



DECOMMISSIONING PROJECT

Murchison Decommissioning Project Overview Stakeholder Engagement Workshop 14 March 2012



Contents

| 1. | Murchis | on Decommissioning Stakeholder Engagement Workshop | 3 | | | | | | |
|----|--|--|----|--|--|--|--|--|--|
| 2. | Murchsion Field Overview | | | | | | | | |
| | 1.1 | Murchison Field Layout and Infrastructure | 4 | | | | | | |
| | 1.2 | Murchison Overview and History | 5 | | | | | | |
| | 1.3 | Murchison Facilities to be Decommissioned | 5 | | | | | | |
| | 1.4 | Murchison Topsides Facilities | 7 | | | | | | |
| | 1.5 | Murchison Jacket | 8 | | | | | | |
| | 1.6 | Well and Pipeline Facilities | 10 | | | | | | |
| | 1.7 | Drill Cuttings Pile | 13 | | | | | | |
| | 1.8 | Summary of Seasonal Environmental Sensitivities | 14 | | | | | | |
| 3. | Overvie | w Of The Comparative Assessment Process | 16 | | | | | | |
| 4. | Overvie | w Of The Options Available For Decommissioning | 17 | | | | | | |
| 5. | Potentia | Potential Impacts From The Murchison Decommissioning Project | | | | | | | |
| 6. | Studies Commissioned In Support Of Murchison Decommissioning | | | | | | | | |
| 7. | Further | Information | 20 | | | | | | |



1. Murchison Decommissioning Stakeholder Engagement Workshop

Canadian Natural Resources International (CNRI) are currently evaluating various methods for decommissioning the facilities in the Murchison Field, namely the Murchison platform itself, the drill cuttings pile beneath it, the pipelines and associated sub-sea infrastructure.

As part of the evaluation process, CNRI are seeking the views of stakeholders and interested parties to input into the environmental impact assessment and comparative assessment process. This briefing document has been prepared by CNRI to provide stakeholders with a high level overview of the project in advance of the Stakeholder Engagement Workshop to be held on the 14th March 2012. Those who are unable to attend the workshop are invited to contact CNRI (see Section 7 for details) to share their views through other routes.

This document reflects the options being considered by CNRI at this stage of the project in February 2012.



2. Murchsion Field Overview

1.1 Murchison Field Layout and Infrastructure

The Murchison Field is located in UKCS Block 211/19 of the Northern North Sea, approximately 240 km northeast of the Shetland Islands and 2 km west of the UK/Norway median line (Figure 1). Water depth in the field is approximately 156m.

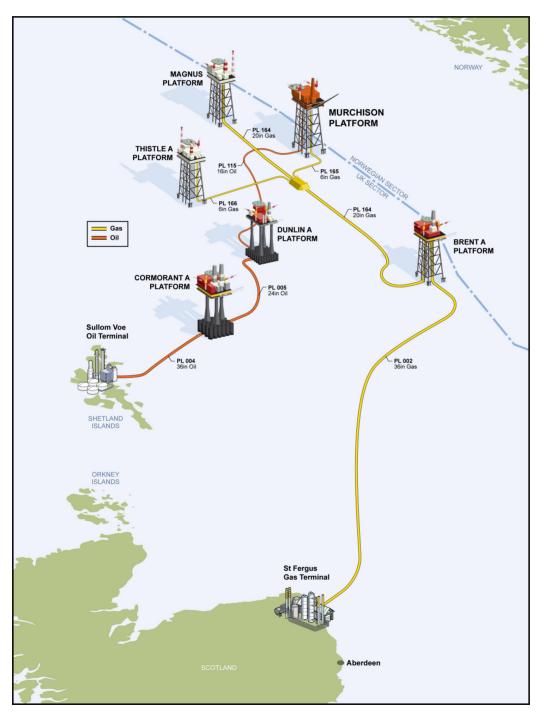


Figure 1: Location of the Murchison Field



1.2 Murchison Overview and History

Murchison is linked to the Dunlin Alpha platform (operated by Fairfield Energy Limited) by a 19 km, 16" oil export line (Figure 1). Produced oil from the Murchison Field is exported to the Sullom Voe Terminal in the Shetland Islands via the Dunlin Alpha platform, where Murchison oil combines with oil from Thistle and Dunlin Alpha and passes into a 24", pipeline to Cormorant Alpha. From Cormorant Alpha, the oil is transported to Sullom Voe via the 36" Brent System Main Oil Line.

Murchison is also linked to the Northern Leg Gas Pipeline (NLGP) via a 2.6km, 6" gas import / export spur pipeline which connects to the NLGP SSIV (sub-sea isolation valve) and crossover Tee and a control umbilical from Murchison to the NLGP SSIV. Both the gas pipeline and umbilical are owned by the NLGP partners.

The Murchison Field was discovered in 1976 by Conoco (UK) Ltd., who subsequently developed the field, installing a drilling, accommodation and production platform supported by an 8 legged steel jacket comprising 33 platform well slots. First oil was achieved in 1980 and during the Murchison drilling programme 53 platform wells and a further 3 sub-sea wells were drilled.

CNRI and their co-venturer Wintershall Norge ASA (22.2% ownership) acquired the Murchison field from Kerr-McGee in 2002. Gas export from the Murchison Field ceased in September 2000 as recovery rates fell below the level required for platform fuel gas, and Murchison subsequently commenced importing gas to meet platform fuel requirements. In 2009, production levels had become economically marginal at approximately 4.7% of peak annual production, and the decision was taken to commence planning for field decommissioning. Discussions are being held with the Department of Energy and Climate Change (DECC) to agree an appropriate date for Cessation of Production (CoP).

CNRI has commenced the pre-planning stages for the decommissioning of the field. The purpose of this phase is to investigate feasible alternative uses and conduct comparative assessments for the key removal and disposal options for the Murchison infrastructure.

An important aspect of this work is the assessment of the actual and potential environmental impacts that might arise as a result of decommissioning activities. These will be fully examined in an Environmental Impact Assessment (EIA) and reported in an Environmental Statement (ES).

1.3 Murchison Facilities to be Decommissioned

The main facilities included in the Murchison decommissioning project are the Murchison topsides and jacket (

Figure 2), the drill cuttings pile at Murchison, the oil export pipeline to Dunlin Alpha (PL115), four associated sub-sea wells, and tie-back pipeline bundles to the Murchison platform (Table 1 and Figure 1, Figure 2).



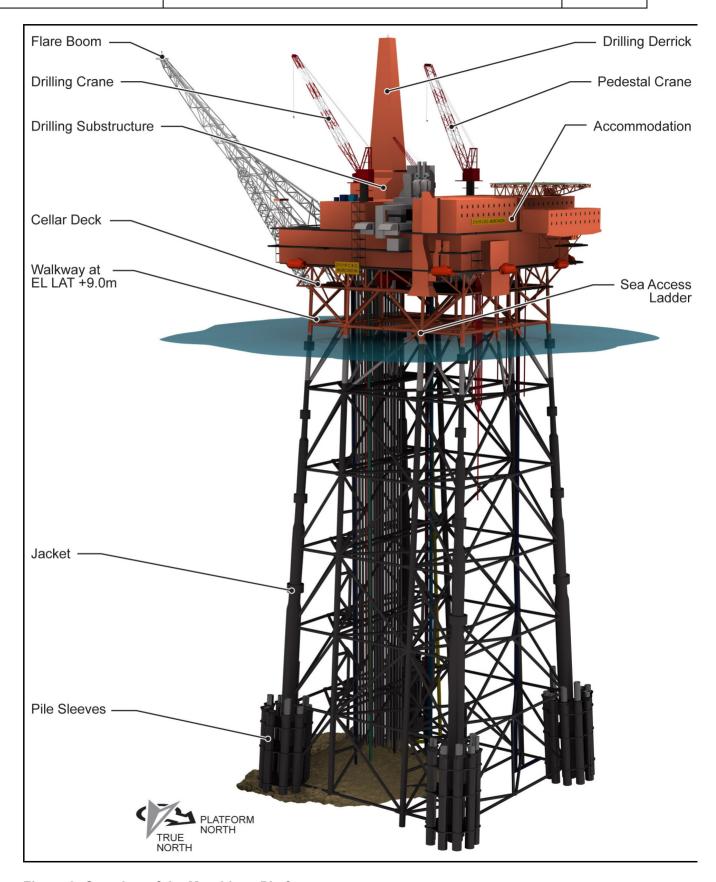


Figure 2: Overview of the Murchison Platform



Table 1: Overview of facilities to be decommissioned.

| Facility | Components of the Facility to be Decommissioned |
|--------------------------|---|
| Topsides | Modules and associated topside equipment |
| | Module Support Frame (MSF) |
| Jacket and | 188 m high steel jacket structure |
| footings | 33 conductors |
| | 32 piles |
| Pipelines | 19.1 km 16" oil export pipeline and associated tie-in spools (PL115) |
| | 0.78 km pipeline bundle (PL123) |
| | 1.99 km pipeline bundle (PL124) |
| | 1.23 km pipeline bundle (PL125) |
| Subsea wells | Well 211/19-2 – live well still to be abandoned - guide base, xmas tree, and |
| and | protection structure in place. |
| protection structures | Well 211/19-3 – well abandoned - survey indicated no remaining infrastructure (Atkins, 2011) |
| | Well 211/19-4 – well abandoned - guide base and protection structure laid to side |
| | Well 211/19-6 – well abandoned - survey indicated no remaining infrastructure (ISS, 2011) |
| Other seabed | Drill cuttings pile at the base of the jacket |
| materials | Debris at the base of the jacket and in the surrounding 500 m zone, and along the routes of the pipelines and umbilical |
| | Other materials (e.g. pipeline protection mattresses, rock dump, grout mats, pipeline crossings, frond mattresses) |

The main elements of the Murchison Field decommissioning project are:

- the engineering down and cleaning of the Murchison topside facilities;
- the removal and subsequent recovery to shore of the topsides and jacket;
- the decommissioning of subsea pipelines and umbilicals;
- the management and consideration of the Murchison drill cuttings pile.

The 33 platform wells and four subsea wells will be plugged and abandoned in accordance with a well abandonment programme as Murchison nears the end of field life.

1.4 Murchison Topsides Facilities

The Murchison topside comprises 17 modules, arranged on two levels, with a combined weight of 24,584 tonnes. The modules provide facilities and equipment for drilling production, processing, power generation, export and accommodation. There is a cellar deck below the first module level and there are walkways at elevation LAT +9.0m below the cellar deck. A helicopter landing platform is located above the accommodation modules. A single drilling derrick and a 109 m long flare boom are located on the south face of the platform; one drilling and one pedestal crane are located on the roof level. Figure 3 shows the general arrangement of the modules and other facilities on the topsides.



The Murchison topsides were installed in the late 1970s using semi-submersible crane vessels (SSCV). The Module Support Frame (MSF) was installed first, in two sections, with each section having eight stabbing cones which acted as guides to locate the MSF sections, which were then welded in position.

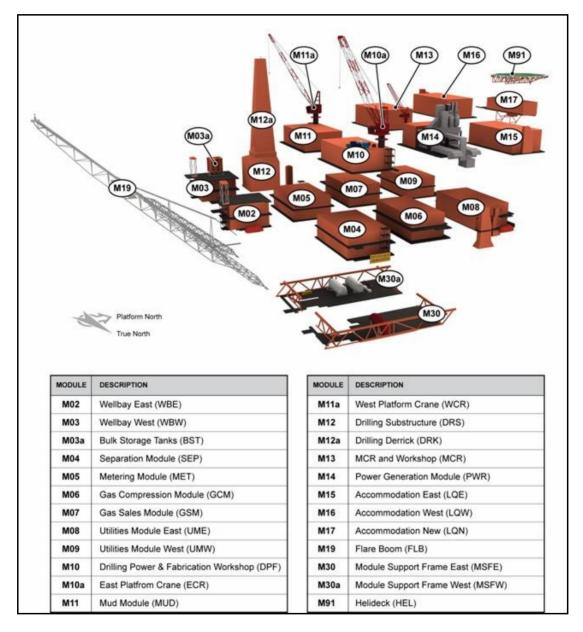


Figure 3: Arrangement of modules on the Murchison topsides

1.5 Murchison Jacket

The Murchison platform comprises a welded, tubular steel, eight-legged jacket structure (Figure 4). Each of the four main legs, situated one at each corner, is secured to the seabed with pile clusters. Each cluster comprises eight piles (2164 mm diameter x 66 mm wall thickness) approximately 80 m long of which 50 m is driven into the seabed. The pile



clusters are attached to the jacket via a grout mix through pile sleeves which are approximately 25 m long. The steel jacket weighs a total of 24,640 tonnes (including the steel jacket, piles, grout, anodes, hardwood and marine growth) and is 188 m high from the seabed to the top of the MSF.

The total weight of the Murchison jacket in air, excluding conductors, is >10,000 tonnes and as such it falls within the category of steel structures for which derogation may be sought from the general rule of "complete removal" under OSPAR 98/3. In such circumstances, OSPAR suggests that partial removal, leaving the "footings" of the jacket on the seabed, may be acceptable if a comparative assessment (Section 3) indicates that this would provide significant safety or environmental benefits in comparison with total removal [our emphasis].

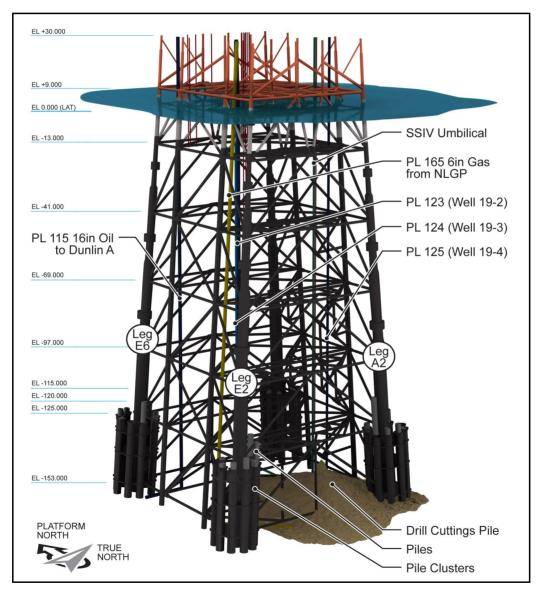


Figure 4: Murchison platform general arrangement



1.6 Well and Pipeline Facilities

The Murchison Field has four abandoned subsea tie-back wells, one of which is connected to the platform by a disused bundle (PL123) (Figure 5). There are also two disconnected bundles (PL124 and PL125). Well 211/19-2 is located approximately 0.8 km west of the Murchison platform and was suspended in 1982; well 211/19-3 is located approximately 2 km north-northwest and was abandoned in 1982; and well 211/19-4 is located approximately 1.24 km north-northeast and was abandoned in 1984 (Figure 5). An exploration well (211/19-6) was drilled on the Playfair prospect and was subsequently suspended in January 1997. On two of the wells, the temporary guide-base and production guide-base remain in place with a corrosion cap installed on the wellhead. Removal of this equipment will form part of the Murchison decommissioning work scope.

Oil from the Murchison field is exported to the Sullom Voe Terminal in the Shetland Islands via a 16" diameter pipeline (PL115) to the Dunlin Alpha platform (Figure 5) which includes a riser to the Dunlin platform and topside facilities for transporting Murchison oil. Gas is imported or exported from the Northern Leg Gas Pipeline (NLGP) via a 6" pipeline (PL165) from Murchison to the NGLP (Figure 5). The gas export pipeline (PL165) and the sub-sea isolation valve (SSIV) control umbilical are owned by the NLGP partners (of which CNRI is a partner) and as such are not within the CNRI scope of work for Murchison decommissioning. CNRI will consider the potential environmental impacts of cutting the gas export pipeline and umbilical adjacent to the Murchison platform.

Pipeline decommissioning is governed by the Petroleum Act 1998 and the requirements are set out within the DECC Guidance Notes¹ ('Guidelines'). The Guidelines state that there are no prescribed options for pipeline decommissioning; all feasible options must be considered and a comparative assessment (Section 3) undertaken to determine which decommissioning option provides the most acceptable outcome on the basis of the criteria outlined in the Guidelines.

The options being considered by CNRI for the decommissioning of the Murchison pipelines and umbilicals are:

Full removal (base case). The pipelines would be completely removed, either by the reverse S-lay method or by cutting the lines with an underwater pipe cutter and lifting the cut pipeline sections onto a vessel for transportation to shore.

Left in situ – rock dump. Pipelines decommissioned *in situ* must be left in such a manner that they do not pose a risk to other users of the sea, e.g. fishermen. Pipelines may be covered by rock dump to a pre-determined height to avoid any risk of snagging by bottom-towed fishing gear. This option may involve selective cutting and recovery of pipeline sections.

Left *in situ* – **trench** and **bury**. The pipelines may be trenched to a pre-determined depth and back-filled to eliminate snagging risks for bottom towed fishing gear. This option may involve selective cutting and recovery of pipeline sections.

_

¹ http://og.decc.gov.uk/en/olgs/cms/explorationpro/decommissionin/decommissionin.aspx





Minimal removal. Removal of the spool-pieces, wellhead guide base, protective structures, Dunlin Alpha platform approaches and protective mattresses. Some mattresses may have to be left *in situ* if it is unsafe to remove them. Remedial burial (rock dumping or re-trenching and burial) of spans and exposures along the buried section of the pipelines will occur.

Removal of exposed sections: This option is similar to the minimal removal scheme, but only buried pipeline sections remain *in situ*.

The Murchison Field also contains well heads, protection structures, bridges and stabilisation features (e.g. mattresses, grout bags, concrete covers) and debris, all of which will fall within the scope of this EIA. It would be CNRl's intention to remove all of this material, as required by the Guidelines, unless there were significant safety or practical reasons why it would be preferable to leave them in place.



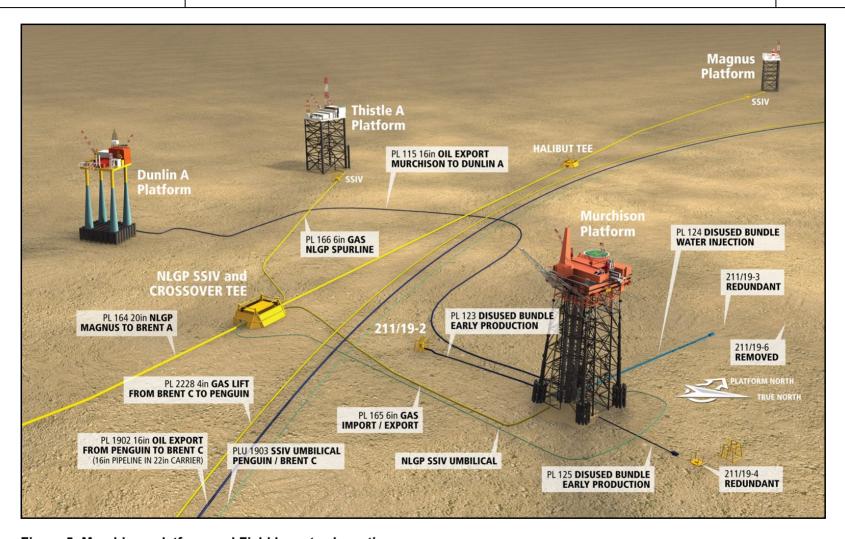


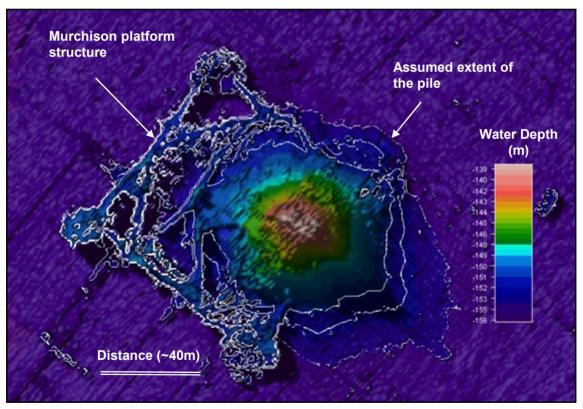
Figure 5: Murchison platform and Field layout schematic



1.7 Drill Cuttings Pile

During the life of the platform, approximately 21,234 m³ of cuttings have been discharged to the sea (Fugro ERT, 2008²). Of the 98 wells drilled in this field oil based mud (OBM) was used and discharged with drill cuttings at 48 of the wells (ERT, 2008³). A proportion of these discharged drill cuttings and drilling mud now exist as a mound on the seabed immediately below the jacket, covering the bottom bracing level of the jacket.

Multi beam echo sounder (MBES) mapping of the cuttings mound (Fugro ERT, 2011) estimated that the pile has a volume of 22,545 m³ (Figure 5) and footprint area of 6,840 m². This figure excludes the platform legs but includes other general platform debris that may be present (e.g. dropped objects such as scaffold poles, welding rods, tools and gratings). The drill cuttings pile has a maximum height of 15.34 m beneath the south-east edge of the platform (Fugro ERT, 2011). The edge of the pile extends approximately 40 m north-east, and 75 m south-east, and has a clear north-west/south-east orientation which is aligned with the direction of the seabed current.



Source: ISS, 2011

Figure 6: MBES survey data of the Murchison drill cuttings pile

² Fugro ERT, 2011. Murchison Pre-decommissioning Environmental Baseline Survey, April/May 2011. Project Number: J36037-Rev02

³ ERT, 2008. Technical Review of Data from Around CNR's North Sea Assets with Regards to OSPAR Recommendation 2006/5. CNR079224



1.8 Summary of Seasonal Environmental Sensitivities

Table 2: Seasonal environmental sensitivities in the Murchison area (key appears opposite)

| | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---|---|--|------------|--------------|-------------|---------------------------|--------------|------------|-------------|------------|--------|
| labitat | s Directiv | e: Annex | I Habita | ts | | | | | | | |
| /lurchis | re no knov on Platfor te an Ann | m, it wou | ld not hav | | | | | | | | |
| | | | | | | | | | | | |
| labitat | s Directiv | e: Annex | II Specie | es | | | | ı | | | |
| | Annex II sp nce in Feb ber). | | | | | | | | | | |
| | | | | | | | | | | | |
| enthic | Fauna | | • | | | | | | • | | |
| | communi thern Nort | | | | | | | roughout | a large su | ırrounding | area |
| | | | | | | | | | | | |
| Plankto | n | • | • | • | • | • | • | • | • | • | |
| The pla summe | nkton in tl r. | ne Murchi | son area | is typical (| of the Nor | thern Nor | th Sea. F | eak produ | uctivity oc | curs in sp | ring a |
| | | | | | | | | | | | |
| infish | and Shel | lfish | | | | | | | | | |
| naddocl | rchison Fi k (Februai ing, ling, r | y to May) | , Norway | pout (Jan | uary to A | oril) and s | aithe (Jar | nuary to A | pril) and r | nursery gr | |
| | | | | | | | | | | | |
| Marine | Mammal | s | | | | | | | | | |
| Marine vhale, v | mammals white-beak om May to | sighted in ced dolphi | n, white-s | | | | | | | | |
| ccur fr | | | | | | | | | | | |
| ccur fr | | | | | | | | | | | |
| | ls | | | | | | | | | | |
| Seabiro Seabird | is vulnerabi ate" to "lov | | | | | | | | | | er and |
| Seabiro Seabird | vulnerabi | | | | | | | | | | er and |
| Seabiro Seabird 'modera | vulnerabi ate" to "lov | | | | | | | | | | er and |
| Seabiro Seabird Imodera Fisheri The Mu | vulnerabi ate" to "lov | v" for the ea is of "le types. H | ow" to "ve | e year. The | e overall v | /ulnerabili ue. Fishir | ity in the I | Murchison | area is "I | ow". | nated |
| Seabiro Seabird 'modera Fisherio The Mu | vulnerabi ate" to "lov es rchison ar ersal gear | v" for the ea is of "le types. H | ow" to "ve | e year. The | e overall v | /ulnerabili ue. Fishir | ity in the I | Murchison | area is "I | ow". | nated |
| Seabiro Seabird Imodera Fisheri The Mu | vulnerabi ate" to "lov es rchison ar ersal gear ed develop | v" for the ea is of "le types. H | ow" to "ve | e year. The | e overall v | /ulnerabili ue. Fishir | ity in the I | Murchison | area is "I | ow". | nated |



Page 15 of 20

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | | | | | | | | | | | |

Table 2 continued: Seasonal environmental sensitivities in the Murchison area

Very high sensitivity
High sensitivity
Moderate sensitivity
Low sensitivity
Not surveyed / No data available



3. Overview Of The Comparative Assessment Process

Under the Petroleum Act 1998, and as described in the DECC Guidance Notes (DECC, 2011) detailed Comparative Assessments (CA) are required to identify the best overall option for decommissioning the:

- (i) Murchison jacket, which falls within the category of structures that may be considered as a candidate for derogation from the general rule of "total removal" (OSPAR, 1998), and
- (ii) all pipelines.

CNRI are following the DECC framework for CA's, which outlines five main criteria by which each decommissioning option should be assessed (Table 3). Where appropriate, these five main criteria have been further defined into sub-criteria (Table 3). The subcriteria were selected in light of:

- The "matters to be considered" listed in the OSPAR framework and the DECC Guidance notes.
- The range of safety, technical, environmental, societal and economic assessments and studies that CNRI decommissioning projects have undertaken or shall undertake.
- CNRI's SHE Policy, CNRI vision and mission statements.

Table 3: The criteria and sub-criteria to be used in CNRI Comparative Assessments

| Criterion | Sub-criteria |
|-------------|---|
| Safety | Risk to project personnel offshore |
| Salety | Risk to project personnel onshore |
| | Impacts of operations |
| Environment | Impacts of end-points |
| | Total energy consumption (Gj) and CO ₂ emissions |
| | Technical feasibility |
| Technical | Ease of recovery from excursion |
| | Use of proven technology and equipment |
| | Commercial impact on fisheries |
| Societal | Socio-economic impacts – amenities |
| | Socio-economic impacts – communities |
| Economic | Total project cost |

The assessment of the performance of each decommissioning option against each of the DECC criteria and sub-criteria shall be informed by appropriate engineering, environmental, societal, safety and economic studies, completed either by suitably experienced and qualified CNRI in-house personnel, or by suitably experienced and capable external organizations.

CNRI will use a structured approach to compare each of the decommissioning options and to balance their performance across the different assessment criteria and sub-criteria in order to identify the overall recommended option.



4. Overview Of The Options Available For Decommissioning

The viable options that CNRI are considering for the decommissioning of the Murchison Field and which therefore will be covered by the full EIA are summarised in Table 4.

Removal of the topsides and jacket in a single piece was studied but has been discounted: the top of the jacket is too wide to permit the Pieter Schelte (currently under construction and potentially the only vessel which would have the lifting capacity to remove the topsides in its entirety) to position itself under the topsides (Allseas, 2011).

Table 4: Overview of shortlisted decommissioning options for each facility.

| Facility | Decommissioning Option | Sub-option | | | | |
|------------------|---|---|--|--|--|--|
| Wells | Plug & Abandonment (P&A) and conductor recovery | | | | | |
| Topsides | Full Removal | Reverse Installation | | | | |
| | | Piece Small | | | | |
| Jacket | Full Removal | Cut and Lift | | | | |
| | | Flotation in One Piece | | | | |
| | Partial Removal | Cut and Lift | | | | |
| | | Flotation in One Piece | | | | |
| Pipelines | Full Removal | | | | | |
| | Removal leaving crossings in situ | | | | | |
| | Trench and bury | | | | | |
| | Removal of exposed sections | | | | | |
| | Minimal removal | | | | | |
| | Leave in situ | | | | | |
| Umbilical | Full Removal | | | | | |
| | Removal leaving crossings in situ | | | | | |
| | Leave in situ | | | | | |
| Bundles | Full Removal | | | | | |
| | Leave in situ | | | | | |
| Subsea Wellheads | Full Removal | | | | | |
| Cuttings Pile | Leave in situ | | | | | |
| | Full Removal | Separation, treatment of liquids offshore, transportation and treatment of solids onshore | | | | |
| | | Transport slurry to shore, separation and treatment onshore for disposal | | | | |
| | | Offshore injection of slurry | | | | |
| | | Dispersion / redistribution offshore | | | | |



5. Potential Impacts From The Murchison Decommissioning Project

The key issues identified during the Murchison decommissioning EIA scoping phase (BMT Cordah, 2011⁴) as having the potential to give rise to a significant environmental impact have been grouped into the following potential impacts:

- 1. Physical presence of vessels causing potential interference with other users of the sea:
- 2. Effects of seabed disturbance during decommissioning operations vessel anchoring, trenching pipelines, rock placement;
- 3. Effects of drill cuttings disturbance;
- 4. Effects of energy use and atmospheric emissions;
- 5. Effects of underwater noise generated during decommissioning activities;
- 6. Effects associated with near-shore and onshore dismantling of structures noise and dust;
- 7. Cleaning of marine growth from Murchison jacket;
- 8. Landfill disposal and associated impacts;
- 9. Safety risk to fishermen from derogated footings, pipelines, rock placement, dropped object;
- 10. Socio-economic impact to fishermen from the derogated footings and pipelines;
- 11. Non-routine events spillage of hydrocarbons and other fluids;
- 12. Effects associated with Murchison cuttings pile management.

_

⁴ BMT Cordah, 2011. • Murchison Decommissioning EIA Scoping Report. MURDECOM-BMT-EN-REP-00036



6. Studies Commissioned In Support Of Murchison Decommissioning

CNR have commissioned a number of studies to support the initial decommissioning planning process and option evaluation, in order to determine the preferred decommissioning option and engineering solution. These studies are detailed in Table 5.

Table 5: List of decommissioning studies

| Decommissioning Aspect | Study Title |
|---------------------------|---|
| Inventory | Asset Inventory Study Report |
| | Materials Inventory and Residual Materials Study Report |
| Engineering | Platform Removal Technology Study |
| | Platform Shut-down Procedure |
| | Engineering and Clean Down |
| Topsides | Topside Offshore Deconstruction |
| | Topside Reverse Installation Removal |
| | Topsides Single Lift Removal |
| | Module Separation Study |
| | Topside Weight Review |
| | Topsides Comparative Assessment |
| | Topsides Process Study |
| | Idle Phase Requirements |
| | Utility and Life Support Systems |
| | Topside 3d Laser Survey |
| Jacket | Jacket Buoyancy Tank Assembly Removal Option |
| | Jacket Removal in Sections |
| | Jacket Single Lift Removal |
| | Jacket Weight Report |
| | Jacket Comparative Assessment |
| | Jacket Long Term Monitoring Requirements |
| | Murchison Preliminary Footings Life Assessment |
| | Murchison Jacket Structure Intelligent USFOS Modelling |
| | Subsea Cutting Techniques Study |
| | Evaluation of Removal Options for Jacket |
| Pipeline | Murchison Subsea and Pipeline Assets - Decommissioning Report |



7. Further Information

Stakeholders can find additional and more detailed information in the following documents, available on request:

- Murchison Decommissioning EIA Scoping Report. MURDECOM-BMT-EN-REP-00036 (revised February 2012 to incorporate initial stakeholder comment).
- Murchison Decommissioning Environmental Impact Assessment (EIA) Draft Project Description. MURDECOM-BMT-EN-REP-00124 (work in progress, Feb 2012).
- Murchison Decommissioning Environmental Impact Assessment (EIA) Draft Environmental Description. MURDECOM-BMT-EN-REP-00126 (work in progress, Feb 2012).
- Murchison Pre-decommissioning Environmental Baseline Survey. MURDECOM-ERT-EN-REP-00056.

To request further information, documents and/or to make comments regarding the preplanning for the Murchison decommissioning project, please contact:

Carol Barbone
CNR International
St Magnus House, Guild Street, Aberdeen AB11 6NJ
Tel: 01224 303102
Carol.Barbone@cnrinternational.com

See also www.cnri-northsea-decom.com.