

Non Technical Summary

WorleyParsons Engineers Egypt Ltd (WPEEL) has conducted an Environmental Impact Assessment (EIA) study for Statoil's proposed offshore exploratory "Kiwi-A1X" well located in the Mediterranean Sea, El Dabaa Offshore Concession, Egypt. WorleyParsons has been also retained by Statoil to conduct an Environmental Risk Assessment (ERA) for the same offshore exploratory drill well. This EIA report integrates the environmental and risk assessment results.

The overall objectives of the EIA are to assure compliance with Statoil requirements which draw on IFC standards and; identify and analyse sensitive components of the existing environment; determine the type, nature and importance of the probable environmental impacts during construction and operation; identify and recommend practical and cost effective mitigation measures; recommend a framework for an environmental management and monitoring plan for the project; and ensure that all stakeholders deemed to be influenced by the projects or activities are fully considered.

All offshore activities will be performed using Discoverer Americas drill ship about 170 km northwest of Abu Qir and 140 km north of El-Dabaa district. The drill ship is fully equipped with drilling and mud management equipment necessary for the proposed operations, with supporting vessels from Abu Qir shore base facility. More specifications of the drill ship and stand-by and supporting vessel are presented in the EIA study respectively. Two stand-by vessel shall also be present near the drill ship throughout the project, for support and emergencies. The Kiwi-A1X offshore exploratory well will involve drilling, casing, cementing and coring activities. It is scheduled for drilling during the second half of November 2010.



Statoil contracted Petro Environmental Service Company (PESCo) to perform a surface modelling study of hypothetical oil spills to assess the potential impact of the surface release of oil in case of a blow out event from Kiwi-A1X well. The surface model identified an initial indirect area of influence early in the process, upon which PESCo developed an Oil Spill Response Plan (OSRP) and WorleyParsons developed a Form B study (455/EJ6172-000-EN-REP-04 and 455/EJ6172-000-ENREP-05). Both the Form B and OSRP have granted the approval of the Egyptian Environmental Affairs Agency (EEAA).

Statoil contracted in parallel Applied Science Associates (ASA) to conduct a trajectory and fates modelling report of a subsurface blow out event from Kiwi-A1X offshore well, but due to complex modelling these results were received at a later stage. The indirect area of influence was consequently updated according to the subsurface model results. According to the subsurface model, the updated indirect area of influence covers about 100 km of the eastern Libyan coast, the Egyptian north coast, Gaza, Israel, Lebanon, Syria, western Cyprus, about 50 km of Turkey's southeast coast and Greece's southeast waters. The Oil Spill Response Plan was updated accordingly and sent to the EEAA and covers the surface and sub-surface oil spill trajectory models and all the contingencies and mitigations that Statoil took against any possible oil spill scenario. This EIA study only address the indirect area of influence within the Egyptian territories. Relevant resources potentially affected by a subsurface blow-out within the rest of the indirect area of influence is presented in a separate report, "Screening Report" (455/EJ6172-000-EN-REP-08).

All activities undergone by Statoil will comply with the Egyptian environmental legislation and regulations, international legislations, regional/international conventions, and Statoil policies and procedures.

An environmental impact analysis was carried out to classify the potential positive and negative impacts from the different phases of the proposed project and including impacts due to non-routine (accidental) events. The most important aspects during routine operations include: vessel movement, drilling operations, waste disposal and discharge, and drill cuttings.

No major negative impacts have been identified in any phase of the normal operational activities. All major negative impacts identified before applying any mitigation measures are due to impacts from non-routine events such as inappropriate waste disposal, minor leaks and spills, vessel collision, fire or explosion and well blowout.

Applying appropriate mitigation measures ensures that there will be no major residual impacts resulting from the project. In conclusion with the effective implementation of mitigation measures, negative impacts shall be reduced or eliminated.

Positive impacts are expected during the mobilization phase; although very limited, these positive impacts are mainly economic.

For all potential accidental events, emergency response plans have been set in place to immediately respond to the event, and all employees shall be appropriately trained to implement the response plans in the event of an emergency.

Statoil has taken several precautions to circumvent emergency situations including: well blowout analysis, area of influence study, environmental risk assessment, trajectory modelling of worst case oil spill scenarios, Oil Spill Response Plan (OSRP), general HSE Emergency Response Plan (ERP) and this Environmental Impact Assessment study.

Finally, based on the findings and recommendations of the environmental and social impact assessment for the proposed exploratory activities, the assessment team concludes that if mitigation and monitoring measures are followed properly, the project shall be operating meeting all regulatory requirements without any tangible impacts to the environment.

The full EIA study will be posted on Statoil's website by the 15th of December.
For any inquiries please contact Statoil Egypt.