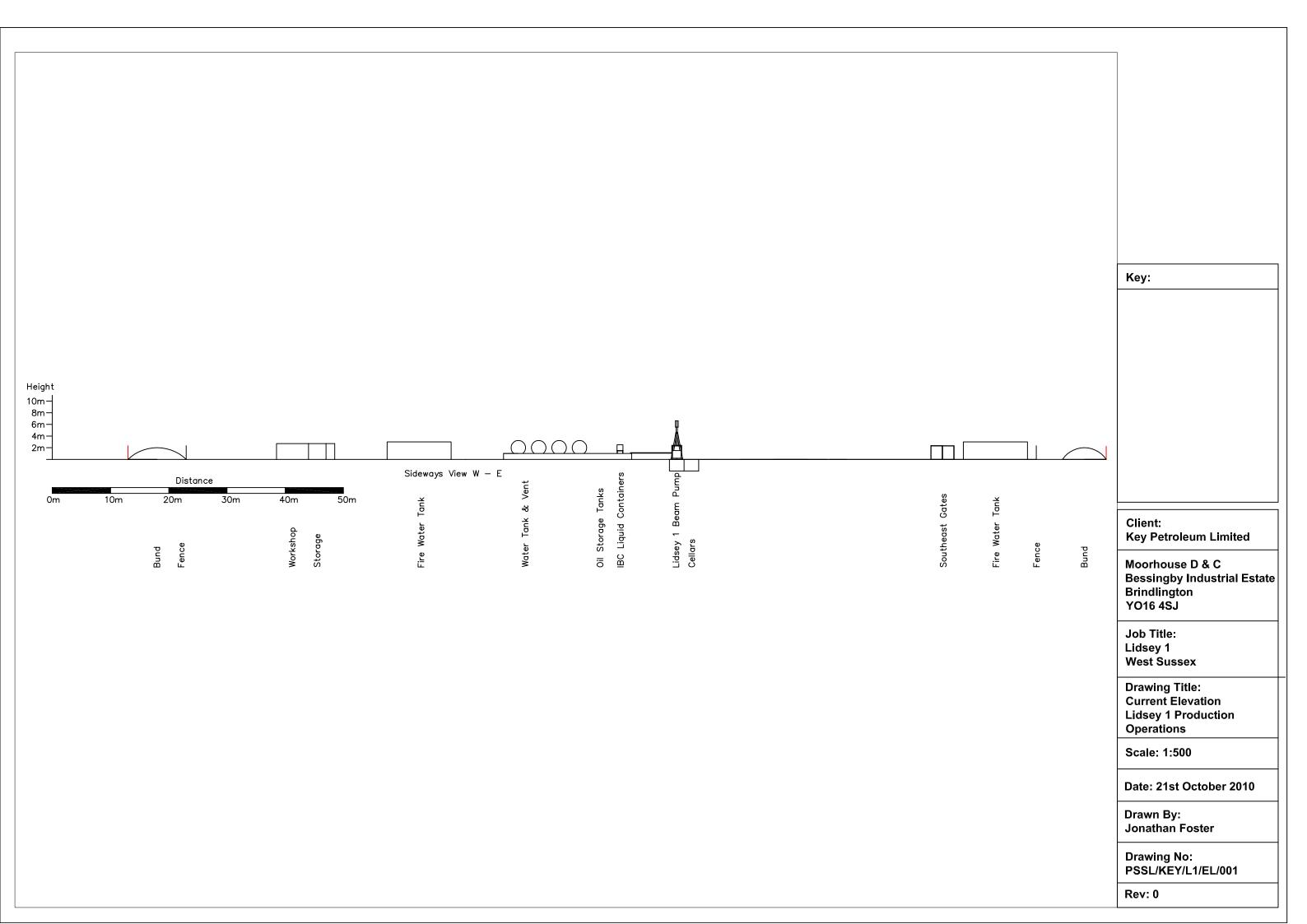
6.1 Location, Specification and Maintenance of the Bund

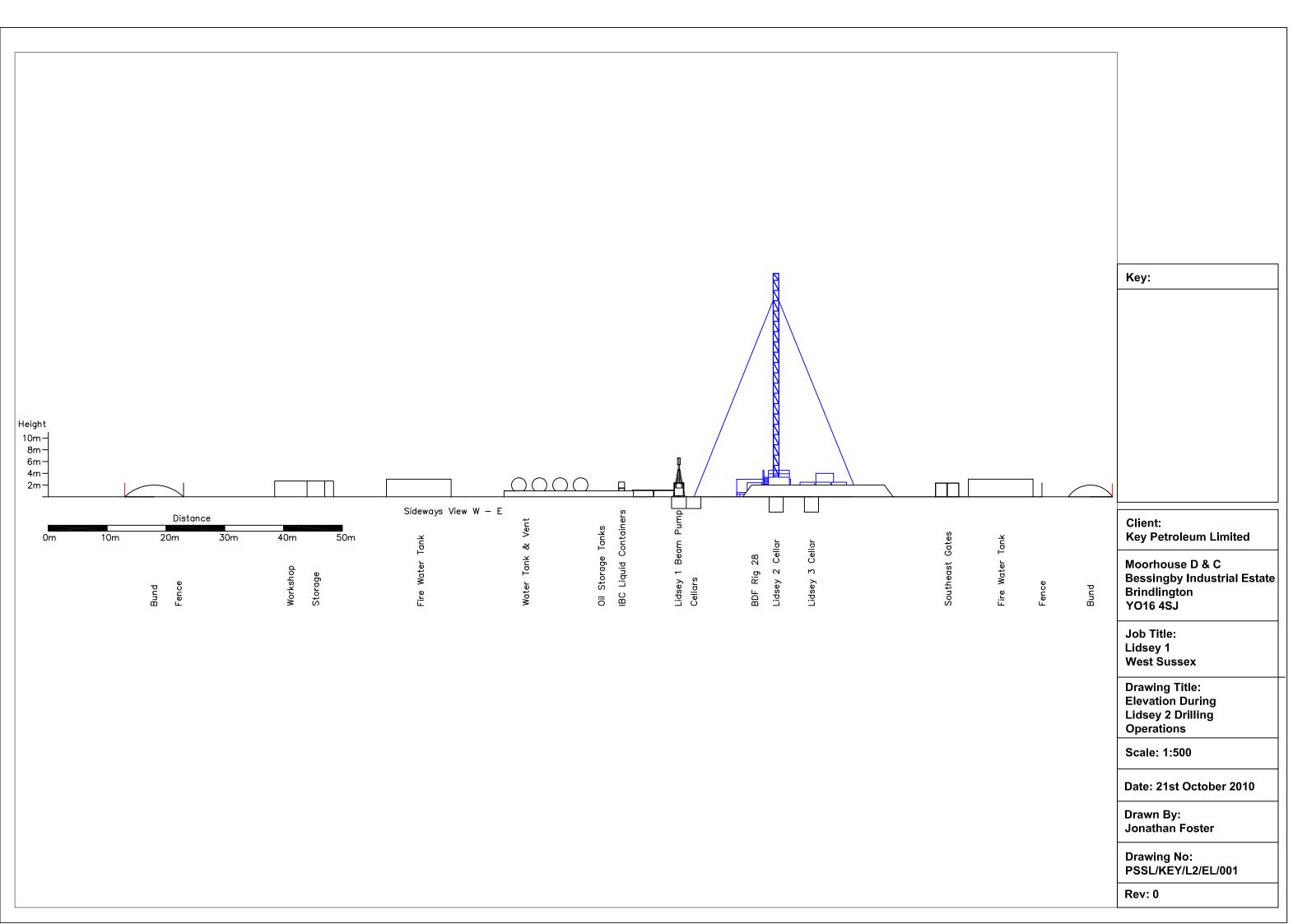
In addition the proposed concrete works, a new bund will be created from excavated soil during the construction of the drilling cellars. The proposed location of the bund is on the southern boundary of the new drilling pad and will be integrated into the new drilling pad by way of a concrete lip which will extend 600mm up the edge of the bund to form an impermeable concrete surface.

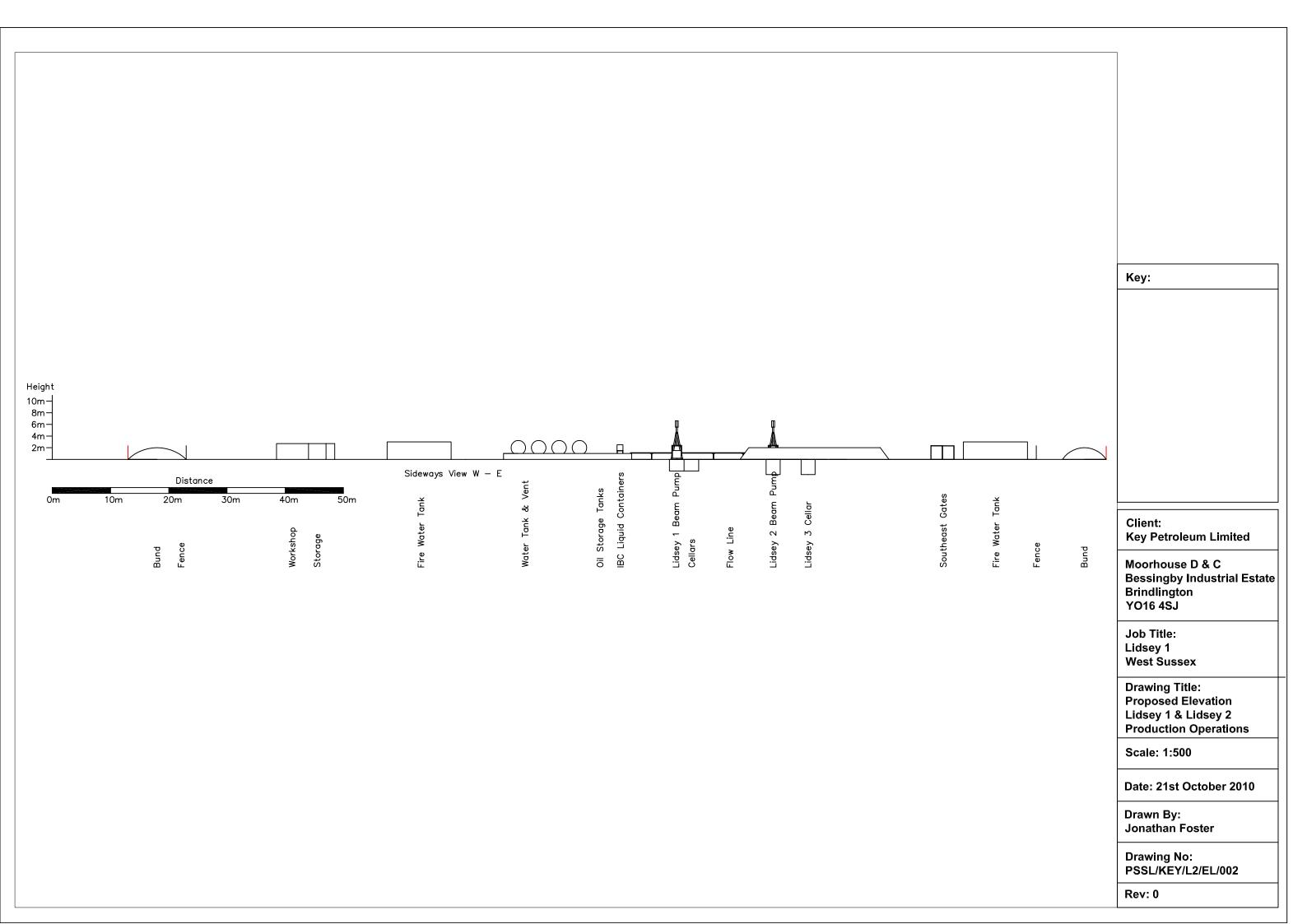
The anticipated height of the new bund will be 2m in height and approximately 25m in length.

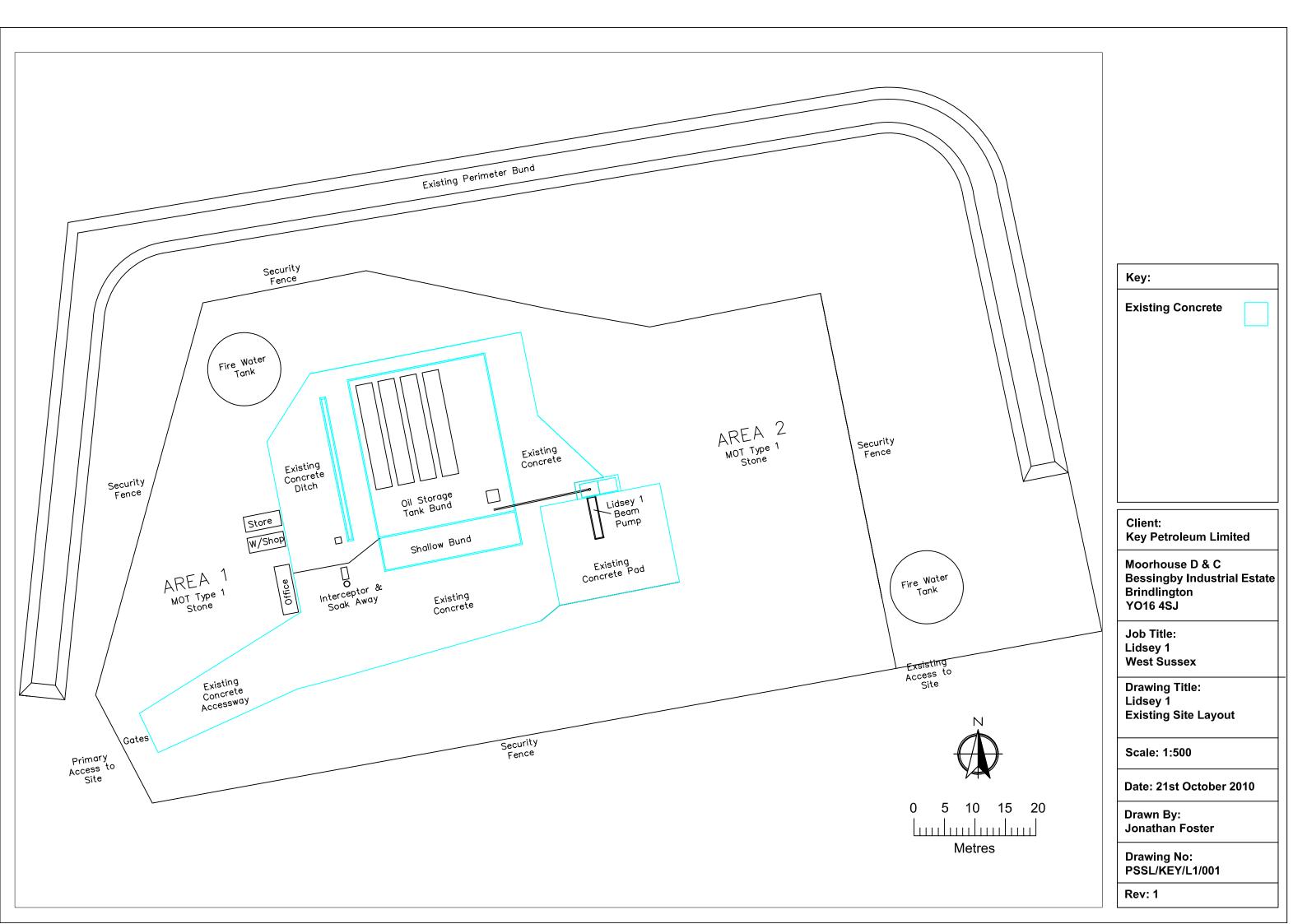
The bund will be seeded with grass to assist soil stability. Weed growth will be eliminated by the use of a non-persistent contact weed killer such as "Roundup".

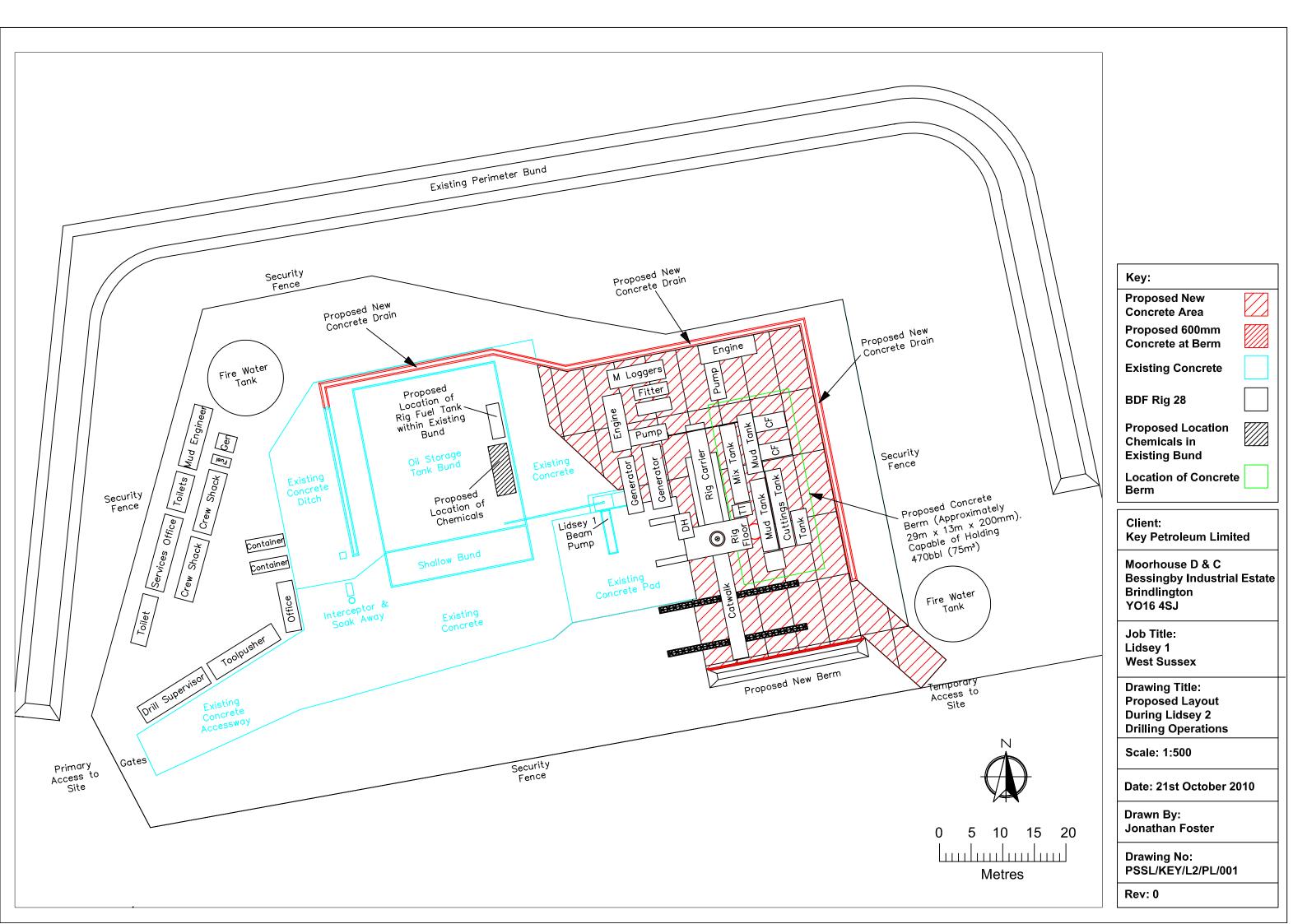
APPENDIX A AMENDED SITE PLANS



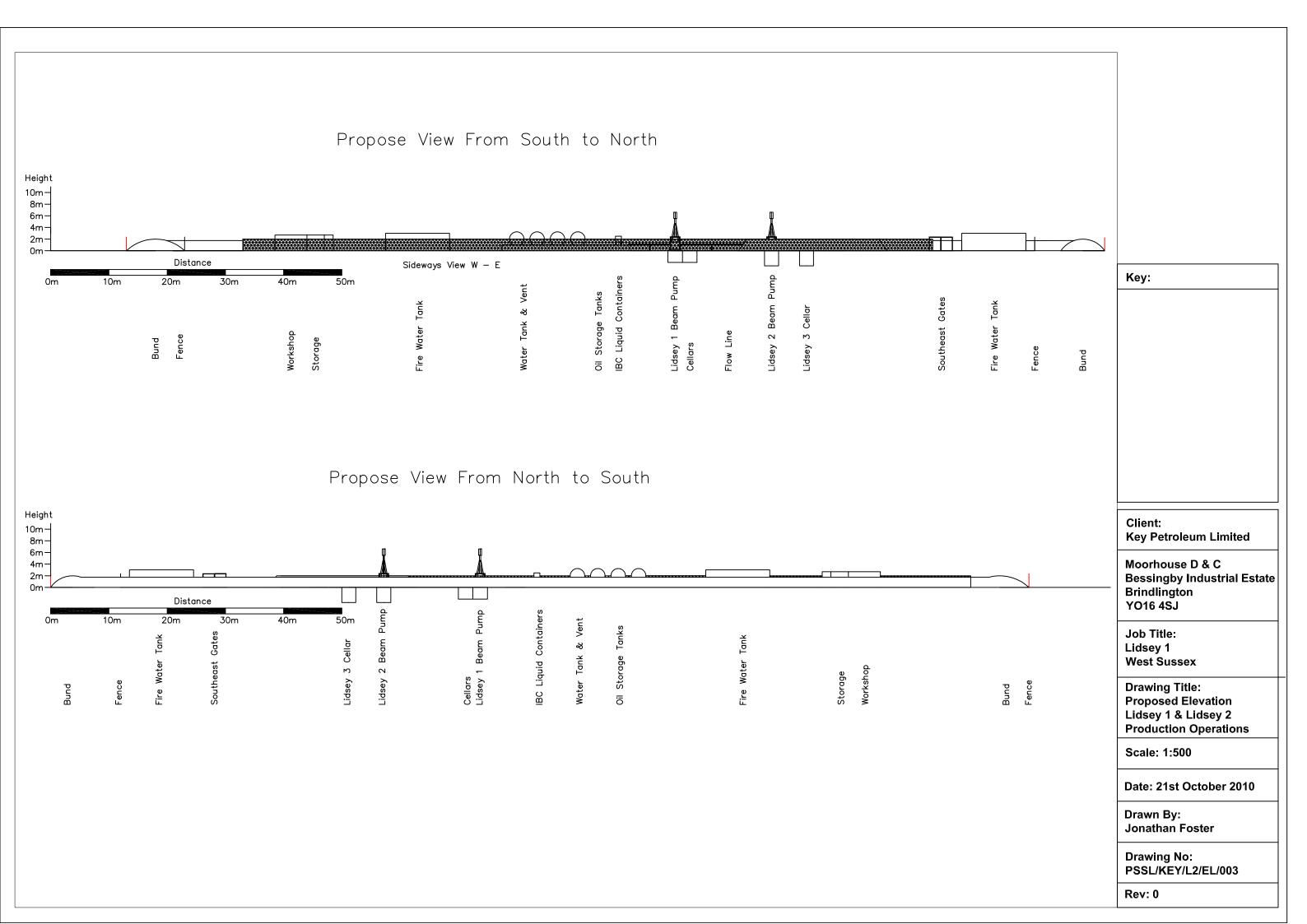


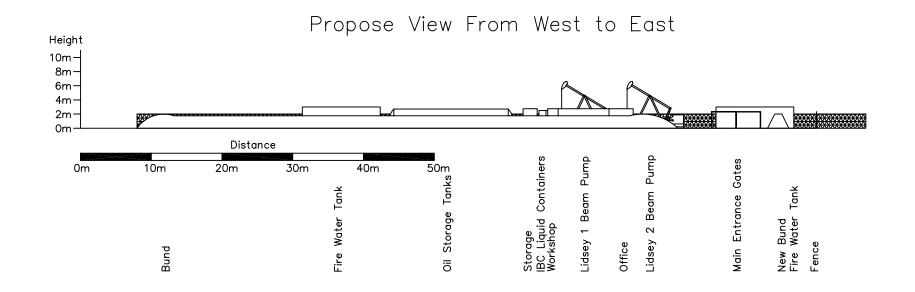


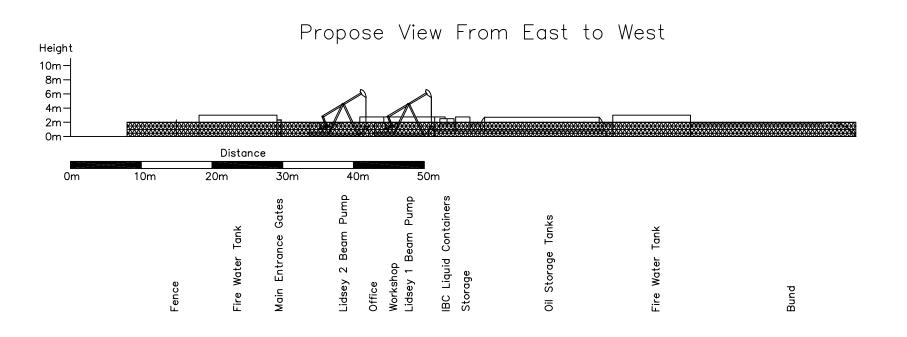












Key:

Client: Key Petroleum Limited

Moorhouse D & C
Bessingby Industrial Estate
Brindlington
YO16 4SJ

Job Title: Lidsey 1 West Sussex

Drawing Title:
Proposed Elevation
Lidsey 1 & Lidsey 2
Production Operations

Scale: 1:500

Date: 21st October 2010

Drawn By: Jonathan Foster

Drawing No: PSSL/KEY/L2/EL/004

Rev: 0

APPENDIX B

WEST SUSSEX FIRE & RESCUE SERVICE EMAIL CORRESPONDENCE

Edit as New View e-mail source View headers

From: <u>Duncan.Bennett@westsussex.qov.uk</u>
To: <u>jonathanfoster@moorhousepetroleum.co.uk</u>
Cc: <u>Gary.Mant-Smith@westsussex.qov.uk</u>
Date: Oct 7, 2010 16:58

Subject: Re: LIDSEY OIL EXPLORATION SITE C/3492

Good afternoon Jonathan,

Further to our site meeting today at the above premises regarding the fire safety precautionary measures during construction of the new well head and proposed additional Fire Service access, West Sussex Fire & Rescue Service consider the proposals to be acceptable.

As discussed, you are requested to notify Arun District Office prior to commencement of the second well head.

Should you have any additional queries, please do not hesitate to contact the undersigned.

Regards,

Duncan

Duncan Bennett | Fire Safety Officer, West Sussex Fire & Rescue Service , West Sussex County Council
Location: Arun District Fire Safety Office, West Sussex Fire & Rescue Service, Bognor Regis Fire Station, West Meads Dr
Bognor Regis, West Sussex, PO21 5TB

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