



Oil & Gas
Authority

Response to the consultation on proposed regulations for the retention and disclosure of information and samples

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The consultation can be found on the OGAs website: [C&EA will add the link on publication].

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General Information

Purpose of this document

This document sets out the Oil and Gas Authority's response to the consultation on proposed regulations for the retention and disclosure of information and samples. This consultation ran from 30 June 2017 to 25 August 2017.

Consultation reference: https://www.ogauthority.co.uk/media/3824/consultation-on-proposed-regulations-for-the-retention-and-disclosure-of-information-and-samples-ver2_29june.pdf

This response issued:

24 April 2018

Territorial extent:

The petroleum-licensing regime for offshore licences, has UK extent. Offshore licences are awarded for areas in the UK's territorial waters and the UK Continental Shelf.

Additional copies:

Other versions of the document in Braille, large print, audio or Welsh can be made available on request. Please contact us using the 'enquiries' details to request alternative versions.

Quality assurance

This consultation has been carried out in principle with the government's consultation principles.

If you have any complaints about the consultation process (as opposed to comments about the issues which are the subject of the consultation) please address them to:

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Introduction and Background

This document sets out the Oil and Gas Authority's (OGA) response to the consultation on the OGA's proposals in relation to two sets of regulations which the Secretary of State for Business, Energy and Industrial Strategy (the Secretary of State) (BEIS) may make in relation to the retention (by industry) and the disclosure (by the OGA) of petroleum-related information and samples. It summarises the feedback received on each of the consultation questions and sets out the OGA position in consideration of the points raised.

The consultation was conducted between 30 June and 25 August 2017. The Consultation Document was published on the OGA website.¹ The OGA also hosted workshops in August 2017, in Aberdeen and London, facilitating face-to-face discussions and direct feedback from industry representatives and other interested parties. There were 34 responses from a broad range of industry based organisations.

The consultation asked for views on the proposals for two sets of regulations relating to the retention by industry, and the public disclosure by the OGA of petroleum related information and samples pursuant to the Energy Act 2016 ("the Act")²:

- (i) Retention regulations that will set out what information and samples industry will be required to retain, how they will be required to retain them and for how long.
- (ii) Disclosure regulations that will set out which information and samples the OGA will disclose publicly, and the time after which disclosure can take place.

The OGA aims for these regulations to complete the Wood Review recommendations on transparency, while minimising the burden on industry.

On 24 February 2014, Sir Ian Wood published the UKCS Maximising Recovery Review Final Report (the Wood Review)³, following which, government introduced the Energy Act 2016 ("the Act") which brought into law recommendations from the Wood Review.

As well as creating the OGA the Act gave the OGA additional powers to enable it to achieve the principal objective of maximising the economic recovery of the UK's oil and gas resource (MER UK). To this end the Act contains provisions which include the ability for regulations to be made by the Secretary of State relating to the retention and disclosure of petroleum-related information and samples. These provisions directly support the maximum economic recovery of petroleum for the United Kingdom Continental Shelf (UKCS) through allowing greater access to the timely and transparent data necessary for a competitive market.

Data, including information and samples, play a significant role in the UK oil and gas industry and access to high quality data by the OGA and industry will help deliver more effective and efficient ways to maximise economic recovery from the UKCS across the whole oil and gas lifecycle.

The retention regulations will set out clearly identifiable retention obligations for relevant persons through creating a new legal obligation to retain specified classes of information and samples and specifying when such obligation ends.

¹ https://www.ogauthority.co.uk/media/3824/consultation-on-proposed-regulations-for-the-retention-and-disclosure-of-information-and-samples-ver2_29june.pdf

² <http://www.legislation.gov.uk/ukpga/2016/20/contents/enacted>

³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/471452/UKCS_Maximising_Recovery_Review_FINAL_72pp_locked.pdf

Relevant Person means a person listed in section 9A(1)(b) of the Petroleum Act 1998. Those persons are:

- Holders of petroleum licences
- Operators under petroleum licences
- Owners of upstream petroleum infrastructure
- Persons planning and carrying out the commissioning of upstream petroleum infrastructure
- Owners of relevant offshore installations

The regulations will ensure the long-term curation of an important national asset, preserving vital information and samples for future use, while minimising the cost burden to industry.

The disclosure regulations will enable the OGA to provide transparent and timely access to data by industry, a key recommendation of the Wood Review which the OGA estimates will lead to a considerable increase in investment in the UKCS. The OGA believes that earlier transparent access to information and samples is likely to lead to the discovery and development of many significant oil and gas fields.

Wider and more open data availability will also allow the UK oil and gas supply chain to promote optimal concepts for the development and operations of UKCS fields and the development of new techniques, software tools and other intellectual property that will be highly exportable. Higher education institutions will also benefit from easy access to the globally significant data sets that exist within the UKCS enhancing learning opportunities and research that will extend beyond oil and gas into new domains such as carbon capture and storage and environmental science.

Part 1: Retention

Introduction and Background

Retention relates to the provision in section 28 of the Act under which regulations made by the Secretary of State may require specified relevant persons to retain specified petroleum-related information and samples. Such regulations may include provision about the form or manner in which information or samples are to be retained; the period for which information or samples are to be retained; and the event that triggers the commencement of that period.

The Secretary of State consulted the OGA in respect of making these regulations in accordance with the requirement of section 28(5) of the Act. In its Consultation Document the OGA set out its proposals on the contents of the retention regulations to seek industry views prior to responding to the Secretary of State, in the following areas:

- **what** petroleum-related information and samples should be required to be retained
- **who** should be required to retain the information and samples
- the **form or manner** in which the information and samples should be required to be retained
- the **period** for which the information and samples should be required to be retained and
- the **trigger event** which should commence that period.

These proposals were designed to support MER UK by:

- ensuring important information and samples from the UKCS are not lost or destroyed through creating an obligation to retain important information and samples;
- setting out clearly what information and samples are required to be retained and by whom
- minimising industry burden – it is the OGA's intention that the requirement to retain important information and samples does not place undue burden on industry. These proposals therefore set out how the obligation to retain should end.

Summary of responses received to Part 1: Retention

There were 33 responses to Part 1 of the consultation. The following sections summarise the responses to Part 1 of the consultation and set out the OGA's response to the key points raised.

General points

Breadth of scope and the need for supporting guidance

Some of the consultation responses in several categories indicated that the scope of the proposals was too general and that the OGA should be more specific about what types of information should be retained. Others however agreed with the OGA's approach since in some categories it is not possible to capture every precise information type in scope.

The OGA considers that its approach as set out in the consultation is the right one; the varied nature of petroleum related information makes it impractical to set out more specific information types in regulations and attempting to do so would run the risk of the regulations becoming obsolete due to changes in technology or oilfield practice.

It should be noted that, in order to provide clarity to industry as to the practical application of the regulations, the OGA commits to publishing guidance. The guidance will provide a more detailed explanation of what the requirements mean in practice and will give practical advice on how relevant persons can remain compliant with the regulations.

Tests for significance

Many of the respondents argued that the OGA should set "tests for significance" in relation to information in the regulations to avoid the requirement to retain drafts, backups or working copies or other information and samples that otherwise do not contribute towards the principal objective of MER UK. The OGA acknowledges the concern and agrees that regulations should not set out a requirement to retain multiple copies of the same information.

The OGA considers that it is the *content* of the information that should be retained, not each individual iteration, format or instance in which that information is held. An example of this could be information in a report; in that case it is the information which must be retained, not any specific draft of that report.

Form and manner of retention

Several respondents suggested that the form of, and manner in which, information and samples are to be retained should be prescribed while acknowledging that this approach could result in the industry needing to revisit and refresh storage media.

The OGA does not consider it practical or desirable to set out the precise format or media for retention of information and samples in the regulations as this would create an unintended burden with no demonstrable benefits. However, the OGA will, under its powers under section 34 of the Act, be able to specify the form and manner in which information and samples should be reported to the OGA if there is a benefit in doing so. Relevant persons should therefore be aware that information and samples should be retained in an accessible and useable form such that any reporting notices can be readily complied with.

Requirement to retain does not impose a requirement to acquire

As set out in the consultation, the regulations under section 28 of the Act can impose an obligation to retain information and samples, however they cannot impose an obligation to create or acquire information and samples, nor is imposing such an obligation the OGA's intention. The OGA's intention is for the regulations to ensure the long-term curation of important information and samples that have been created or acquired.

However, the OGA expects that competent operators, licensees or infrastructure owners will acquire all the information and samples necessary to carry out safe and efficient operations and properly evaluate prospects and subsurface strata.

The OGA does not specify a minimum acquisition programme for activities carried out under licence but it reserves the right to enforce changes or enhancements to planned activities through consenting or approval processes.

Implementing a National Data Repository

The OGA's Activity Plan 2017 and 2018 identifies the implementation of an operating model for a National Data Repository (NDR) as a programme priority for the OGA. The NDR will be the central point for the reporting of petroleum-related information and samples, with relevant persons able to gain relief from their obligation to retain petroleum-related information and samples through such reporting. The OGA's powers to require the reporting of petroleum-related information and samples are set out in s.34 of the Act, and are not in scope of this consultation. However, the OGA recognises the relationship between retention, reporting and disclosure of petroleum-related information and samples and acknowledges the expectation that the OGA will include the NDR in its considerations for the regulations.

Summary of changes to proposed policy

The OGA welcomed the responses. In several instances, the OGA has adapted the proposed policy where a more suitable approach has been suggested or respondents have reasoned for changes that support the principal objective of MER UK. Table 1 summarises where the OGA has adapted the policy for the proposed retention regulations.

Table 1: Summary of changes to proposed policy for the retention of information and samples

Category	Consultation Proposal	OGA Policy
Samples	Samples should be required to be retained within the UK.	The OGA considers that there should not be a requirement to retain samples in the UK. The OGA will expect that the reporting of samples will be within timescales set out in the relevant s.34 reporting notice.
	No proposed minimum quantity to be retained.	Minimum quantities of 100g for cuttings and 1 litre for fluids should be required to be retained. In the case of cuttings this is in addition to any portion reported to the OGA.
	Types of samples to be retained include, core samples, core plugs, drill cuttings, sidewall cores and oil and gas fluid samples.	The OGA considers that the scope for the retention of sample should include micropalaeontological slides, thin sections, grain mounts and formation water, which were each suggested as useful samples types to be retained.
Geophysical Survey Information	Raw, processed and reprocessed data, navigation data, and any associated reports should be retained.	Only derived volumes used in final products need to be retained. Interim and test versions should not be required to be retained.
	In response to suggestions for other types of information to include:	The OGA considers that group formed and pre-stack volumes and raw trace data should be required to be retained.
Production Information	“all” production information should be retained	The OGA considers that the minimum temporal resolution for the retention of production information should be daily.
Other Licence Information	“any” computerised model should be required to be retained	The OGA considers that only the latest or final model needs to be retained.

Scope of Proposals

The OGA intends for the regulations to apply not only to any new petroleum-related information and samples which are created after the coming into force date of the regulations, but also to any petroleum-related information and samples that were created beforehand and are held at the time of the coming into force of the regulations.

Q1. Do you agree with the OGA's intention for the regulations to apply to both existing information and samples held at the date the regulations come into force as well as any new information and samples created after that date?

Five respondents expressly supported the OGA's intention. A further 10 respondents were supportive however they requested clarification that the proposed regulations and related sanctions would not be applicable to historic information and samples. Several respondents said that, for various reasons, they are not in possession of some information or samples that were created or acquired in the past. Respondents also said that some information or samples would never have been created or acquired. They requested confirmation from the OGA that they would not be uncompliant with the regulations in those circumstances. Eight respondents disagreed with the proposal, citing similar concerns in relation to information and samples that are not currently held.

OGA Response

The OGA's proposal was for the obligation under the regulations to be to retain information and samples that were either actually held at the time the regulations came into force, or were created or acquired subsequently. There was no proposal for an obligation to retain historic information and samples which were not held at the time the regulations came into force, nor for any obligation to acquire or create new information and samples.

The OGA therefore considers it reasonable to require relevant persons to retain information and samples within the scope of the regulations which were held **at the time** the regulations came into force.

The OGA also considers it reasonable to require relevant persons to retain information and samples within the scope of the regulations which are created or acquired **after** the regulations came into force.

Licence information and samples

Well information

The OGA proposed that:

- i. all information relating to the engineering of the well, the equipment used and the activities undertaken for the drilling, testing, operation, completion for production, production, suspension or abandonment of the well is required to be retained;
- ii. all information relating to the strata, formations and fluids encountered that is created or acquired during the planning, drilling, operation, completion for production, production, maintenance, suspension or abandonment of the well is required to be retained.

Summary of responses received

Q2. Do you agree with the OGA's proposal to require all information related to the engineering of the well, equipment used and activities undertaken across the lifecycle of a well to be required to be retained due to its value in maximising safe and efficient operations?

Six respondents expressly supported the proposal. Four respondents were in favour although they expressed concerns that a lack of specific guidance left ambiguity about the scope of this proposal. 11 respondents disagreed with the intention, citing concerns that the scope was too broad and it could be interpreted that the OGA will require the retention of interim data volumes and draft documentation, which are burdensome to retain and manage while at the same time provide no value.

Q3. Do you agree with the OGA's proposal that all information about the strata, formations and fluids encountered across the lifecycle are required to be retained due to their value for understanding of the strata?

Ten respondents expressly supported the OGA's proposal. A further two respondents agreed but suggested constraining the definition of "all information" or limiting the requirement to raw data and initial interpretations. 11 respondents opposed requiring the retention of all information in this context, because they felt that the scope was too broad and that it would create undue burden on industry.

Q4. Are there any other types of well information that you think should be included?

Fourteen respondents suggested the inclusion of specific types of well information which can be summarised as follows:

Measurements:

- Definitive deviation surveys
- Definitive well headers
- Well temperature records
- Well pressure records
- Drill string tests
- Pressure data
- Fluid flow data
- Shallow seismic

Analysis and reports:

- Biostratigraphy
- Sedimentology
- Petrology
- Petrophysics
- Geochemistry
- Stratigraphy
- Core images (including UV images)
- Lithology
- Well intervention and workover reports

Samples:

- Thin sections
- Slides
- Core plugs
- Rig and platform placement seabed samples and analysis

Environmental data:

- Species and habitat analysis
- Oceanography
- Bathymetry
- Metocean data
- Fisheries data
- Marine historic data

Decision criteria

Evidence of the rationale followed before activities on a well

Eight respondents did not think that any other types of well information should be included.

OGA response

The OGA acknowledges concerns that too broad a requirement in regulations could lead to a lack of clarity as to what is expected to be retained. However, in accordance with some of the responses, and as noted above on page 6 in response to general points raised on the breadth of scope and need for supporting guidance, the OGA considers specifying each type in regulations is impractical. Moreover, experience has shown that advances in technology will outpace any changes in the regulations, introducing a risk that they could quickly become obsolete and unfit for the intended purpose.

Further, as noted above on page 6 in response to the general comments on test of significance, the proposed requirement relates to the information, rather than each individual iteration, format or instance in which that information is held

The OGA therefore considers it appropriate for the regulations to require the retention of information relating to materials, equipment and components used in the full well lifecycle and related operational activities (including information on path and position of the wellbore).

The OGA also considers it appropriate for the regulations to require the retention of information about the strata and fluids encountered (or expected to be encountered) in the categories of geological, biostratigraphical, petrophysical, geophysical, geochemical and geotechnical information, including any analysis or interpretation of such information. Some respondents identified specific categories of samples from wellbores that they thought the regulations should require relevant persons to retain, The OGA's position on the retention of samples is set out below in response to Questions 5 and 6.

Many of the respondents felt that supporting guidance explaining which specific types of information would fall within the definitions would help provide further clarity on how to comply with the obligations. The OGA will publish guidance around the time that the regulations come into effect.

The OGA considers that the additional types of well information suggested in the responses to Question 4 are already captured under the proposals or that they are addressed in the "Samples" section below.

Other information types suggested that do not have a direct role in supporting the MER UK objective such as environmental data, are outside of the scope of these regulations. Consequently, the information categories listed as "environmental data" will not be included in the scope of well information to be retained.

Samples

The OGA proposed that any physical samples of the strata, and any samples of petroleum within the strata, encountered during the drilling of a well (including any coring or well testing taking place during the drilling) are required to be retained. These would include:

- i. core samples
- ii. core plugs
- iii. drill cuttings
- iv. sidewall cores
- v. oil and gas fluid samples.

Summary of responses received

Q5. Do you agree with the OGA's proposal that all samples, as set out above, should be required to be retained?

Fifteen respondents supported the proposal. Two of those who agreed said that they had done so in the expectation that more clarification would be provided through guidance. Two of the supportive responses emphasised that the established processes under model clauses for agreeing the disposal of samples with the OGA should be applied to the regulations rather than requiring samples to be retained indefinitely. One of the supportive responses said that fluid samples should be disposed of once any analysis has been completed.

Eight respondents disagreed with the proposal. One of these cited increased storage costs as the reason. Three others suggested that the regulations should include practical limitations on weights or volumes that would be required to be retained and that retention should apply only to hydrocarbon bearing formations. Another said that only a representative set of samples should be required to be retained, rather than all samples. Two responses said that the relationship between retention and reporting needed to be clarified to address the risk of non-compliance in reporting of samples through an inappropriate approach to retention.

There was a general agreement between respondents with the OGA's proposal to continue to facilitate disposal of samples through the notice to dispose process.

Q6. Are there any other types of samples that you think should be included?

Sixteen respondents proposed additional types of sample to be included in the regulations. The proposed additional samples types are:

- Thin sections
- Polished sections
- Grain mounts
- TEM stubs
- Micropalaeontological preparations and slides
- Geochemical slides
- Petrological slides
- Seabed samples
- Geomechanical studies, including triaxial analysis
- Water samples, required for determining the water chemistry for the design of a facility
- Production/Formation water samples
- Representative dead oil samples
- Mud samples
- Mud gas samples
- Coal samples
- Bituminous shale samples
- Marine environmental samples
- Species and habitat related samples
- Water column oceanographic samples
- Marine historic environment related samples

OGA response

The majority of the respondents were supportive of the proposals in the consultation on the retention of samples. The OGA therefore considers that the regulations should require the retention of samples acquired during the drilling of a wellbore or during any coring or testing operations. This will include the types set out in the consultation such as core samples, core plugs, drill cuttings, sidewall cores and oil and gas fluid samples.

The OGA also agree that the following additional types of sample suggested by respondents are important in support of MER UK as they will contribute to greater understanding of the strata encountered:

- Micropalaeontological microscope slides and preparations
- Thin sections prepared from above samples
- Polished sections prepared from above samples
- Grain mounts taken from above samples
- Formation water samples

The OGA therefore considers that these should be included in the scope of the regulations.

Samples of an environmental nature and seabed samples have not been included as the OGA considers that they contribute less to the understanding of strata and to be out of scope. This will also limit the burden of sample retention on relevant persons.

The OGA notes suggestions that only representative samples should be retained for some sample types and considers that the practice as currently set out in the Petroleum Operation Notice 9 (PON 9) guidance for model clause requirements should be applied to the regulations, i.e. that:

- for drill cuttings, where sufficient have been acquired at least 100g should be retained (in addition to any reported to the OGA); and
- where sufficient has been acquired at least 1 litre should be retained.

The points raised relating to storage costs and how the requirement to retain ends in relation to samples, are addressed in the response to Question 23, page 26.

As with some of the other sections, many of the respondents felt that supporting guidance to the regulations would help provide further clarity (in particular in the case of samples on the relationship between reporting and retention). The OGA will publish guidance near the time that the regulations come into effect.

Geophysical survey information

The OGA proposed that any raw data (and associated reports); any navigation data (and associated reports); any processed data (and associated reports); and any reprocessed data (and associated reports) arising from geophysical surveys that measure the physical properties of strata and/or the rock types of which they are comprised in order to map, image or model the subsurface are required to be retained.

Summary of responses received

Q7. Do you agree with the proposal that all geophysical survey information, as set out above, should be required to be retained?

Eleven respondents expressly supported the proposal. A further three respondents supported the proposal on the condition that the scope was clarified, a retention period was specified and that interim products should be excluded from the scope.

Fourteen respondents opposed the proposal, with seven stating that they felt that the scope was too broad or not clear enough. Eight of those said that only final processed data should be required to be retained and five of these went on to say that raw acquired data should be retained rather than any derivatives or interim data sets that could be recreated from the raw input data. Two of those opposed to the proposal said that hardcopy displays that have been transcribed to a digital format should not be required to be retained and another respondent said that legacy survey data that had been superseded by more recently acquired survey data should not be required to be retained.

Q8. Are there any other types of geophysical survey information that you think should be included?

Six respondents proposed that additional geophysical data types should be included in the scope of the regulations. These were:

- echo sounder surveys
- side-scan sonar surveys
- geomicrobiological surveys
- site surveys for shallow hazards
- shallow seismic surveys
- velocity surveys
- acoustic impedance data
- elastic impedance data
- gravity and magnetic surveys
- radar and other “aero-acquired” data

Supplementary environmental data collected during a geophysical survey:

- marine environmental samples
- species and habitat data
- water column oceanographic data
- bathymetry data
- Metocean data
- fisheries data
- marine historic environment data

Seventeen respondents said that no other geophysical data types should be included

OGA response

There were concerns expressed by respondents that the scope of geophysical information was too broad and that the large number of datasets of an interim nature (or test datasets) that are produced during processing would be onerous to retain. The OGA acknowledges these concerns but also considers there are categories of geophysical information where there is a clear need for retention in support of the principal objective of MER UK. Therefore, the OGA considers that, as set out in the consultation proposals, it is appropriate for the regulations to require the following types of geophysical information to be retained:

- raw trace data
- raw navigation data and associated reports, acquired in the field
- final processed data
- certain datasets derived during the processing of the raw data and reports relating to the processing of that data.

The above types further fall into the categories below:

- Seismic data (acquired using streamer or ocean bottom techniques)
- Data that measures the magnetic, gravitational or electrical properties of the subsurface (this would include those acquired by “aero” methods)

The OGA agrees however that some “test” datasets and other interim datasets that are produced during processing may be burdensome to maintain and have less direct impact on understanding of the sub-surface. Therefore, the OGA considers that only those interim datasets used in creating the final processed data should be in the scope of the retention regulations.

High resolution shallow seismic, often acquired during site survey activity, would also be in scope. However, because of its lesser importance in understanding the subsurface and in the interests of limiting the burden of retention on licensees the OGA considers regulations should not require the retention of information acquired by such techniques as echo sounder and sonar information.

The other types of information referred to in the responses are either environmental in nature and therefore out of scope of the regulations, or are already captured in the other categories of information.

In response to suggestions hardcopy data should not be required to be retained, as in response to the general test of significance point, the proposals relate to the content of the information on page 6 and not each individual iteration, format or instance in which that information is held: if a report is retained and is in a reproducible and reportable format, e.g. there is a digital version of the same, then there is no requirement for any hardcopy version to be retained.

Production information

The OGA proposed that:

- i. any quantitative and compositional information on the petroleum, water, or other fluids, produced or injected into a reservoir or otherwise used in a field or flowed through, vented or flared at a terminal pursuant to an approved field development plan is required to be retained
- ii. any quantitative and compositional information on the gas flared, vented or used in the field is required to be retained.

Summary of responses received

Q9. Do you agree with the proposal that all production information as set out above should be required to be retained?

Eighteen respondents supported the proposal to require the retention of production information as set out in the consultation document. Four of these respondents sought clearer definitions of the term “fluids”, either because it could be interpreted to include fluids that are not relevant to the purpose or because, by lacking clarity, the language could have unintended consequences as to the later disclosure of commercial product composition. Three supportive responses sought clarification on the sampling frequency requirement and, on the understanding that the OGA does not intend to impose a requirement to create or acquire information, whether sampling at a specific frequency could be specified. Two responses queried whether information would be required to be retained if it had been reported to the OGA in response to a section 34 notice (Energy Act 2016) or similarly if information had been reported to BEIS through the Environmental Emissions Monitoring System (EEMS) system.

Three respondents opposed the proposal; two of these were concerned at the lack of clarity in the proposal and suggested that there should be limits to the sampling frequency whereas one said there is no value associated with retaining production information.

Q10. Are there any other types of production information that you think should be included?

Nine of the respondents proposed the inclusion of additional types of production information. These were:

- Information relating to stimulation processes - fracking, acidisation etc.
- Produced solids - i.e. sand production
- daily production of oil and water
- injection data
- H₂S data per well as sampled at the surface
- geochemistry samples
- tracer analysis
- reservoir and well pressure data

Twelve respondents said that no other types of production information should be included.

OGA response

Most respondents agreed with the proposals set out in the consultation document, that quantitative and compositional information on the petroleum, gas, water, or other fluids, produced or injected into a reservoir should be retained.

The OGA considers that this information is invaluable for understanding field and asset performance and has therefore not changed its policy in this regard. It therefore considers that all this information should be in the scope of the regulations.

Some respondents voiced concerns over the frequency (or “granularity”) of information that should be retained. The OGA confirms that the regulations cannot stipulate any requirement of sampling frequency, only set out what information, if created or acquired, should be retained.

In consideration of the responses however, the OGA agrees that there should be limits on the sampling frequency of production information which should be required to be retained if created or acquired. Therefore, the OGA considers that information from individual wells and reservoirs, where acquired, should be retained. However, “high frequency” production data (where frequency refers to sampling interval), for example, real-time data, could be onerous to retain and will not greatly add to the understanding of field performance. Accordingly, the OGA considers the minimum period for which production information should be retained is daily (i.e. each 24-hour period). Any information gathered at greater granularity, such as information gathered hourly or in real time, should not be required to be retained under the regulations.

The other information types mentioned by respondents the OGA considers will fall into the above scope or be included in information related to wells. Geochemistry samples taken during the production phase of the well relate more closely to the samples section and have been excluded from the scope of information to be retained as it is felt they have more limited long-term use for the purposes of understanding the subsurface.

Other licence area information

The OGA proposed that:

- i. any computerised model which provides a spatial representation of the distribution of sediments and rocks in the subsurface is required to be retained
- ii. any computerised model that simulates the flow of fluids (liquid or gas) in reservoirs is required to be retained
- iii. any report from a study into the sub-surface; geology of the strata; structure of the reservoir; the chemistry of the petroleum; how the petroleum may behave in the reservoir, or how it may be trapped and migrated from source is required to be retained.

Summary of responses received

Q11. Do you agree with the proposal above that models and reports of the sub-surface strata and petroleum in licence areas should be required to be retained?

Two respondents agreed without commenting and a further 14 agreed while commenting that the regulations should only apply to final approved models or those pertaining to specific events, rather than derivatives. Other comments raised that software versioning and licensing would need to be addressed so that retained information was not locked in obsolete formats and suggested that information should be retained in open, vendor neutral formats.

Comments also stated that the originator should not be held responsible for subsequent decisions based on reported interpretations and some went on to emphasise that there are benefits from new entrants making their own unbiased interpretations rather than reusing the work of others. It was cautioned that if retained information is subsequently reported, the OGA must be careful not to then disclose any reference information, such as geophysical surveys, that remain within their confidentiality period. Guidance for the regulations should include mechanisms for disposal of retained models at the appropriate time to relieve relevant persons of the responsibility to retain indefinitely.

Eleven respondents disagreed with the proposal, citing similar reasons as those set out above. Respondents said there should be a test of importance and significance to ensure that only information that has true value was required to be retained and that retained information would not be of use if the software it was created in was no longer available. There were concerns that the definition is too broad, requiring the retention of numerous working versions of models or reports, which would create a significant burden on industry. Respondents stated that models are, by nature, subjective interpretations which raised questions about liabilities arising from third parties subsequently making decisions based on retained models. Again, it was highlighted that the inclusion of reference data sets such as commercial seismic surveys would cause problems if the retained information was later to be disclosed.

Q12. Are there any other types of licence information that you think should be included?

Four respondents put forward suggestions as to what they thought should be included in the regulations for the retention of licence information. These were as follows:

- Field wide and regional reports and studies
- Field petrophysical reviews
- Well data reference databases
- Exports of drilling databases
- Reports detailing the operations of
 - data acquisition
 - coring
 - logging
 - fluid sampling

Any environmental data collected during the licence stage should be retained as they could have wider and on-going benefit to the oil and gas industry as well as the wider UK marine community.

These may include:

- Species and habitat data
- Water column oceanographic data
- Bathymetry data
- Metocean data
- Fisheries data
- Marine historic environment data

Sixteen of the respondents to Part 1 said that that they did not think any other types of information should be included.

OGA response

Thirteen respondents voiced concerns about the requirement to retain all geological and dynamic and static reservoir models. It was felt that these requirements were too onerous particularly where there were multiple working versions of these models. The OGA acknowledges this and agrees that a requirement to retain all versions could be onerous. The OGA therefore considers that the regulations should require only the retention of latest or final version of such models.

It was also noted that these models are developed using specific software and so there were dependencies on the use of this software. Again, the OGA acknowledges that this is an issue and considers the regulations should require the retention of information on software, processes, data and key parameters that were used to create the models. Many of the respondents voiced concerns over issues such as the subjective nature of these models; how they could potentially be misconstrued and the subsequent use of these models if they are reported or disclosed (including any subsequent liabilities). Whilst the OGA acknowledges these are important issues they are not specifically related to the requirement to retain and so not relevant to the retention regulations. Similar comments were raised in response to Part 2 where the disclosure of information and samples is addressed.

There were fewer comments on the requirement to retain reports or the results of studies into the subsurface of the licence area and the OGA continues to consider that this is an important category of information that should be retained.

The OGA also agrees that field wide or regional reports over the licensed area, based on information and samples from multiple wells, reservoir engineering studies, petrophysical and other geotechnical reviews and studies should be retained. This would include some of the additional types suggested such as field wide and regional reports from various sub-surface disciplines, and field wide petrophysical reviews. It would also include final reports relating to site surveys. The OGA considers that all these information types should be required to be retained in the regulations.

Other petroleum-related information

Upstream infrastructure (excluding pipelines and offshore installation information)

The OGA proposed that all structural, engineering, maintenance and inspection information that is created or acquired in relation to a piece of upstream petroleum infrastructure or a relevant offshore installation during planning, consents, construction, operation, or decommissioning is required to be retained.

Summary of responses received

Q13. Do you agree with the proposal that all upstream infrastructure (excluding pipelines) and offshore installation information, as set out above, should be required to be retained?

Eight of the respondents agreed with this proposal without further comment. A further five agreed, commenting that the definition given in the Consultation Document was too broad, raising a need for clearer definition. This would help to differentiate between information that is already retained and to avoid duplication of efforts to meet more than one regulatory requirement. Some of the proposed scope may be covered by existing regulations, such as Safety Cases. The regulations should ensure that information and samples of true value are retained, and those of no enduring value (for example, working copies, backups, duplicates, and superseded records) may be destroyed. The requirement would need to be applicable for the life-span of topsides and subsea structures, such as concrete gravity based structures left in place, for decommissioning and post decommissioning purposes.

Nine respondents did not agree, with several stating that the proposal is too wide and general to allow for practical interpretation; potentially placing an unintended heavy and unnecessary burden on industry.

Respondents commented that the regulations should focus on information in relation to the final/as-built state of upstream infrastructure rather than what was originally planned. Respondents also queried whether there would be a requirement to retain information on a structure that had been materially changed over time.

It was specifically stated that there should be no requirement to retain the following:

- Information that fails to pass a “test of significance” against criteria such as:
 - Has the information been shared with partners?
 - Was the information used in a decision gate?
 - Was the information archived as a record by the relevant person?
- “temporary” information; working copies, backups, duplicates; hardcopy rendered obsolete by scanning; and superseded and obsolete information;
- Information that has been reported to other regulators.

One respondent stated that they did not believe the OGA has the mandate to oblige the retention of data associated with decommissioning programmes because the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED) unit in BEIS has responsibility for regulating oil and gas decommissioning activities. As such they consider that retention of data associated with the decommissioning of platforms and subsea infrastructure is outside the remit of this consultation.

Q14. Are there any other types of upstream infrastructure (excluding pipelines) and offshore installation information that you think should be included?

Six respondents thought additional types of upstream infrastructure and offshore installation information should be included in the retention regulations. Respondents suggested that an overview of an assets capacities, processing capabilities etc. should be retained and kept updated by an operator but went on to ask how and where such information would be stored. It was also suggested that the OGA should require the retention of evidence of decision-making in relation to the construction, operation, maintenance and decommissioning of upstream infrastructure and offshore installations to aid future understanding of an operator's past decisions in relation to a given field. It was also suggested that information that identifies subsea infrastructure or other hazard to users of the sea, especially where it lies outside dedicated safety zones, should be included.

Detailed suggestions for additional information include:

- anchors
- dropped objects
- rock dumps
- mattresses
- wet stores
- cuttings piles

One respondent requested greater clarification on the term "upstream infrastructure" and associated information and went on to propose a phased approach on both retention and disclosure following clarification of the scope.

Thirteen respondents said they had not identified any other types of upstream infrastructure and offshore installation information that should be included in the scope of the regulations.

OGA response

The OGA acknowledges that this is a broad category of information. However, the OGA considers the variety of infrastructure information is too numerous and the definitions so broad, that setting out each specific type in the regulations is not desirable or possible.

The OGA also acknowledges the point raised about final or "as-built" information being of greater importance, and the issue of temporary (i.e. working copies, backups duplicates etc) not passing a "test of significance". The OGA reiterates its general policy on significant information under "Tests for Significance" on page 6 that it is the content of the information that should be retained, not each individual iteration, format or instance in which that information is held.

The OGA notes the point raised in relation to the retention of evidence of decision making in relation to construction, operation, maintenance and decommissioning of upstream infrastructure. The OGA considers this information to be useful in support of MER UK, and therefore considers that information specified in proposals in the consultation document covering the basis of design and operating philosophies should be required to be retained.

The OGA also acknowledges that much of this information (for instance regarding decommissioning) is required by other authorities. However, the OGA considers that only information held by operators of upstream petroleum infrastructure or owners of relevant offshore installations that is important for operations during the life of the item of infrastructure (therefore potentially useful to the OGA in support of MER UK) will be in the scope of the regulations. Post decommissioning, when owners of infrastructure are no longer relevant persons, they will no longer be required to retain this information, however, such information may be required to be reported beforehand.

The OGA agrees that supporting guidance will be needed to mitigate any ambiguity in relation to infrastructure information.

Information related to navigational hazards, such as dropped objects, do not contribute directly to MER UK and are therefore considered by the OGA to be outside of the scope of these regulations.

Upstream Infrastructure (Pipelines)

The OGA proposed that the following are required to be retained:

- i. any engineering reports relating to the construction of the pipeline
- ii. any spatial information or drawings relating to the pipeline as constructed and installed (including relating to any subsea junctions and riser connections)
- iii. any reports created in relation to any petroleum pipeline surveys or “pigging” operations carried out for cleaning, surveying or maintenance of the pipeline
- iv. any reports created in relation to any chemical treatment of or chemical usage within the pipeline

Summary of responses received

Q15. Do you agree with the proposal that all pipeline installation information, as set out above, should be required to be retained?

Nine respondents agreed without making comments and a further five respondents went on to comment, acknowledging that the proposal would enable the identification and assessment of historically significant records at the end of a field’s active life. It was suggested that cleaning pigging is of little relevance, whereas there is value in In-Line Inspection reports, run comparison reports and fitness for purpose assessments, which could all be captured in a detailed life extension report. Two respondents suggested that geospatial data should be retained digitally in suitable standard vector format, as drawings can sometimes lack accuracy, and suggested that the requirement should be to retain geospatial information to a specific accuracy, for example to 10 meters.

Another respondent agreed with the proposal providing that chemicals can be defined as “chemical products”, where the product name, rather than the composition of a commercially marketed material (comprising a single substance or a mixture of substances), would be disclosed. This respondent went on to explain that other recent legislation, such as EU REACH Regulation, have moved away from the ambiguous term “chemicals” in favour of terms including “substance”, “mixture” and “product”.

There were eight respondents who disagreed with the proposal. Their comments included requests for the OGA to provide clarity on what would be included within scope, as opposed to “all information” which would lead to retention of high volumes of “low value” records with associated administration and management costs. Comments suggested that retention periods should be included in guidance documentation. Respondents said that reports on pigging operations and chemical treatment/usage include commercially sensitive information. They said that if the OGA required this information to be retained this could lead to the information being disclosed in the future, citing this as a reason for the information not to be retained.

Other comments challenge whether there is a requirement to retain the following:

- information that post-dates the installation of the pipeline which is part of the asset maintenance regime (covered by the Pipeline Safety Regulations 1996)
- reports created in relation to any chemical treatment of or chemical usage within the pipeline and which are reported in Chemical Permit applications to BEIS via the Energy Portal’s PETS system
- information about routine pigging operations for the purposes of cleaning (although pigging plans and changes to pigging plans should be retained)

It was requested that the term ‘pipeline’ should be defined to include umbilicals and risers, and that the location of pipeline spans and power and telecommunications cables supplying offshore infrastructure should also be required to be retained.

Q16. Are there any other types of pipeline information that you think should be included?

Six respondents put forward suggestions as to what they thought should be included for the retention of pipeline information including the recommendation that the term 'pipeline' is clarified in the regulations to cover umbilicals and risers.

Additional information types were as follows:

- engineering reports related to ongoing operation and intervention works conducted on any pipeline or umbilical
- volumes carried on a daily basis
- types of hydrocarbons carried
- pressures in the pipeline
- location of any pipeline spans and any power and telecommunications cables supplying offshore infrastructure
- pipeline testing data
- pressure monitoring data
- significant change events and/or removal of pipelines
- evidence of decision-making in relation to the construction, operation, maintenance and decommissioning of pipelines
- burial status (intention for the complete pipeline section at the time of installation) including:
 - surface laid
 - buried
 - trenched
 - unknown

An extensive list of proposed metadata to be retained for each infrastructure data item was also provided.

Fourteen of the respondents to Part 1 said that that they did not think any other types of pipeline information should be included.

OGA response

The OGA maintains that the pipeline reports and the other pipeline information set out in the consultation and detailed in (i) to (iv) above is useful to the OGA in support of the principal objective of MER UK and should therefore be retained. The OGA considers that the additional information types proposed by industry are already included in the information and samples specified by the OGA in the consultation, or are reported already by other mechanisms.

As with non-pipeline infrastructure information, the OGA accepts that the retention of much of this information is required under other legislation and it should be noted that the regulations will not require the retention of any information that a relevant person would otherwise not need to retain to carry out their duties as an owner of upstream petroleum infrastructure. The OGA has ensured that the definition of data and information to be retained about pipelines and subsea structures is specific, and should therefore be retained. The OGA will produce supporting guidance to provide clarity about the specific type of pipeline information that should be retained.

The OGA acknowledges the issue raised about the commercially sensitive nature of chemical products used in pipelines, and relating to pigging operations and results. Retention regulations will however only proscribe what must be retained by a relevant person, as opposed to the information that must be reported to, or subsequently disclosed by the OGA.

Activities under a carbon dioxide storage licence

The OGA sought views on whether there was any other petroleum-related information not mentioned in the consultation that would be relevant to activities carried out under a carbon dioxide storage licence.

Summary of responses received

Q17. Are there any additional categories of petroleum-related information or samples not discussed in the proposals above which are relevant to activities carried out under a carbon dioxide storage licence and which you think should be required to be retained?

Two respondents suggested the retention of additional categories of petroleum-related information and samples which are relevant to activities carried out under a carbon dioxide storage licence. These included storage volume monitoring to detect any impacts such as micro seismic activity events or enhanced production contribution obtained via CO₂ injection. The respondents suggested that records of well temperature and pressure from activities under a carbon dioxide storage licence should be recorded and retained.

Fifteen respondents said that they had no additional categories of information and samples to propose.

OGA response

The OGA considers that the categories of information suggested by respondents to Question 17 are already covered in the categories of petroleum related information discussed above.

These include volumetric information on fluids injected into a reservoir, temperature and pressure measurements relating to wells and information derived from geophysical surveys in the licensed area.

Who is required to retain information and samples?

Licence information and samples

The OGA proposed for all categories of licence information and samples required to be retained, that the persons responsible for their retention are:

the holder of a licence and/or the operator under a licence who has created or acquired such information, or for whom the information or samples was created or acquired on behalf of in the course of carrying out activities under the licence.

Upstream petroleum infrastructure and owners of relevant offshore installations

The OGA proposed, for any pipeline information and other upstream petroleum infrastructure, that the persons responsible for their retention are:

every owner of upstream petroleum infrastructure and person who has planned and carried out the commissioning of upstream petroleum infrastructure, who has created or acquired such information, or for whom the information was created or acquired on behalf of in the course of carrying out activities which are relevant to the fulfilment of the principal objective of MER UK.

The OGA also proposed, for other relevant offshore installations that are not upstream petroleum infrastructure, that the persons responsible for their retention are:

every owner of a relevant offshore installation who has created or acquired the information, or for whom the information was originally created or acquired on behalf of, in the course of carrying out activities which are relevant to the fulfilment of the principal objective of MER UK.

Summary of responses received

Q18. Do you agree with the proposals above that every relevant person who has created or acquired; or had the information created or acquired on behalf of, should be responsible for the retention of the information or sample?

Eight respondents agreed with the proposal. Five of these went on to make specific comments including requests for clarification to guard against multiplication of effort and costs, for example where there are multiple licensees in a licence group. Respondents said that it could be interpreted that all licence group participants should each retain copies of information or representative samples which would contradict the OGA's intention to minimise the burden on industry. Rather it should be clarified that while each participant in a licence group remains responsible that the objective could be met by, for instance, the licence operator fulfilling the requirement on behalf of the group, in line with current practice.

Comments went on to propose that the OGA put in place mechanisms for relevant persons to be relieved of the requirement to retain information and samples by reporting in full to a recognised national archive centre. It was also requested that the OGA clarify if and where the proposed requirements for retention extend to holders of carbon storage licences

Fifteen respondents did not agree with the proposal. Their feedback focused on the implication being that each participant in a licence group would be required individually to retain copies of information with associated costs that are contrary to the OGA's aim to minimise burden on industry. Commenters also point out that it would not be possible in the case of samples for all licence group participants to individually retain physical samples which are, by their nature, finite. In addition to the suggestion that licence participants should rely on the licence operator to fulfil the objective it was also noted that the requirement could be satisfied through the reporting of information to a central digital storage facility such as CDA's UKOilandGasData.com or the National Data Repository (NDR) proposed by the OGA. Respondents called for mechanisms through which a relevant person could discharge any retention liabilities to retain by giving notice to the OGA if they intend to exit a licence or they consider such information to be redundant by offering material to the OGA or NDR. It was also commented that licensees within a group who are not the operator can and do generate their own information or analyses for their own use. The obligation to retain such information and samples could only reasonably be expected of the individual licensee in such circumstances.

OGA response

Many of the respondents were concerned that under these proposals, the requirement to retain information falls on each participant in a licence group and that this would run counter to the OGA's stated intention to try to minimise the cost of retention for relevant persons.

The OGA acknowledges this concern and considers that the requirement to retain most categories of information and samples (wells and geophysical surveys for example) should apply to a 'licensee'; a licensee being the holder (or holders) of a licence who created or acquired the information and samples, or on whose behalf it was created or acquired.

As is the case under the licence model clauses, the obligation to retain such information and samples should therefore apply jointly and severally to a licence group (or part of the licence where a particular group is the holder) and it should therefore be a matter for that group to decide how to make arrangements to meet the obligation.

For pipelines and other infrastructure, the OGA considers it appropriate that the requirement to retain should apply as set out in the consultation.

Form or manner in which information or samples are required to be retained

The OGA proposed that no detailed requirement as to the media that information is to be retained in should be included in the regulations.

The OGA proposed that information and samples should be retained in accordance with good modern practice as is reasonable and prudent within the oil and gas industry. The OGA intends to issue guidance on 'best practice' to assist industry understand how this standard should be met.

The OGA also proposes that samples are required to be retained within the UK.

Summary of responses received

Q19. Do you agree with the proposal that there should be no detailed specific requirements as to the exact form and manner information or samples should be retained?

Eleven respondents agreed with the proposal with 10 going on to comment further that the OGA should publish guidance on what it considers to be “good modern practice” and that for retained information and samples to remain “useable, accessible and reproducible” there would be a periodic requirement for holders of petroleum-related information and samples to revisit and update the form and manner of anything retained to keep pace with developments in technology. The expectation was that the guidance would be reviewed and refreshed to reflect changes in best practice and that guidance for the reporting of information and samples to the OGA, rather than retention by relevant persons, should stipulate the data standards, mandatory metadata, timeframe for reporting and current/required media etc.

There was a view that it would be preferable that samples should be retained in the UK, however if samples are sent abroad for analysis, on conclusion of the study any remaining samples should be returned to the UK.

There were 12 respondents who disagreed with the proposal. It was suggested that the approach to retention should be prescribed if there is the prospect of a relevant person facing financial penalties due to their failure to retain information and samples in an unsuitable form or manner. However, it was also noted that if the form and manner of retention were more prescriptive industry would need to revisit and refresh the storage media for retained information, that may rarely be recalled. An example would be the remastering of seismic tapes, creating an unintended burden with no demonstrable benefits. It was noted that by not being prescriptive in the past, where retained data is held on redundant or degraded media, or was archived to unsupported software formats, information has been rendered unrecoverable, leading to loss of data.

Some drew attention to the opportunity for the OGA to encourage and support collaboration in the industry, and to minimise burden, by ensuring that certain types of information are compiled, stored and presented consistently. If requirements were more specific to ensure retention is standardised this would create efficiencies when information and samples are exchanged.

Many responses drew on the relationships between the reporting of information and samples and how that will influence the approach to retention. Several respondents referred to the OGA's proposal to implement an NDR and, in the context of digital information, that such a facility would serve both a regulatory purpose (supporting reporting and disclosure of information and samples) and an industry purpose (storage and distribution within a licence group and transfer of information and samples). If the OGA were to require the reporting of retained information and samples to the NDR this would ensure its security for future reference and its availability for re-use and disclosure. Further to this, once reported, industry could be relieved of the obligation to retain and the responsibility for maintaining information in a usable state would lie with the OGA.

With specific reference to core samples respondents felt that the requirement should continue that a portion should be submitted to the OGA collection, which is curated on the OGA's behalf by the British Geological Survey (BGS) and that how the core is cut and stored should be specified. Specifying the form and manner of retention would help holders of samples to remain compliant. This should include minimum sample sizes such that meaningful and useable amounts of samples are retained and degradation or contamination of the sample is prevented.

Q20. Do you agree that information and samples should be retained in a useable, accessible and (in case of information only) reproducible form?

Twenty-three respondents agreed with 17 of them commenting. Comments included requests for guidance in relation to what the OGA considers to be useable, accessible and reproducible to accompany the regulations. Guidance should explain how to comply with requirements Respondents asked whether legacy data and media formats would be required to be upgraded, such as legacy seismic tapes being transcribed to disk. Furthermore, where licence data was found to be unrecoverable from degraded or obsolete media, respondents asked what steps the OGA would expect to be taken by relevant persons. To avoid ambiguity respondents said that the terms usable and accessible would need to be clearly defined.

Several respondents raised the practicalities of changing data formats in the case of derived information, including models or interpretations of the subsurface created in various legacy proprietary software products. It was noted that proprietary software products do not store information in universally standardised formats. They asked whether there would be a requirement to upgrade or migrate that information to a format that is usable and accessible, stating that this could introduce a burden.

There were specific requests for guidance on the appropriate management and retention of geospatial information referencing existing industry standards (such as EPSG codes) where appropriate.

One respondent drew attention to the practical consideration that sample quality can degrade with time and it is not necessarily possible to retain samples in a state that is representative. For example, pressurised oil samples can degrade especially after two years of storage.

Q21. Do you agree that samples should be required to be retained within the UK?

Nine respondents expressly agreed with the proposal and a further 10 who agreed went on to comment as summarised below.

Several respondents said that the OGA should put in place and oversee a process, with supporting guidance, that allows samples to be sent overseas for special analyses, for instance when a given analytical service is not offered in the UK, but that the samples must be returned afterwards.

Others considered that an expectation to retain samples within the UK could be the default position, the OGA could permit samples to be retained outside the UK by exception. This would be dependent on several relevant factors, such as assurance that there are suitable conditions for retention, the political stability of the intended location, considerations relating to import and export of materials and the relevant person's ability to comply with regulatory reporting obligations.

There is a consideration of "accessibility" to samples for interested parties that was expressed. This assumed that in the first instance any samples have been reported to the OGA and that the OGA's core repository would, as it is today, continue to be curated by BGS.

Six respondents disagreed with the proposal. Some gave feedback to suggest that rather than the location of retention being the main consideration, the relevant person's ability to meet its retention and reporting obligations with respect to form, manner and timescales should be the OGA's concern. If a location offered suitable conditions and security then physical location was considered irrelevant.

It was raised that not all relevant persons are UK based, and that in some cases a relevant person based overseas may have co-located storage and sample analysis facilities. Requiring storage within the UK could attract additional costs for relevant persons that have routinely stored samples in other countries. Relevant persons in this position stated that samples can be made readily available.

OGA response

The OGA understands and acknowledges the concerns raised by the respondents and the desire for clarification. It also notes that many of the respondents agreed that there should be no requirements for the form and manner of retention of information and samples in the regulations (as such regulations would quickly become obsolete) but that there should be supporting guidance on what the OGA considers to be "useable, accessible and reproducible". The OGA also acknowledges the view expressed by some respondents that a lack of prescription has in the past led to some information being lost due to degraded media.

The OGA also acknowledges the concerns expressed about the proposed requirement to retain samples in the UK and the points raised about the ability to carry out analyses overseas. It agrees that the relevant person's ability to comply with reporting obligations is the main focus.

Having considered the responses, the OGA considers that there should not be a requirement in the regulations to restrict the retention of samples to the UK only. However, the OGA will expect that the reporting of both information and samples to be in accordance with timescales set out in the relevant reporting notice under s.34 of the Act (outside of the scope of the consultation).

The OGA considers that, as set out in the consultation, it is neither desirable or practical to include detailed requirements on the form and manner by which to retain information and samples. The OGA requires information and samples to be retained in a useable, accessible and (where appropriate) reproducible state. It is important to note that the OGA has sanctionable powers under section 34 of the Act to specify the form and manner in which information and samples should be reported and that the OGA considers that these specifications may influence the approach taken to retain information and samples. The OGA intends to publish guidance on the reporting of information and samples around the time that the related disclosure regulations come into force providing detailed requirements and practical advice on how relevant persons can remain compliant with s. 34 reporting.

Period for which information and samples are required to be retained

The OGA's proposals were designed to support maximising the economic recovery of petroleum from the UK Continental Shelf (UKCS) by:

- i. ensuring important information and samples from the UKCS are not lost or destroyed
- ii. setting out clearly identifiable retention obligations
- iii. minimising industry.

The OGA proposed that the best way to achieve this is for the retention obligation to apply until an event occurs that ends the obligation to retain, while also preserving the curation of the important information or samples. These events are set out below.

- i. when the information or sample has been reported to the OGA under a section 34 reporting notice
- ii. when the person who is required to retain the information ceases to be a relevant person for the purposes of that information or sample

Q22. Do you agree with the proposals above for how the requirement to retain should end?

Summary of responses received

Four respondents expressly agreed with the OGA's proposal; a further 12 welcomed the proposed approach with further comments. The feedback from these responses advised that cost benefits to relevant persons would be achieved by reducing what is retained, reducing retention periods and reducing the number of parties required to retain information and samples, ideally just one organisation. Supportive responses encourage the OGA to implement an NDR which fully embraces a shared regulatory/ collaborative model. This arrangement, under which relevant persons, and their entitled partners, can readily retrieve information, is expected to provide the opportunity for minimising the burden on industry.

Respondents called for an NDR to be implemented in advance of the retention regulations coming into force so that information reported under a section 34 notice could be retained appropriately. There were also suggestions that such an archive of information and samples should be made more widely accessible once a relevant person's requirement to retain had ceased or there had been a change in the ownership of infrastructure.

There were also suggestions that relevant persons should be able to proactively discharge their retention obligations either by submission or approved disposal of information and samples, rather than requiring the OGA to initiate the end of retention. This could be triggered by a relevant person's exit from a licence, for example. A concern was expressed that the OGA may take a conservative approach to ending retention, thereby perpetuating retention obligations. Respondents said that being able to initiate the end of retention would help to ensure that retained and reported information and samples maintained their value and protected against obligations becoming too onerous. This would enable relevant persons to align their data retention obligations with the period over which information and samples deliver value to them and to manage down their storage and administration costs in the later stages of an operation.

It was commented that the current OGA procedure for approving the donation or disposal of surplus samples is an appropriate basis for future approvals for management of the end of retention. However, respondents also commented that the proposal provided opportunities to end retention requirements only for information and samples that had been reported in a response to a section 34 notice. Respondents sought further clarification from the OGA on this matter so that, in collaboration with industry, an optimal solution for the overall system of reporting, retention and the end of retention could be devised.

Respondents remarked that the proposals appeared to facilitate the reporting and relief obligations to retain by licensees, but not by other relevant persons, who are not licensees, such as those who are involved in the planning and commissioning of infrastructure. It was suggested that there should be the ability for such relevant persons to transfer the obligation to retain pertinent information to the owner of infrastructure so the burden of retention of information and samples falls on those organisations benefiting from the related infrastructure.

Seven respondents disagreed with the proposed approach. Their feedback stated that reducing burden on industry could be better achieved by the OGA taking responsibility for the storage and retention of information and samples, rather than it falling to industry to meet the costs of retention beyond the period when they are of value to the relevant person. This would raise the need for a mechanism to end the requirement to retain sooner than the determination of a licence. Such an arrangement could reduce the retention period by decades, with associated cost savings. Respondents said that they would prefer to report information and by doing so gain relief from the requirement to retain information and samples.

Respondents referred to the OGA's proposal to implement an NDR and the role that this might play in helping to clarify both the OGA's role in the long-term retention of reported information and samples and how reporting to the NDR might facilitate the relief of the requirement to retain.

There were several concerns raised to the potential loss to industry of information and samples, citing a lack of clarity over the requirement to report information and samples under section 34 of the Act. There was a concern that section 34 reporting notices would not be sufficient to guard against the loss of information and samples at the termination of a licence or at the time of an asset sale. In addition, the interpretation that the ending of requirement to retain when an organisation ceases to be a relevant person suggested that industry might not make thorough arrangements for long-term retention.

Four respondents did not give a definitive answer to the question, although they did provide feedback in line with the above – i.e. that at the end of retention periods information and samples should be reported to an NDR, requests for clarity on how reporting under section 34 notices would influence a relevant person's requirement to retain information and samples and suggestions as to when the requirement to retain would end. These included the requirement ending when information is reported to the OGA under a section 34 notice and when those retaining information cease to be a relevant person. It was requested that the OGA clarify these matters in supporting guidance.

OGA response

The OGA notes that the majority of respondents supported the approach set out in the consultation. That is for the obligation to retain information to continue until such time as the information in question has been reported as required under a section 34 notice.

Many of the respondents took the view that there should be a mechanism to end the retention obligation for a wider scope of information that has been reported, before ceasing to be a relevant person at the time of a licence event. The OGA acknowledges this matter and considers that this should be limited to the disposal of physical samples until the OGA has the necessary mechanisms to enable appropriate reporting of other categories of information. The OGA's position on the disposal of samples is addressed separately in the response to Question 23 below.

The requirement to retain will also end when the person(s) who created or acquired the information (or for whom it was created or acquired on behalf of) cease to be relevant persons. However, it should be noted that in the case of a relevant person ceasing to be so due to a licence event, an information and samples plan must be agreed with the OGA pursuant to section 31 of the Act. Such a plan might provide for the continuing retention of information and samples or otherwise require that they are fully reported to the OGA.

Comments made by respondents in relation to the establishment of an NDR have been duly noted by the OGA. Whilst the matter is beyond the scope of this response, the OGA acknowledges the close relationship between retention, reporting and disclosure of information and samples. A brief overview of the OGA's plans for the NDR is provided in the General Points Raised section on Page 7.

Samples

The OGA proposes additional circumstances under which the obligation to retain will end.

- i. for petroleum samples – for non-gas samples: six months after notification is given to the OGA; for gas samples: five days after notice is given to the OGA
- ii. for physical samples – six months after notice is given to the OGA but not less than five years after the "Well Completion Date".

Q23. Do you agree with the proposals above to apply the existing practice in model clauses for the disposal of samples to the regulations?

Summary of responses received

Ten respondents agreed without further comment with feedback being provided by another nine supporters of the proposal. They stated that the existing practice for agreeing the end of retention requirements is fit for purpose and that while it does not need to change in a fundamental way, some adaptations to the process were suggested:

- i. The OGA could publish the receipt of notices from relevant persons of their intention to dispose of samples
- ii. Require core to be offered to other companies before the OGA approves its disposal where it is not required to replenish the OGA collection (held by BGS and effectively within the NDR) or otherwise by BGS acting in its own right
- iii. The rationale behind decisions made approving or rejecting applications to dispose of samples being disclosed by the OGA
- iv. Verification that a standard set of associated information (such as core descriptions, photographs, core analysis and analysis reports), where it has been acquired, has been reported to the OGA when the OGA reviews an application to dispose of core, and that that these should be accessible upon the end of retention
- v. A three-month period, rather than six months, in which the OGA commits to respond to a relevant person's notification to end retention obligations for qualifying samples (although one respondent went further to suggest the OGA considers five days' notice rather than three months).
- vi. Three months' notice required for the disposal of fluid samples for exploration and appraisal wells.
- vii. No notice to be required for the disposal of fluid samples taken from producing wells
- viii. That the OGA considers adopting the well/slot release date as an alternative to using the "Well Completion Date" as defined in section 93 of the consultation document, on the basis that this could lead to ambiguity of over the trigger date for retention of samples
- ix. That, in the case of gas samples, five days is insufficient time to determine whether the representative material should be passed to a third party for long-term storage, and that relevant persons should bear the cost of transferring samples to storage.

Two respondents disagreed with the proposal, referring to the existing arrangements. The current arrangement does not oblige the OGA to respond to a licensee's notification of the intention to dispose of samples; rather the OGA can request samples to be submitted within six months of the notification. Both respondents said that three months from receipt of a notification would be a more reasonable time for the OGA to respond, in line with comments made above.

OGA response

The OGA notes that the majority of respondents agreed with the proposals set out in the consultation and OGA also acknowledges that, due to the nature of samples and the cost of their storage, the requirement for samples to be retained indefinitely is an undue burden.

Therefore, the OGA considers the arrangements as set out in Petroleum Operations Notice 9 (PON9), where the sample (or a portion of a sample not reported to the OGA) must be retained for a defined minimum period after acquisition, should apply in the regulations.

However, as was also set out in the consultation document, the OGA considers that in the case of petroleum or gas samples there should be no minimum retention period (however notice of the intention to dispose should still be given).

The OGA considers the established practice for giving notice of sample disposal functions well and considers that this should continue to apply under the new regulations. When a relevant person notifies the OGA of their intent to dispose of samples the OGA will continue to have up to six months in which to require the samples to be submitted to the OGA collection (except in the case of gas samples where it will be five days). The OGA considers that a longer period would be unreasonable and unduly add to the burden on relevant persons; any shorter would not allow the OGA to make a proper evaluation of what is required to be reported.

It should be noted that, as with current practice, the OGA will endeavour to respond to notices of the intention to dispose of samples at the earliest opportunity to avoid the unnecessary prolongment of storage costs for relevant persons.

As is the case in other categories the OGA agrees that supporting guidance will help in supporting the regulations on the matter of samples.

Trigger event that commences the period in the requirement to retain

The OGA proposes that the requirement to retain applies from the point at which the information or sample is created or acquired by, or on behalf of, a relevant person in the course of the relevant activity (for licensees in the course of carrying out activities under the licence; and for other relevant persons in the course of carrying out activities which are relevant to the fulfilment of the principal objective of MER UK).

Summary of responses received

Q24. Do you agree with the proposal for the requirement to retain to apply as soon as the information or samples are created or acquired?

Fifteen respondents explicitly agreed with this proposal and a further three agreed while commenting that the proposal should apply to approved versions rather than drafts, working copies and duplicates. Some respondents said that this aligned with current practise and suggested that if, for example, all Pressure, Volume, Temperature (PVT) analyses on samples should be completed then the samples could be disposed of, or that retention should then apply only to the dead oil samples.

Six respondents disagreed with the proposal. A substantial portion of important information and samples are created by supply chain companies on behalf of relevant persons. Because of this some respondents felt that relevant persons could not take responsibility for information and samples until they had formally taken receipt of them. There was another suggestion that the requirement should begin as soon as reasonably practical after creation or acquisition.

It was suggested that it should fall to relevant persons to exercise their discretion in the case of disposal of a contaminated sample. Respondents also stated that, in effect, a sample has been created or acquired as soon as drill cuttings are returned to surface. They asked whether the OGA's intention is to require retention of all the drill cuttings from every well, or rather for retention to apply to important samples, thus enabling the disposal of unimportant samples. It was acknowledged that there would need to be definition of what is and is not important.

OGA response

The OGA notes that the majority of respondents agreed with the proposal set out in the consultation and the OGA also considers that it is self-evident that the obligation can only apply once the information and samples have been created or acquired, even if this was carried out by somebody other than the relevant person.

The OGA therefore considers that the regulations should require information and samples be retained once they have been created or acquired. The OGA also considers that, where information is created or acquired by a contractor, on behalf of the relevant person, the requirement to retain such information applies at the point at which title to, or control of, the information passes to the relevant person.

The OGA also acknowledges the points raised in relation to the retention of draft versions of reports, as set out under "Tests for Significance" on page 6. The OGA considers that it is the content of the information that should be retained, not each individual iteration, format or instance in which that information is held.

Part 2: Disclosure

Introduction and Background

Disclosure relates to the provision in section 66 of the Act under which regulations made by the Secretary of State may set out, for petroleum-related information and samples obtained by the OGA under Chapter 3 of the Act, those information and samples which may be published or made available to the public at such time as the regulations may specify. Such regulations may include provision permitting the information and samples to be published or made available to the public immediately after it is provided to a person.

Section 66(3) of the Act requires that, before making these regulations, the Secretary of State must consult such persons as they consider appropriate, however section 66(4) states that that subsection does not apply if the Secretary of State is satisfied that consultation is unnecessary having regard to consultation carried out by the OGA in relation to what time should be specified in the regulations. The June consultation document set out the OGA's proposals for what time should be specified in the regulations and sought industry views.

Section 66 of the Act provides for regulations to be made to allow the public disclosure of "protected material" at a time specified in the regulations, where "protected material" is defined as any petroleum-related information or samples obtained by the OGA under Chapter 3 of Part 2 of the Act. This could be either through a section 34 reporting notice or via an information and samples plan.

In making these regulations, the Secretary of State is required, under s.66(5) to have regard to the following factors:

- a) whether the specified time will allow owners of protected material a reasonable period of time to satisfy the main purpose for which they acquired or created the material;
- b) any potential benefits to the petroleum industry of protected material being published or made available at the specified time;
- c) any potential risk that the specified time may discourage persons from acquiring or creating petroleum-related information or petroleum-related samples (as defined in section 27);
- d) any other factors the Secretary of State considers relevant.

In balancing the factors above, the Secretary of State is required to take into account the principal objective of MER UK.

The consultation document set out the OGA's proposals for what should be specified in the disclosure regulations, in line with section 66 of the Act, in respect of:

- **what** petroleum-related information and samples the OGA (or a subsequent holder) should be able to disclose
- the **time period** after which those information and samples should be able to be disclosed

The OGA's proposals set out in the consultation document were designed to support MER UK by:

- **maximising the transparent and timely access to information and samples from the UKCS for industry** – making information and samples publicly available as soon as is reasonable.

General points

Representations against disclosure

Several responses to proposals in this area queried whether the OGA would consider representations from relevant persons for information to be excluded from routine disclosure. Section 117 of the consultation document, relating to Well Information, stated that “the OGA would consider any representations that any particular information should not be disclosed at the time specified in regulations”. This is currently practiced by the OGA; in exceptional circumstances, the OGA may agree to withhold information from “release” for a specific period. The intention is to continue to do so, across the full scope of information to be disclosed and to implement a formal process through which to manage representations against disclosure of information.

Guidance Documentation

Several respondents called for detailed guidance to support relevant persons in understanding the disclosure regulations. The OGA therefore intends to publish guidance around the time that the regulations come into force. The guidance will provide a more detailed explanation of how the OGA will disclose petroleum-related information.

Discretionary Nature of Regulations

A number of respondents asked whether it is the intention of the OGA to disclose certain information types immediately after receipt, as described in several of the OGA's proposals. The periods set out represent the earliest possible date upon which that information may be disclosed. The OGA will have discretion over when, after such date, it releases such information. There will not be an obligation on the OGA to disclose information on the earliest possible date, however in the majority of circumstances the OGA would expect to disclose information at the earliest possible opportunity.

Summary of changes to proposed policy

The OGA welcomed the responses of respondents. In several instances, the OGA has adapted the proposed policy where a more suitable approach has been suggested or respondents have reasoned for changes that support the principal objective of MER UK. Table 2 summarises where the OGA has adapted the policy for the proposed disclosure regulations.

Table 2: Summary of changes to proposed policy for the disclosure of information and samples

Category	Consultation Proposal	OGA Policy
Well Information	Earliest disclosure should be two years from the Well Completion Date.	Earliest disclosure should be two years from date that the information is received by the OGA in response to a section 34 reporting notice.
Summary Well Information	The OGA may disclose specified types of summary well information immediate after it has been obtained by the OGA.	On the basis that estimates of recoverable hydrocarbon volumes may not be an accurately representative estimate the OGA considers that it should not be in scope.
Samples	Earliest disclosure should be two years from the Well Completion Date.	Earliest disclosure should be two years from date that the sample is received by the OGA in response to a section 34 reporting notice, which is aligned with disclosure date for well information.
Geophysical Survey Information	Trigger date for disclosure for proprietary survey information should be the end of year of acquisition.	The OGA considers that the trigger date for proprietary surveys should align with that of commercial surveys, namely the completion of processing of the data.
	To disclose proprietary survey information after three years.	On the basis that further acquisition of proprietary surveys may be encouraged the OGA considers that the confidentiality period for proprietary surveys should be five years, rather than three years as originally proposed.
Summary Geophysical Information	The OGA may disclose the specified types of summary geophysical information.	Based on the recommendation of respondents the OGA considers that it should be able to disclose additional items in relation to seismic surveys, including: energy source, source depth, seismic record length, sample rate, streamer length, streamer separation and shot interval.
	To disclose immediately after the OGA has received the information.	In recognition that some of this information could be commercially sensitive during the planning or acquisition of the survey, the OGA considers it appropriate that this information should only be published once survey acquisition is complete rather than when immediately available.
Upstream petroleum infrastructure and offshore installation information	Detailed information may only be disclosed after decommissioning.	The OGA acknowledges that disclosure after decommissioning would be too late to investigate repurposing of infrastructure and considers that disclosure after cessation of production, from all connected fields, would give more opportunity to find alternative uses for infrastructure.

Licence information and samples

Well information

The OGA proposed that two years after the “Well Completion Date” is an appropriate time after which well information may be disclosed. This being earliest of the following events:

- i. when the well has been completed for production (perforation setting of tubing and packers is finished and the well is ready to produce)
- ii. when the well has been abandoned (the well is left with permanent barriers to isolate any reservoir or immediate zones and the surface casing wellhead and all other surface components are removed so that the well cannot be re-entered)
- iii. when the well has been suspended (the well has been left with permanent or temporary barriers to isolate any reservoir or intermediate zones if drilling has reached the reservoir or prospect targeted by the well).

Q25. Do you agree that two years following the Well Completion Date, as defined above, is an appropriate balancing of the factors required to be taken into account?

Eleven respondents supported the proposal while another 11 disagreed. Those who agreed said that disclosure of information two years after the Well Completion Date would be acceptable for development wells but not for exploration wells or wells that have been drilled in open acreage. Some respondents cited three years as a more reasonable confidentiality period for these categories of well.

Respondents requested clarification of the term Well Completion Date, as they considered this to be ambiguous. Two who agreed suggested avoiding reference to the Well Completion Date in the case of reports and analyses that are based in part on well information that is no longer considered confidential. They envisaged circumstances wherein a report that references disclosed information might be immediately subject to disclosure as soon as it has been created. If reports or analyses would be immediately subject to disclosure industry would be discouraged from making the investment to create or commission such products. Supporters also called for a clear and structured process to be set out through which relevant persons could make representations against the disclosure of information that they would prefer to see remain confidential.

Some who disagreed raised similar points, referring to the need to find the balance between preference for longer confidentiality periods and minimised scope of disclosure (in the case of the data owner) and the opposite for a general data user.

Whilst an increase in the scope of the current PON9 “basic well data set” would be appropriate, respondents said that commercially sensitive information is generated through the interpretation of raw data. Respondents considered the interpreted product to be the intellectual property of those who created it and said that the OGA should consider the information rights of those involved. There were also suggestions to differentiate between information from wells in frontier areas and those in mature developed areas, and also between exploration and appraisal wells and development wells.

There were further comments that “Well Completion Date” is not sufficiently precise and it was suggested that the OGA includes concepts from a standard industry definition of a well. This would clarify where well information and samples, associated metadata and dates of trigger events relate to the parent well, or to individual wellbores, such as sidetracks drilled from a common well origin. Furthermore, it was noted that there are existing regulations that require the retention of well information records. SI 2015/398 Offshore Installations (Offshore Safety Directive) (Safety Case) Regulations 2015 Regulation 27 “Keeping of Documents” was cited as an example where retention periods for well examination scheme records and other records is given. Respondents called for a consistent definition of Well Completion Date to be referenced in all regulations.

Respondents considered the proposed process through which relevant persons could make representation to delay disclosure to be inadequate, requesting a structured procedure to be put in place that references the factors listed in s66(5) of the Act.

Finally, respondents were concerned that, regardless of when it is created, all information relating to a well would be subject to disclosure two years after the Well Completion Date. They said that this would not leave sufficient time for relevant persons to benefit from information created after this point. The “date of creation” was suggested as a more suitable trigger date for disclosure of well information created post-completion.

Q26. Are there any other factors in deciding the time after which well information can be disclosed that you think need to be taken into account?

There were 18 respondents who proposed other factors that the OGA should consider.

On the duration of a confidentiality period, several respondents called for differentiation between wells where the original well intent was, on the one hand, exploration and appraisal wells and on the other, development; a period of two years was generally considered to be reasonable for development wells. Conversely it was suggested that there should be no differentiation on a geographic basis, such as “frontier” or “mature” area.

Several respondents said that the current arrangement, whereby information relating to wellbores is released after three years (for wells that are drilled on licences from the 20th round and onwards), provides a reasonable balance between licensees having time to fully evaluate information acquired and derive benefit and the wider potential benefit of disclosure. One respondent proposed a confidentiality period of four years, over which time the licensee might be expected to drill subsequent appraisal wells and develop a Field Development Plan (FDP).

Respondents said that the initial term of the licence should be used to determine the confidentiality period and that disclosure could be earlier if a significant safety-related event has occurred. It was also suggested that the OGA consider the period of disclosure when companies are drilling in “Tight Hole” circumstances, for example new plays or where there is open acreage in adjoining blocks.

Respondents said that interpretation reports should remain confidential for longer than raw information, and that disclosure of interpretation reports should not reference the Well Completion Date on the basis that this would complicate matters, for example in field studies involving multiple wells which have different Well Completion Dates. Furthermore, it was suggested that information acquired through subsequent operations such as re-entry or side-tracking of a plugged well should be referenced to a new trigger date, as opposed to the Well Completion Date of the original well.

Respondents said that information should be disclosed immediately if a licence is relinquished early and that information should only be disclosed once all obligations under a licence are complete.

There were suggestions to make allowances for the extension of the confidentiality period where complex and time-consuming analyses leave the information owner with little time to gain value before disclosure due to reports taking several months to complete.

Respondent requested the opportunity to redact commercially sensitive information from reported information prior to its disclosure.

Q27. Are there any other pieces of well information that you think there should be provision for the OGA to disclose?

Eight respondents commented on Question 27. Some respondents sought more detailed specifications from the OGA. As in previous questions it was commented that the Well Completion Date is not always tied to a single point in time. In circumstances where a given wellbore has more than one discernible Well Completion Date it should be clear which information, acquired or created between each stage or a well, is available to be disclosed.

Another comment was that the proposal was too generalised. It was suggested that disclosure should apply only to raw acquisition data and processed data, the details of which could then be specified in supporting guidance. Examples of useful raw data from modern logging tools included Dipole sonic, NMR, FMI and ECS.

Respondents proposed that there should be provision for the OGA to disclose the following categories of well information:

- production data by well
- records of temperature and pressure
- all types of geological reports, including:
 - a) palaeontological
 - b) sedimentological
 - c) petrological
 - d) petrophysical
 - e) geochemical (organic/inorganic)
 - f) source potential
 - g) stratigraphical
 - h) core photographs
- supplementary marine environmental data collected during a well's lifetime including:
 - a) species and habitat data
 - b) water column oceanographic data
 - c) bathymetry data
 - d) metocean data
 - e) fisheries data
 - f) marine historic environment data

One respondent suggested that reservoir parameters and fluid PVT data should be excluded from disclosure as this has the potential to include commercially sensitive material.

One respondent said that they had not identified any additional categories of well information that the OGA should be able to disclose.

OGA response

The OGA acknowledges the comment raised by respondents in relation to all well information being disclosed two years after Well Completion Date. The OGA agrees that in some cases, Well Completion Date can be ambiguous and post-well analyses and reports are often carried out some time after that date, with a consequence that such information would be protected for a short period of time or potentially could be disclosed immediately. The OGA agrees that the original proposal, to use Well Completion Date as the “trigger date”, will not be (in all circumstances) an appropriate balance given licensees may not have sufficient time to make exclusive use of the information.

However, the OGA considers that it is essential, in support of MER UK, to make as much well information as possible available earlier than at present and believes that two years represents an appropriate balance for all types of well drilled in all areas, including frontier areas. This takes into account that production licence holders have exclusive rights to search for petroleum over the area covered by a licence.

In order to address concerns raised, the OGA has considered using a different “trigger” date for the disclosure of well information. In conclusion, all well information (whether created or acquired during drilling the well or during subsequent well related activity) should remain confidential for two years before disclosure. The trigger date should be the date that well information is reported to the OGA. Therefore, the OGA’s final policy is that regulations should set out that well information may be disclosed two years from the date it is reported to the OGA.

The requirements for reporting well related information, following drilling or other activity, (including well information created afterwards) will be set out in the appropriate s.34 notice issued by the OGA.

The OGA acknowledges that there are likely to be some types of information (reports containing certain analyses or interpretations for example) that may benefit from being disclosed after a longer period. The OGA will allow representation (as under current arrangements) where licensees believe that information should not be disclosed after two years.

The OGA also considers that where a licence is determined, for any reason, the requirement to keep information protected no longer applies. The OGA’s final policy is that all well information should be disclosed immediately after such licence events occur.

The scope of well information, that the OGA considers should be disclosed, is information relating to the position or dimensions of the wellbore, including the directional path of well or wellbore, information relating to the material, equipment or components used in well operations activities (including drilling, well tests, completions, maintenance, suspension, plugging or permanent abandonment). Disclosure will also apply to any summary of those activities and to information relating to the strata, formations or fluids encountered while undertaking any of the activities listed. Data on pressures and temperatures acquired during the production phase of a well’s lifecycle is in the scope of production information.

Well information created or acquired, but not in relation to activity on a particular well, (i.e. multi-well studies carried out on a licence area) is covered in the section on other licence information.

The OGA does not consider supplementary marine environmental data to be petroleum-related information, therefore it is out with the scope of the regulations.

Summary well information

The OGA proposed that an appropriate balance of the factors would be for regulations to set out that the following summary information may be disclosed by the OGA immediately after it has been obtained by the OGA:

- i. name of well
- ii. position
- iii. licence number
- iv. type of well
- v. depth of water
- vi. name of operator
- vii. strata targeted by the well
- viii. strata information acquired (type of formation, age of rock, thickness of rock)
- ix. the presence or absence of hydrocarbons
- x. any flow test results
- xi. any estimates of recoverable hydrocarbon volumes.

Summary of responses received

Q28. Do you agree that the ability to disclose the above summary well information immediately is an appropriate balance of the factors?

Twelve respondents agreed with the proposal that the OGA should be able to immediately disclose the summary well information described above. Respondents said that transparency of this information as it becomes available would be helpful to industry, would encourage collaboration and would also assist in the curation of associated samples.

There were suggestions to include information that indicates the presence of a well related structure on the seabed (similar to how information is disclosed during well abandonment). Again, with safety in mind, respondents saw merit in the immediate disclosure of well information.

Thirteen respondents disagreed with the proposal. They raised concerns over the proposal to disclose commercially sensitive information, and specifically the final four items listed below (numbering reflects the list above):

- viii. strata information acquired (type of formation, age of rock, thickness of rock)
- ix. the presence or absence of hydrocarbons
- x. any flow test results
- xi. any estimates of recoverable hydrocarbon volumes.

Their rationale was that reliable values for recoverable reserves and flow test results will not be immediately available and that immediate disclosure does not reflect an appropriate balance of the section 66(5) factors.

From a commercial perspective respondents voiced their concern that, as public companies, they have a duty to disclose accurate information, rather than estimates based on, for example, a single well; and believe that such estimates of recoverable volumes may have undue influence on commercial negotiations within industry resulting in damage to investor confidence to the detriment of MER UK.

Alternatively, if a successful well is located adjacent to acreage included in an upcoming licence round the well owners, having invested in the area, could lose competitive advantage through the immediate disclosure of categories viii to xi. Operators may be less willing to commit to drilling exploration wells, particularly in frontier areas, if the potential commercial advantage is reduced.

Q29. Are there any other factors for summary well information that you think need to be taken into account?

Eleven respondents proposed other items that they thought the OGA should consider. Respondents did not object to the immediate disclosure of non-commercial information, corresponding to categories i. to vi. listed above.

Respondents felt that investors, having made a significant financial and risked investment, should be able to retain and gain benefit from information that might provide commercial value or sensitivity, through impacts on company valuations.

Respondents said that the results from exploration and appraisal wells are inherently unpredictable and that assessment may take several months. Commenters felt that reserve estimates should conform both to good oilfield practice and to all regulatory and financial market reporting rules. As such they should be derived and certified by competent and suitably qualified persons. Respondents felt that immediate disclosure of reserve estimates may breach professional and oil industry standards.

Respondents questioned the benefit of immediate disclosure of such reserve estimates and felt that the OGA had not justified how this disclosure would contribute towards the objective of MER UK. It was suggested that, rather than disclosing this information, the OGA might encourage parties to share more detailed well information with one another, if doing so had the potential to prevent the drilling of dry holes or to encourage exploration of areas of similar potential.

Nine respondents said that they did not propose any other factors to consider.

Q30. Are there any other pieces of summary well information that you think should be able to be disclosed immediately?

Ten respondents proposed additional items of summary well information that they thought the OGA should be able to disclose immediately. Proposed additional categories included:

- name(s) of joint venture partners in well or licence
- spud and completion dates of a wellbore
- identifier for a deviated well
- surface and bottom hole locations
- bottom hole temperature
- total depth, true vertical depth, true vertical depth subsea and measured depth
- rotary table/kelly bushing elevations
- casing depths
- formation/age at total depth
- temperature and pressure data
- rig/platform name
- drilling contractor name
- drilling equipment and tools used
- field name
- safety information (e.g. abnormally high temperature/pressure)
- well classification (e.g. sidetrack/main hole/re-spud)
- well name aliases

Ten respondents said that they had not identified any additional categories of information.

OGA response

In considering the responses the OGA notes that most of those who disagreed said that initial well results should not be able to be disclosed immediately after they are received by the OGA.

The OGA does not agree, and maintains that most of the proposed items of information should be disclosed immediately. This is based on the principle that greater transparency and more timely access to high level summary information across the UKCS will contribute towards MER UK through a more collaborative approach.

The OGA considers it appropriate that the regulations should set out that the OGA may publish the summary information set out below after it has been obtained:

- the name of any connected well (i.e. a parent or origin well)
- field name (where applicable)
- top hole location and bottom hole location co-ordinates,
- spud date (the date drilling commences)
- water depth
- total depth of the well
- reference datum
- reference datum elevation above sea level
- date that total depth is reached
- well status

Additionally, the OGA's final policy is that the regulations should set out that the OGA may publish the following information concerning the results of a well immediately after it has obtained the information:

- name of strata encountered
- age of strata encountered
- strata information acquired or created during well operations such as a thickness
- confirmation of whether hydrocarbons have been found and if so, what type
- results of any flow tests

The OGA acknowledges that estimates of recoverable hydrocarbons are not always representative (and can therefore be misleading) and could be particularly commercially sensitive. Therefore, this has been excluded from the scope of summary well information.

Many of the suggested additional categories (such as rig name, licence number, well aliases) are not considered to be protected material and do not need to be included in the scope of the regulations. They are, in any case, non-contentious.

Samples

The OGA proposed that the regulations set out that samples may be disclosed (be available for inspection) two years after the Well Completion Date (the date of the earliest of the following events):

- i. when the well has been completed for production (perforation setting of tubing and packers is finished and the well is ready to produce)
- ii. when the well has been abandoned (the well is left with permanent barriers to isolate any reservoir or immediate zones and the surface casing wellhead and all other surface components are removed so that the well cannot be re-entered)
- iii. when the well has been suspended (the well has been left with permanent or temporary barriers to isolate any reservoir or intermediate zones if drilling has reached the reservoir or prospect targeted by the well).

Summary of responses received

Q31. Do you agree that the proposal above, that samples should be able to be disclosed two years after the Well Completion Date, is an appropriate balance of the factors?

Sixteen respondents agreed with the proposal, nine of whom provided further comments. Respondents felt that this proposal would promote collaboration and transparency and provide the opportunity to maximise the value from samples while there is still time to do so. Some from the supply chain said the proposal would open opportunities to develop analyses for wider industry, and it was noted that the proposed two-year confidentiality period is aligned with the Natural Environment Research Council (NERC) approach to scientific data.

There were requests for clarification, including for definition of what samples will be disclosed, where the phrase 'any physical sample' was considered too vague. Respondents assumed that the samples retained by the operator would not be subject to inspection unless they had been submitted to the OGA. They said that only the portion of samples submitted to the OGA collection (curated by BGS) should be available for inspection. Retained samples should not be disclosed, otherwise this would introduce a burden of having to facilitate inspections. Finally, respondents said that cuttings and fluid samples should not be disclosed, rather that disclosure of the results of analyses of these samples would be more appropriate.

Seven respondents disagreed with the proposal, some commenting that samples from exploration wells should remain confidential for three years to allow the owner adequate time to examine and test the samples and extract their full value. They suggested that disclosure of well information and samples should be aligned to allow in-depth studies. One respondent proposed that un-slabbed preserved core samples should not be disclosed to prevent contamination, until complete testing had been performed.

Q32. Are there any other factors for samples that you think need to be taken into account?

Thirteen respondents put forward additional factors that they thought the OGA should consider in relation to the disclosure of samples.

Several respondents raised concerns in relation to preserved core samples. It was proposed that preserved core samples should be available to view only and should not be made available for sub-sampling or any other destructive inspection processes. Some went further to say that preserved core should either be excluded from the scope of disclosure or that these samples should not be disturbed through inspection. Respondents raised the potential requirement to revisit preserved core samples from successful exploration or appraisal wells after three or more years for the purposes of field development. The integrity of samples should be maintained, requiring their exemption from disclosure. Respondents went on to call for greater clarity on what was meant by inspection of drill cuttings and core to ensure their appropriate handling and preservation.

Respondents questioned whether the OGA envisioned operating companies themselves making samples available for disclosure or inspection. Respondents questioned where the burden of cost would lie to facilitate competitors' inspections of retained samples.

In relation to the scope of disclosure, respondents said that fluid samples should be excluded on the basis that they would not be necessary if already analysed as the analysis reports would have been disclosed. One respondent said that PVT reports should be included in the scope.

Seven respondents said that they did not propose any other factors to be considered.

Q33. Are there any other samples that you think there should be provision for the OGA to disclose?

Five respondents proposed other samples that they thought the OGA should be able to disclose.

Suggested samples included other “added value preparations” such as:

- palaeontological slides
- thin sections
- polished sections
- fluid inclusion wafers/data
- formation water samples

It was also suggested that the OGA should be able to disclose any supplementary marine environmental samples collected during a well’s lifetime including:

- samples relating to species and habitat data
- water column oceanographic data
- bathymetry data
- metocean data
- fisheries data
- marine historic environment data

Fourteen respondents said that they had not identified any additional types of information.

OGA response

The OGA notes that there was generally broad agreement with proposals set out in the consultation. The OGA considers that some of the suggested additional types, including palaeontological slides, thin/polished sections and fluid inclusion wafers/data should be in scope.

It should be noted that only those samples (or portions of samples) that are obtained under Chapter 3 of the Act (i.e. under either a section 34 reporting notice or an information and samples plan) can be disclosed under these regulations, meaning that relevant persons who have retained samples for their own use will not be required to disclose or agree to inspections of such samples.

In order to align with well information, the OGA considers the regulations should set out that the samples may be disclosed two years from the date they have been obtained by the OGA.

Several respondents requested more detailed information on the scope of samples to be disclosed. The OGA will provide more detailed specifications in guidance to support the regulations.

Geophysical survey information

Proprietary surveys

The OGA proposed that regulations set out that proprietary geophysical survey information (where the survey was carried out for the purposes of getting petroleum under the licence in which the information was acquired) is able to be disclosed three years after the end of the year of acquisition of the raw data.

Summary of responses received

Q34. Do you agree that three years following the end of the year of acquisition is an appropriate balancing of the factors required to be taken into account for proprietary geophysical survey information?

Seventeen respondents agreed with the proposal, 11 of whom went on to comment. Eight respondents disagreed with this proposal.

Considering the trigger date from which disclosure is set, respondents thought it appropriate to use the end of the year of acquisition for the initial set of data acquired as the start date. Respondents who disagreed were also concerned that if the confidentiality period begins at the time of acquisition, any reprocessed product would be subject to immediate disclosure should it be created after the end of the period of confidentiality. It was suggested that the “creation date” would be a more appropriate marker for other information created in subsequent activities and that this should be set as the end of the year in which the information was created.

Respondents agreed with the proposal for disclosure after three years, if the trigger date would be the end of the year in which the information was created. However, respondents thought disclosure after three years too short for certain processed geophysical products, considering the time required for processing, stating that fully processed geophysical information is required for interpretation and the planning of wells.

Respondents felt that earlier disclosure of such information would contradict the factors considered under section 66(5)(a) (reasonable time for owners to satisfy their purposes) and (b) (benefits to industry) of the Act. Five years was proposed as a more suitable arrangement, in line with the precedents set by the Netherlands and Denmark.

Those who disagreed said that three years after the end of the year of its acquisition is too short as it would mean the owner would not have sufficient time to gain the full advantages from their considerable investment. Another respondent disagreed with the proposal and suggested reducing the period to two years to align with the proposals for well information. Respondents also noted the contrast in the proposed approaches to proprietary and commercial geophysical information and suggested that their confidentiality periods should be more balanced by shortening the period for commercial surveys.

Respondents agreed with the risk, acknowledged by the OGA in the Consultation Document, that relevant persons may be discouraged from reprocessing information if it is to be disclosed, and that this would apply to both proprietary and commercial acquisitions.

Respondents considered processing techniques and derivative volumes to contain intellectual property and stressed the importance of recognising and protecting the value of created information, believing disclosure of such proprietary information may introduce a risk that relevant persons would not generate or acquire the information.

Respondents asked for confirmation that information that could either reveal or support the reverse engineering of processing techniques will not be disclosed. It was noted that the OGA proposed to consider representations from relevant persons in relation to Well information and asked that the same would be applicable to all information and samples types.

Respondents sought clarification on the OGA's proposals with respect to information from 4D surveys, acquired for the purpose of field monitoring, on the belief that these should not be disclosed as this could impact the commercial viability of a field. Respondents said that the Consultation Document definition of proprietary geophysical surveys as "...surveys that were carried out for the purposes of getting petroleum under a licence..." implies that this relates to Production Licences and by doing so would exclude geophysical surveys carried out under Exploration Licences.

Finally, respondents said that proprietary geophysical information should be disclosed immediately if the owner leaves the licence through its transfer, relinquishment or determination.

Q35. Are there any other factors for geophysical survey information that you think need to be taken into account?

Eleven respondents raised other factors that they thought the OGA should take into consideration in relation to the disclosure of geophysical surveys.

Several commented on the reporting and retention of geophysical survey information rather than disclosure. They thought that industry would need additional resources to manage the reporting of information. Respondents understood that under future arrangements the OGA would manage the disclosure of geophysical information and questioned the OGA's capacity to take on the associated operational and administrative activity.

Respondents commented on differences between the proposed confidentiality periods for proprietary and commercial geophysical survey information. Some felt this could encourage a Production Licensee to commission, then acquire rights to a commercial survey consequently delaying the disclosure of the information.

Conversely, some respondents considered the cost-effectiveness of multi-client surveys and said that exploration and development had been hampered because small or new entrant companies in joint ventures found the costs too great. It was suggested that the regulations should require that once a commercial survey had been paid for twice it should be treated as a proprietary survey and disclosed three years after acquisition.

Respondents reiterated that they thought the proposed three-year confidentiality period should only apply to the originally acquired data. There were repeated calls for reprocessed or derived products to be protected from disclosure based on the date of acquisition of the raw information. It was felt that the investing company should benefit from the added value. Respondents went on to say that the retention and disclosure of geophysical data should only apply to final products rather than intermediate or trial products that are routinely created in reprocessing of data.

Respondents said that information owners should be able to make representation against the disclosure of geophysical survey information, or to delay disclosure of information if there was any unpublished academic research associated with it.

Q36. Are there any other pieces of proprietary geophysical survey information that you think there should be provision for the OGA to disclose?

Seven respondents suggested additional categories of geophysical survey information that should be disclosed. These included offset seismic data (angle stacks, gathers) and Ocean Bottom Cable (OBC) data. Respondents suggested including bathymetry data, wellbore time vs. depth data and supplementary marine environmental data collected during geophysical surveys, including side scan sonar and echo sounder data.

Twelve respondents said they had not identified any additional categories.

OGA response

Whilst many of the respondents agreed with the proposals for proprietary geophysical information, there were a significant number of comments expressing the view that disclosure after three years (and using of the end of year of acquisition as a trigger date) does not give licensees enough time to use the information for activities such as well planning and sub-surface interpretation.

The OGA acknowledges that there is a risk that too short a period before disclosure could discourage licensees from acquiring or creating such geophysical information and as such acknowledges that this may not be an appropriate balance of the factors. Therefore, the OGA considers that a shorter period of two years, suggested by some, is not appropriate.

However, the OGA considers that a period longer than that proposed in the consultation may have the outcome, desirable for MER UK, of encouraging more acquisition and reprocessing activity. Furthermore, it would mean that there is less disparity with the proposals for commercial geophysical information (see Commercial Surveys below) and aligns more closely with other jurisdictions around the North Sea.

On this basis, the OGA considers that the trigger date for proprietary geophysical survey information should be the date that processing of the geophysical information has been completed (and is therefore available for the licensee to make use of). Furthermore, the OGA considers it appropriate that the earliest this information may be disclosed is five years from this date.

However, as is the case with other categories of licence information, the OGA also considers that where a licence is determined (due to expiry, revocation or a surrender of rights in relation to all or part of the area) the requirement to keep geophysical information protected no longer applies. It therefore may be disclosed immediately after one of these events occurs.

The OGA considers it appropriate that the scope of geophysical information that may be disclosed includes all that information set out in the retention section on page 13. The OGA will include the additional types of information suggested in this scope.

The OGA also acknowledges the comments made in relation to the mechanism by which geophysical information will be disclosed and whether disclosure would be managed by the OGA, an agent of the OGA (or the licensees themselves as is the current practice). The OGA accepts this is an important consideration but one that is not directly related to this consultation and will consequently be addressed separately. Similarly, the points raised in relation to production licensees potentially seeking to commission commercial surveys to delay disclosure is beyond the scope of this consultation.

Commercial surveys

The OGA proposed that, for commercial geophysical survey information (where the survey was carried out for the purposes of selling the information or associated reports), regulations set out that the information may be disclosed after the time periods set out below:

- i. for the original processed data, associated processing reports (otherwise known as post-stack information) and stacking velocities providing context to the post stack information; 10 years after the completion date of processing
- ii. for raw data (otherwise known as field data) and any other intermediate processed and derived data (otherwise known as pre-stack) information, including pre and post migration gathers; 15 years after the date of completion of processing

The OGA proposed that the periods set out above should apply to information that is acquired in the same calendar year in which the regulations come into force.

It is proposed to use the date of completion of processing as the “trigger date” for determining disclosure for commercial seismic surveys as these are surveys acquired using the latest technology where more complex and lengthy processing techniques are required to get optimal results.

Summary of responses received

Q37. Do you agree that 10 years after the end of the year of acquisition for “post stack”, and 15 years after the end of the year of acquisition for “pre-stack” commercial geophysical survey information is an appropriate balancing of the factors required to be taken into account?

Thirteen respondents agreed with the proposal and said that geophysical data types needed to be accurately defined and restricted for practical purposes. A discrepancy was noted in the consultation document; there was confusion over whether the OGA proposed to disclose commercial geophysical information based on the completion of acquisition or the completion of processing. There was consensus amongst respondents that disclosure should be based on the end of the year in which processing was completed.

Respondents said that only “standard products” should be disclosed and suggested making exceptions for certain aspects of commercial geophysical information, namely:

- surveys in frontier areas and other specified geographical areas
- reprocessed data
- information in relation to commercial returns
- Intellectual property (such as technology patents)

Respondents understood the proposal to mean that a survey acquired prior to the regulations coming into force, but in the same calendar year, would be considered to be in scope of the new arrangements. They asked for confirmation of whether reprocessed information, generated just prior to the end of the confidentiality period would become almost immediately available for disclosure. They felt that this could discourage investment in reprocessing commercial information. Respondents said that the OGA’s definition of post-stack and pre-stack overlooked the fact that many final datasets are pre-stack information.

Of the 14 respondents who disagreed with the proposal, 11 said the proposed confidentiality periods were too long and that reducing them would stimulate exploration activity. Respondents believed that the cost of licensing commercial data may discourage small entrants from bidding on licences and discourage innovators. It was felt that the information would be superseded by higher quality data, and of little value, by the time it was disclosed.

Respondents felt that longer term arrangements tie consumers into a commercial acquisition company’s workflows and algorithms which may not suit an explorer’s needs. It was suggested that commercial companies are not relevant persons and that they should be required to offer commercial geophysical information for sale for independent reprocessing.

Other respondents suggested taking a similar approach for proprietary and commercial information by reducing the confidentiality period for commercial information to match that of proprietary information. Respondents proposed various alternate confidentiality periods. One suggestion was that pre-stack data should be available after five years because, without this stimulus, in 15 years there may be little exploration activity in the North Sea. Other suggestions were seven and ten years for pre-stack and post-stack respectively, as well as five years and ten years.

Commercial acquisition companies were encouraged to offer “more attractive” (taken to mean lower cost) commercial solutions to promote earlier take up of commercial information although it was acknowledged that costs could increase if vendors aimed to maintain their returns within a shorter timeframe.

Finally, the OGA was asked to consider earlier controlled disclosure of commercial geophysical information, on a restricted basis, where the national interest takes precedence. This could include repurposing of subsurface resources for the development of large-scale offshore CO₂ storage.

Q38. Are there any other factors for commercial geophysical survey information that you think need to be taken into account?

Ten respondents raised additional factors while a further 12 responded they had not identified anything further.

Respondents stressed the importance of recognising the intellectual property of commercial geophysical companies and the value of their assets created through investment in processes and techniques. There was a belief that the disclosure of a series of interim processed information could enable reverse engineering of processes and techniques thereby exposing intellectual property. In summary, respondents felt there should be protection against disclosure to prevent discouraging commercial geophysical companies from acquiring information in the basin.

Respondents felt that where commercial geophysical information is licensed for use by third parties there should be clarity over the ownership of information and whose responsibility it is to retain, report and disclose information. The information owners, that is to say the commercial acquisition companies, will be required to retain and report commercial geophysical information to the OGA. Commercial consumers of these products have no obligations in this regard.

Respondents said that commercial acquisition companies do not allow examination of pre-stack data before it is purchased meaning explorers are unable to determine if it is suitable for their purposes. It was suggested that the OGA should be able to require this information to be more accessible to support more considered decisions by explorers and thereby further MER UK.

Respondents requested further clarification of the OGA's intended approach to the disclosure of commercial geophysical information. Points for consideration included:

- Who would disclose the information?
Would it be the OGA or would commercial geophysical companies do so themselves, as is the current practice?
- What will the scope of information to be disclosed be under the regulations?
- Would commercial geophysical information be disclosed under Open Government Licence, an agreement between the OGA and the International Association of Geophysical Contractors (IAGC), or under an alternative model?
- How would the arrangements for the disclosure of commercial geophysical information that was acquired prior to the new regulations coming into force differ from those for future acquisitions?

Reference was made to information from geophysical surveys that is used to record the presence of seabed features is listed in Annex II of the EC Habitats Directive. Under existing arrangements this is disclosed in Environmental Statements required to support new Field Development Plans.

Q39. Are there any other pieces of commercial geophysical survey information that you think there should be provision for the OGA to disclose?

There were suggestions from five respondents who said that there should be provision in the regulations for the OGA to disclose processed bathymetry data, OBC data, information from gravity, magnetic and electromagnetic surveys, stacking and migration velocity data sets and non-geophysical environmental data products that are created for use alongside geophysical products.

Sixteen respondents did not identify any additional categories of information.

OGA response

The OGA acknowledges that the timing and scope of the disclosure of commercial geophysical information is of particular significance to the industry and that there are a number of considerations that the OGA must make when taking into account the balancing factors under s.66(5) of the Act, particularly in regard to factors (b) (benefits to industry) and (c) (risk of discouraging the creation of information and samples).

The OGA also acknowledges that the timing of when the disclosure regulations will apply is also of particular significance in relation to factor (c). In this regard, the OGA considers it appropriate that the regulations should apply to geophysical information that is acquired or created during the calendar year that the regulations are commenced. E.g. if the regulations commence in 2018, then any information acquired or created during surveys conducted at any time in 2018 would be in scope.

The OGA has considered the various points raised by respondents and acknowledges the interest expressed by production licensees in gaining earlier access to commercial geophysical information for understanding the subsurface. The OGA however remains of the view that the relevant person who owns commercial geophysical information needs a longer period to secure the benefit for which it was obtained for the reasons set out in the consultation (i.e. the investment and commercial risk required to develop the surveying, data acquisition and processing techniques). In reaching this decision, the OGA considered confidentiality periods in other countries' regimes and the balancing factors.

Furthermore, the OGA still considers that there is a distinction between the raw data acquired in the field, the final processed products, and certain interim products derived during processing.

In line with the proposal, the OGA believes the trigger date for when the information becomes protected, should be the date processing is completed.

The OGA intends that the disclosure regulations set out the following:

- i. where the information is the final processed information, (and including any reports associated with the processing of the information), the earliest it may be disclosed is after a period of ten years, that period beginning with the date on which the processing of relevant data is complete. In addition to this final processed information, any seismic velocity values used in processing may be released after a period of ten years;
- ii. where the information is the original raw data acquired in the field, (which would include results obtained at the sensors, any partial processing in the field and any associated raw navigational information and reports associated with the acquisition of the data) the earliest it may be disclosed is after a period of fifteen years (beginning with the date on which the processing of the relevant data is complete);
- iii. for any interim datasets derived and used during the processing of the raw data (apart from velocity values mentioned above) the earliest they may be disclosed is after the period of fifteen years (beginning with the date on which the processing of relevant data is complete).

It should be noted from the above (and as with proprietary geophysical information) that the OGA considers that all the geophysical information types in scope for retention will also be subject to disclosure.

The OGA has not included a specific term for the controlled early disclosure of protected information to interested parties that have interest in the information for purposes other than production petroleum, such as CO₂ storage. It would be difficult to include terms in the regulations that would satisfy unspecified circumstances where this might apply.

The OGA considers the inclusion of surveys in frontier areas and other specified geographical areas to be extremely important to the principal objective of MER UK. However, it should be noted that, as with other information types, the periods set out above represent the earliest that information may be disclosed. The OGA acknowledges that there is likely to be some information from commercial geophysical surveys that may benefit from being disclosed after a longer period and will therefore allow representation where relevant persons believe that information should not be disclosed after these periods.

With regard to the mechanism by which information is disclosed and who would manage disclosure, this matter is not directly related to the consultation and will therefore be addressed separately. The OGA intends to disclose as much information as possible through the proposed NDR.

The OGA considers the commercial arrangements that such licensees may agree with their customers to be outwith the scope of these regulations and the Act in general. Hence there is no consideration given as to whether such licensees should offer raw information for sale, or whether it should be published after it has been purchased more than once. It is also considered a matter for commercial organisations to determine whether they will permit their customers to inspect the product prior to them committing to purchase a product.

Summary geophysical survey information

The OGA proposed that the regulations should set out that the following high-level geophysical survey information may be disclosed immediately after the OGA has obtained that information:

- i. the licence(s) the survey was acquired under
- ii. the licensee name(s)
- iii. the contractor name(s)
- iv. start date and end date of acquisition of the data
- v. the type of survey (i.e. whether it was a 2D, 3D, 4D or ocean bottom seismic, gravity, induced polarisation, magnetic, gravity gradiometric or electromagnetic survey)
- vi. the location and spatial extent of the survey.

Summary of responses received

Q40. Do you agree that the ability to disclose the above summary geophysical survey information immediately is an appropriate balance of the factors?

Twenty-two respondents agreed with this proposal with 11 of those commenting, with some caveats relating to commercially sensitive information.

Respondents who supported immediate disclosure of proprietary survey information said that for commercial surveys, disclosure of summary information should not happen until 12 months after the acquisition is complete due to the commercial sensitivity of a survey's location. Respondents said that none of the proposed items are commercially sensitive, except the detailed geometry of proposed commercial surveys (vi).

Respondents said earlier disclosure of summary information would lead to improvements in collaboration and decision making. The availability of this information would facilitate forward planning for future studies based on the disclosure dates of information. Since the categories of surveys in (v.) was not exhaustive the OGA was urged not to limit the scope of the regulations to a specific list of survey types.

Some respondents disagreed that the ability to disclose the information as described was an appropriate balance of the factors. Suggestions included taking a similar approach to the proposal for summary well information, to publish high-level information, where the benefits of disclosure outweigh any negative impact to the owner.

Some disagreed with the disclosure of the names of licensees who had committed to purchase commercial information. They considered this to be commercially sensitive and felt that to disclose this would contradict the practice of client confidentiality.

Q41. Are there any other factors for summary geophysical survey information that you think need to be taken into account?

Four respondents proposed other factors for the OGA to consider. They suggested the disclosure of the same summary information from both proprietary and commercial surveys, for all types of geophysical survey. In addition to the geophysical contractor being identified, one respondent said that the company that commissioned a survey should be included. Respondents drew attention to the practice in Norway where the regulator publishes a GIS layer of the location and extents of consented and active surveys.

Seventeen respondents said they had not identified any additional categories, with one stating that much of the proposal is aligned with the current practices under the Petroleum Act 1998 and PON9 Guidance.

Q42. Are there any other pieces of summary geophysical survey information that you think should be able to be disclosed immediately?

There were suggested additions from seven of the respondents. These included:

- acquisition parameters reported to BEIS via the Energy Portal (PETS) including:
 - energy source
 - source depth
 - record length
 - sample rate
 - streamer length
 - streamer separation
 - shot interval
- shape files with location of the data
- proposed processing e.g. Pre-stack Migration
- date that the related survey information will be disclosed
- method through which related survey information will be made available

Respondents felt that some acquisition parameters may be considered commercially sensitive. The suggestion was that such information should remain confidential until after acquisition.

Fifteen respondents said they had not identified any other categories to be included.

OGA response

The OGA notes that the majority of respondents were in favour of the publication of summary information related to geophysical surveys. The OGA considers that much of this information is uncontentious but notes that some high-level information on geophysical surveys is published through other channels. It also notes that some information in relation to surveys is derived from the OGA's own sources and as such is not protected information as defined under the Act.

Other suggestions of information to include related to technical acquisition parameters. The OGA agrees that such disclosure would contribute to general transparency on the UKCS (and therefore to MER UK) and therefore proposes they be included in the scope. However, the OGA also acknowledges that some of this information could be sensitive during the planning and actual acquisition of the survey in question.

The OGA therefore considers that it is appropriate that the regulations set out that the following summary information may be disclosed:

- i. survey name
- ii. start and end dates of acquisition of the data
- iii. type of survey
- iv. whether the survey is carried out by or on behalf of the holder of a production licence
- v. the geographic co-ordinates of the area surveyed
- vi. and for seismic surveys:
 - energy source
 - source depth
 - seismic record length
 - sample rate
 - streamer length
 - streamer separation
 - shot interval

However, in recognition that some of this information could be commercially sensitive during the planning or acquisition of the survey the OGA considers it appropriate that this information should only be published once survey acquisition is complete rather than when immediately available

The OGA considers, again in the interest of transparency, that the regulations should allow the same summary geophysical survey information to be disclosed for both proprietary and commercial geophysical surveys.

Production information

The OGA proposed that an appropriate balancing of the factors to be taken into consideration when making regulations would lead to the following disclosure time periods:

- production information may be disclosed two months after the end of the month to which the production information relates
- this production information may only be disclosed if values are by total in the relevant month, and by total out of a particular field
- after the cessation of production, detailed production information may be disclosed immediately on receipt of the information by the OGA.

Summary of responses received

Q43. Do you agree with the proposal that, prior to the cessation of production, two months after the end of the month to which the production information relates is an appropriate balancing of the factors for production information to be disclosed?

Seventeen respondents agreed that the proposal was an appropriate balancing of the factors, eight of whom provided supporting comments. Respondents said that production information reported via the Energy Portal PPRS application should be disclosed to support drilling activity. Others said that production information should be disclosed by well, or by producing formation, rather than being aggregated to the field level, but acknowledged that the benefits of disclosing information in greater detail might outweigh the overheads for both relevant persons and the OGA.

On the proposed timing of disclosure, respondents said that the current arrangement is for information to be disclosed one month in arrears, so they agreed with extending this to two months, while another, who agreed, suggested three months would be preferable. Another respondent said they actualise monthly field production information before the end of the following month so their information is accurate and final within the proposed timelines making the change manageable.

In the event of cessation of production, respondents said that information should be fully disclosed to the benefit of industry and to allow for better planning by others. They said that measures should be put in place such that information is maintained in good order prior to cessation of production and made readily available to the public.

Two respondents disagreed with the proposal. They proposed a longer period of three to four months for *reporting* production information for a new field, rather than a two-month period for existing producing fields. Another suggestion was that relevant persons should have the opportunity to make representation against the disclosure of production information where they consider the information to be commercially sensitive.

Q44. Do you agree with the proposal that, prior to cessation of production, information should only be able to be disclosed if disclosed by total over the month, or by total over a field?

Sixteen respondents agreed with this proposal; their consensus was that disclosure of information by total over a field would provide a good summary of information while protecting some commercially sensitive detail.

One disagreed, promoting disclosure at the well level rather than it being aggregated.

Q45. Do you agree that, after cessation of production, production information may be disclosed at any time?

Fifteen respondents agreed with the proposal, with six of those making comment.

They said that disclosure immediately after cessation of production would facilitate decision making in industry, promote efficiency, which in turn could drive investment. This would allow industry to review opportunities and benefit from “lessons learned”, although it may be too late for incoming companies to extend the life of the field in question. Respondents said that disclosure could happen immediately upon receipt by the OGA if the relevant person had sufficient time to compile and report the information, and only if cessation of production is permanent.

Five respondents disagreed with the proposal. Several raised concerns that “...any production information in any detail” was too loose a definition of the scope. Without further clarification, the OGA might intend to disclose commercially sensitive information, such as costs and tariffs. Respondents sought assurances that such information would not be disclosed.

Respondents also said that the trigger date for disclosure should be the date that the field has been permanently shut-in, not the date of consent since it is common practice for production to continue for two months or more after consent had been given.

Q46. Are there any other pieces of production information that you think should be able to be disclosed?

Five respondents suggested additional categories that should be able to be disclosed. Since relevant persons collect and retain information by well, the OGA should consider requiring production information to be reported monthly by well. The OGA should be able to disclose this information after a specified confidentiality period, providing significant insight into a reservoir’s performance. Third parties could benefit by using this information as an analogue to assist in de-risking future investment in a field or optimising a similar development.

Suggested additional information types to be disclosed included:

- water/gas injection
- water production information
- reservoir pressure information
- information on emissions (e.g. H₂S, NOX, COX, oil in water)
- stream rates and temperatures

OGA response

There was broad agreement amongst the majority of respondents with the proposed policy; that production information on the quantities and composition of petroleum, water or other fluids produced from or injected into a reservoir (but consolidated by calendar month and by field) may be disclosed one calendar month after it has been obtained by the OGA (hence two months after the calendar month to which the information relates). To be clear, the OGA currently publishes production information three months after it is reported.

The OGA does not agree that disclosure of consolidated production information for a new field should be subject to a longer period by delaying the reporting. The disclosure of information on new fields when they come on stream, as with established production, contributes to understanding performance across the UKCS and enables the monitoring of trends in economics and production efficiency across the basin. The OGA therefore considers that disclosure after the period set out above is an appropriate balancing of the factors under s.66 for the reasons set out above. It should also be noted that the arrangements for the **reporting** of production information are not within the scope of this consultation.

The OGA notes that the proposal for the disclosure of more detailed production information (daily, by reservoir or well) after permanent cessation of production was also broadly welcomed. Therefore, the OGA considers that more detailed production information should be disclosed immediately after a field has permanently ceased producing, as set out in the Consultation Document proposal.

The OGA agrees that commercial information relating to the commercial matters, such as costs or tariffs should not be in the scope of the regulations.

Other licence area information

Summary discovery and field information

The OGA proposed that the following summary discovery and field information may be disclosed immediately after the OGA has obtained the information:

- i. hydrocarbon composition
- ii. any contaminants
- iii. determination status (whether the field boundary has been agreed with the OGA)
- iv. development status (whether the field is under development, in production, or has ceased production)
- v. the licence number
- vi. the name of the operator
- vii. the date of the discovery
- viii. the well number
- ix. the production start date
- x. the water depth
- xi. date of permanent cessation of production

Summary of responses received

Q47. Do you agree that the ability to disclose the above summary discovery and field information immediately is an appropriate balance of the factors?

Fifteen respondents agreed with the proposal, eight of whom made comments. They said that disclosure of summary field information that is not commercially sensitive would promote the understanding of an area, stimulate interest and encourage field study development, in support of the MER UK initiative.

Both factual and interpretive information are included in the categories that are proposed to be disclosed. Respondents supported the disclosure of factual information but not interpretive information since it is commercially sensitive and that these categories can be influenced by variables such as the price of oil. Respondents suggested the removal of these categories:

- iii. determination status
- iv. development status
- ix. production start date
- xi. date of permanent cessation of production

Respondents said that only basic hydrocarbon composition should be disclosed, such as viscosity and API.

Six respondents disagreed with the proposal. Comments cited the example of a successful exploration well and the commercial sensitivities of disclosing hydrocarbon composition information. They said that hydrocarbon composition and contaminants influence field development concepts and export routes. Disclosure of this information during appraisal and development could have adverse commercial implications and therefore felt this information should remain confidential until an offtake route had been secured and a Field Development Plan had been approved. Instead they proposed that the information could be disclosed in a relinquishment report should a discovery not proceed to development.

Respondents considered that, where information is subject to variables such as fluctuations in the price of oil, they should remain confidential. Items included determination and development statuses, production start date and date of permanent cessation of production. They said that if sensitive information from a discovery well was withheld but non-sensitive information was disclosed, this would be an indication of a discovery.

Respondents requested clear definition of terms including whether “date of permanent cessation of production” meant the actual or proposed date. Respondents said that disclosure of forecast cessation of production dates would affect the negotiation of related service agreements. Respondents also requested a definition of the term ‘discovery’ and for clarification of the term “well number”. The understanding was that this meant the number of wells in the development, including producers and injectors.

Q48. Are there any other factors for summary discovery and field information that you think need to be taken into account?

Only one respondent proposed additional factors to consider in relation to discovery and field information. They accepted the proposal to disclose information once a Field Development Plan had been approved by the OGA. However, in the event of a discovery in a new play, such information would be commercially sensitive. They suggested that this information should remain confidential until a later time to be agreed by the OGA and the relevant person.

Seventeen respondents said they had not identified other factors to take into account.

Q49. Are there any other pieces of summary discovery and field information that you think should be able to be disclosed immediately?

Four respondents proposed additional categories of information to be disclosed immediately, including:

- resource range and classification
- reservoir depth
- reservoir thickness
- hydrocarbon column height
- flow rate
- reservoir temperature and pressure

They suggested including quantitative production information, including measurements taken of oil and gas/water production, water/gas/chemical injection, gas flaring and fuel gas used, to give an indication of production efficiency.

Fifteen respondents said they had not identified other information to include.

OGA response

The OGA notes that the majority of respondents agreed with the proposals set out in the consultation. After taking the comments into account the OGA considers that it is appropriate to be able to disclose the listed information items after they are obtained by the OGA, including the start date of production and the date of permanent cessation of production. The OGA concurs that this is high level information relating to fields and discoveries that promotes a general understanding of the UKCS and specific areas within it.

Several of the proposed items are not protected material, (including determination status, discovery well name, licence number) as they are derived from OGA sources. Consequently, the OGA may opt to publish these categories alongside those listed in the regulations. Others (for instance those relating to a discovery well such as water depth or a high-level description of the type of hydrocarbon discovered) have been included in the definition of other information types under these regulations.

The OGA considers it appropriate that it may publish the following as soon as they are obtained:

- i. the date on which production starts;
- ii. the date on which production permanently ceases;
- iii. a description of any contaminants in the petroleum encountered.

For the avoidance of doubt, the term “well number” refers to the regulatory wellbore registration number issued by the OGA in accordance with Petroleum Operations Notice 12 (PON12). This is the unique and regulatory recognised well identifier. This term does not refer to the total count of wells included in relation to a field or discovery.

Geotechnical field development information

The OGA proposed that the geotechnical information in Field Development Plans, but not the commercial or financial information within those plans, may be released five years after the date of first production (the date the field first produces petroleum).

Summary of responses received

Q50. Do you agree that five years after first production represents an appropriate balance of the factors required to be taken into account for geotechnical information contained within Field Development Plans?

Sixteen respondents agreed with this, with five making comments. They considered five years from the date of first production too long given the maturity of the UKCS and suggested shortening the confidentiality period if there was no adjacent open acreage. Some agreed with the proposal, but only for that part of the field or reservoir that had been tested by development or appraisal drilling. Others felt that any subsequently tested or produced compartment, should have its own trigger date to determine the confidentiality period. Respondents called for the five-year confidentiality period to apply to a Field Development Addendum.

Suggestion additions to the scope of information to disclose included engineering information (while withholding commercial details). Several respondents said that commercially sensitive information and intellectual property should not be included.

In relation to the reporting of geotechnical information, respondents asked what form and manner information would be required to be reported and according to what timescale.

Six respondents disagreed, expressing contrasting opinions regarding the disclosure of information from FDPs. Several called for the confidentiality period to be shorter, noting that an FDP could be submitted then up to ten years could pass before production started. A period of one or two years from first production was suggested. Others considered the maturity of the basin, suggesting that the only case for delaying disclosure would be to allow a field operator the opportunity to acquire adjacent open acreage. Respondents likened the inherent safety and analogue aspects of geotechnical information from FDPs to well data, suggesting that disclosure of both should be aligned.

Conversely several respondents called for a longer confidentiality. They said that FDPs are complex and changeable and timings are highly variable from field to field. They asked for the field's life span to be considered when determining the disclosure date for the FDP. Size and complexity should also be considered, for instance in the case of a multi-phased development. Respondents said that production profiles could still be considered commercially sensitive five years after first production. They suggested that these should remain confidential while acknowledging that the OGA currently publishes production information monthly at the field level.

Q51. Are there any other factors for geotechnical field development information that you think need to be taken into account?

Seven respondents raised other factors to take into account when considering the disclosure of geotechnical field development information.

Several commented that the proposed arrangements would mean that commercial geophysical information present in an FDP would delay its disclosure until the commercial information itself could be disclosed. In these instances, the regulations should provide for confidential information to be redacted, enabling useful information to be disclosed.

Respondents raised circumstances under which geotechnical information could be disclosed earlier than proposed, including where there were important health and safety implications. For example, if well conditions involve particularly high pressure and high temperatures, disclosure of this information would enable better management of well integrity in similar circumstances. Others suggested that the OGA should be able to selectively disclose pertinent information to those involved in a CO₂ related development or whether there is open acreage adjacent to disclosed geotechnical information.

Thirteen respondents stated they had not identified any other factors to consider.

Q52. Are there any other pieces of discovery and field information that you think should be able to be disclosed?

Two respondents proposed additional categories to be disclosed including generic field reports and multi-well studies, reservoir models and other field models. Initial reserves range and classification were also suggested.

Fifteen respondents stated that they did not propose any additional categories of information.

OGA response

The OGA notes that there was general support from most respondents for its proposals in the consultation on geotechnical information contained in a development and production programmes.

While acknowledging the arguments made for a shorter period before disclosure the OGA believes, when considered against the counter arguments, the period of five years (beginning with the date on which petroleum is first produced from the field in question) represents an appropriate balancing of the s.66 factors.

The OGA agrees that the nature of this information means that, prior to disclosure of geotechnical field development information, attention will need to be given to the whether other information subject to longer protected periods before disclosure (commercial geophysical information for instance) is included. However, the OGA points out that, as with all the disclosure proposals set out in the consultation, this disclosure period is the earliest that the information can be disclosed.

The information categories listed under “Other Licence Information” are addressed separately in the regulations.

Some respondents called for geotechnical information within FDPs to be disclosed earlier than five years, either to make the most of the time available to operate in the UKCS or for special circumstances such as specific safety related matters or for repurposing resources, e.g. for CO₂ storage. The OGA considers that five years from the start of production remains the right balance of the factors.

Other respondents said that five years from the start of production is too short a time because production profiles can remain sensitive. However, the OGA considers that it is appropriate that it should be able to publish geotechnical information after five years from the date that production starts. Relevant persons will have the opportunity to make representation against the routine disclosure of geotechnical information from FDPs.

The OGA also acknowledges that commercial or financial information is of particular sensitivity and considers that this should not be in the scope of information to be disclosed.

Disclosure of computerised reservoir or geological models and engineering information have been addressed in the appropriate sections elsewhere in this document.

The OGA acknowledges that relevant persons have an interest in the form and manner by which information will be required to be reported to the OGA and according to which timelines. While these reporting matters are beyond the scope of the consultation on retention and disclosure the OGA can advise that it intends for such information to be reported through the submission and agreement of an FDP. The geotechnical information contained therein will not be required to be reported separately, other than where stated under reporting notices associated with petroleum-related information and samples that are also the subject of the retention and disclosure regulations.

Other licence area information

The OGA proposed that other licence area information may only be disclosed by the OGA after the determination of the subject licence (i.e. following the surrender, expiry or revocation of a licence) as set out in the general provisions for Licence information in the consultation document.

Summary of responses received

Q53. Do you agree that the proposal that reservoir and geological model information may only be disclosed following the determination of the subject licence is an appropriate balance of the factors?

Nineteen respondents agreed with the proposal with nine of them commenting in their response. Six respondents disagreed with the proposal.

Respondents anticipate that relevant persons will object to disclosure of the interpretative content of models. They requested that a formal and robust procedure is established through which relevant persons could make representation against disclosure of information and that it may be possible to agree to defer or even exclude a model from disclosure. Others encouraged disclosure at the earliest opportunity, reasoning that the UKCS is a mature basin and continued confidentiality erodes the value in models. Respondents said the benefit to licensees of adjacent or analogous fields outweighed the impact on the creator and that models should be disclosed five years after their creation, rather than after licence expiry.

Respondents said that practical considerations in relation to the disclosure of models should be taken into account. They queried how the most reliable and representative models would be identified, and expected that the OGA would require only the most up to date models at licence relinquishment. They highlighted the dependence upon compatibility of reported information with proprietary software which may not be accessible at a later date. Respondents understood the proposal that ‘any’ model could be disclosed meant that all models would need to be reported and disclosed.

Some raised concerns over the commercial nature of interpretations. They considered interpretations to be intellectual property, made by a company’s technical staff. Respondents agreed with the disclosure of reference data in a software model but that, due to their inherent commercial nature and role in determining a company’s success, interpretive data should remain confidential. Respondents said models could be out of date or somehow flawed and that companies might short-cut their interpretation by reusing disclosed information without knowing the full context, leading to errors. Models go through many iterations as new inputs become available and often include third party commercial geophysical information suggesting that disclosure of the model would breach commercial agreements. They said that disclosure of models should be accompanied by a statement that the originators would not be held accountable for the outcomes of their later use. Some respondents considered geological and reservoir models to have little commercial value after licence determination and that disclosure would be uncontroversial.

Respondents queried the timing, form and manner by which reservoir and geological model information would be reported, what information the models should contain and who would be responsible for disclosure.

Whereas some agreed that this requirement should equally apply at the expiry of exploration licences another said that this would unfairly penalise exploration licence holders. If a model was created toward the end of the exploration licence term this could lead to the model being disclosed soon after its creation. Furthermore, models developed by commercial geophysics companies holding exploration licences are typically regional and although this would be of interest to third parties, there would be a disincentive for such companies to create models.

Q54. Are there any other factors for reservoir and geological model information that you think need to be taken into account?

Thirteen respondents suggested other factors to be considered while ten others said they had not identified other factors.

Several raised the matter of protecting third party intellectual property in models (including proprietary techniques and know-how in creation) and the complexities arising from multiple surveys being used in models. Respondents suggested establishing an exemption mechanism (that also prevented the need for the OGA to review all data).

In terms of scope, respondents said that only approved final models should be reported and suggested that minimum requirements for model information to be reported should be stipulated. Furthermore, a fit for purpose repository would be needed to accommodate frequent reporting of large volume export files.

Respondents said the information should be disclosed in an accessible recognised industry standard format that could be readily loaded into interpretation. They suggested that the components of a model should be exported to and disclosed in generic and accessible formats rather than a specific proprietary software format.

It was suggested that, where interpretive model information is disclosed, legal disclaimers should be included and that the originator should not be held responsible for subsequent reuse of interpretations.

Q55. Is there any additional reservoir or geological model information that you think should be able to be disclosed?

Four respondents suggested additional information to include in the disclosure of models.

For the development of a disclosed model to be understood retrospectively it should be accompanied by relevant supporting documentation explaining the context and its purpose. Disclosure of successive versions of models would support the understanding of the changing development strategy of an area.

Development and disclosure of a definitive database of directional wellbore surveys was suggested.

OGA response

The OGA acknowledges the points raised by respondents in relation to the proposed disclosure of other licence information, many of which relate to computerised reservoir and geological models. The OGA agrees with the view that these models contain information from various sources including information, such as commercial geophysical information, which would ordinarily have a longer minimum protected period.

The OGA also acknowledges that these models are usually created using proprietary software and formats that present challenges to the reporting and disclosure process. Consequently, where such models are required to be reported, the OGA will also require supporting information detailing how the model was created. The OGA maintains that this information can provide invaluable insights into the licence area in question and therefore has a clear benefit in support of MER UK.

Furthermore, the OGA reiterates that disclosure of all information (including computerised reservoir and geological models) subject to the regulations will be at the discretion of the OGA, as set out in General Points (page 30); whilst the OGA may disclose this information it will not be required to do so.

Accordingly, the OGA considers it appropriate that the regulations set out that it may publish such other licence information set out below that relates to the relevant licence, in addition to the computerised reservoir and geological models referred to above, after the OGA considers that part of the relevant licence to which the information relates:

- (i) the sub-surface;
- (ii) the geology of the strata;
- (iii) the structure of any reservoir;
- (iv) the chemical composition of any petroleum;
- (v) how any petroleum may behave in the reservoir;
- (vi) how any petroleum may be trapped in strata and migrate to a reservoir;

but does not relate to information covered elsewhere in the regulations such as:

- (i) a particular well or survey;
- (ii) any contaminant in any petroleum.

Regarding the timing of disclosure, respondents requested a definition of the term “determination” of a licence. The term can be summarised as the date on which either there is surrender of rights under a licence, a licence expires, or a licence is revoked by the OGA in respect of all or part of the licensed area. The OGA believes this is the most workable date from which to trigger the disclosure of other licence information, rather than (in the case of computerised models) the suggested alternative of the creation date. The latter is not known to the OGA and arguably not able to be determined by the relevant person.

It should be noted that disclosure of other licence information would apply only to computerised models that had been required to be retained, according to the approach set out in Part One, and will be further constrained by what the OGA requires relevant persons to report. Retention requirements will only be applicable to holders of production licences; therefore, concerns over the impact on exploration licensees will not be material.

General disclosure proposals for licence information and samples

The OGA proposed that any licence information or samples may be disclosed by the OGA immediately after any licence event, as defined in section 30(3) of the Act, other than the transfer of licence under section 30(3)(a) of the Act, i.e. after:

- a) the surrender of rights under an offshore licence in relation to all the area in respect of which that licence was granted, or in relation to so much of that area in respect of which the licence continues to have effect
- b) the expiry of an offshore licence
- c) the revocation of an offshore licence by the OGA.

Summary of responses received

Q56. Do you agree that the proposal that any licence information or sample be able to be disclosed immediately after any of the licence events listed above is an appropriate balance of the factors?

Twenty respondents agreed with the proposal to disclose any licence information or sample immediately after the events listed, with nine of those commenting.

Some thought that the approach would encourage investment and support exploration and production opportunities by allowing potential licensees earlier access to information.

There was consensus with immediate disclosure after the expiry or revocation of an offshore production licence, however some said disclosure should only be after the entire licence had been determined rather than partial surrender while acknowledging that this would have implications for large, multi-block licences with non-contiguous component blocks or part-blocks.

Respondents sought confirmation of the intent to establish a structured process to allow relevant persons to make representation against routine disclosure of information or samples. Others assumed that most of the information and samples would have been disclosed prior to cessation of production, or that they considered this proposal to be in line with current practice.

Three respondents disagreed with the proposal, querying how the proposed arrangements would apply to exploration licences, which have a maximum term of six years. Since commercial geophysical surveys are acquired under exploration licences their understanding was that this proposal would contradict the proposed approach to disclosure of commercial geophysical information. Respondents sought clarity as to whether the expiry after six years would automatically lead to disclosure of information acquired under that licence.

It was suggested that the trigger for disclosure should be surrender of a licence at the end of its initial term.

OGA response

The OGA notes that the majority of respondents agreed that the proposed approach would encourage future investment and attract those looking for opportunities in the UKCS.

The OGA considers that in the interests of maximum information availability (and particularly where licence areas that have been partially surrendered are made available for re-licensing) that disclosure should apply to areas where partial surrender has occurred but **only** in respect of information relating to the area surrendered.

The OGA clarifies that a licence event can occur without there necessarily being any relationship with cessation of production.

With regard to the determination of exploration licences the OGA recognises the implications for commercial geophysical survey information, and considers that this information should not be disclosed on licence determination.

Therefore, the OGA considers that it is appropriate for the regulations to set out that all licence information (with the exception of commercial geophysical information acquired on an exploration licence) may be disclosed after the date of the determination of that part of the relevant licence to which the information relates. This may be due to expiry, revocation (in respect of all persons with an interest in the area that has been revoked) or a surrender of rights in relation to all or part of the area.

The OGA agrees that relevant persons should have the opportunity to make representation against the routine disclosure of information or samples. This is supported by the OGA and has been addressed in the General Points section on page 30.

Other petroleum-related information

Upstream petroleum infrastructure (excluding pipelines) and offshore installation information

The OGA proposes that the following summary information on upstream petroleum infrastructure (excluding pipelines) and offshore installations may be disclosed immediately after it has been obtained by the OGA:

- i. name of installation
- ii. identifier numbers
- iii. type of installation
- iv. name of operator
- v. name of owner
- vi. description provided in any consents process
- vii. operational status
- viii. any positional information
- ix. the associated pipeline systems

Q57. Do you agree that the ability to disclose the above summary information on upstream petroleum infrastructure (excluding pipelines) and offshore installations immediately is an appropriate balance of the factors?

Twenty-one respondents agreed with the proposal and 10 of those went on to provide feedback.

Several commented in relation to safety and environmental considerations and the benefits of immediate disclosure. They said that industry should be aware of existing infrastructure and offshore installations, their position and intent; without this information, there would be more safety concerns. However, they also noted that some of the proposed information is already published by the Health and Safety Executive. Respondents were keen for alignment between regulatory bodies on such matters.

Some supporters said that sensitive information should not be disclosed, acknowledging that the proposed information is generally not commercially sensitive and that this was an appropriate balance of the factors.

There were requests for more definition of what would be included in the associated metadata. The suggestion was to indicate whether a structure is located at the surface or subsea and that the summary information is classified according to a recognisable industry schema.

No respondents expressly disagreed with Question 57.

Q58. Are there any other factors for this summary information that you think need to be taken into account?

Five respondents raised other factors that they thought the OGA should take into consideration. Commenters referenced existing practice whereby operators share maintenance and inspection information through the Energy Institute and suggested involving the Energy Institute in the definition of information that could be disclosed to safely maintain and extend the life of assets. An example would be to include studies on the prevention of corrosion. Respondents also suggested that a relevant person should be able to withhold proprietary information, although no specific details were given.

Fourteen stated that they had not identified other considerations.

Q59. Are there any other pieces of upstream petroleum infrastructure (excluding pipelines) and offshore installations that you think should be able to be disclosed immediately?

Six respondents suggested additional categories of petroleum infrastructure to be able to be disclosed immediately.

They proposed that the locations of seabed items outside of safety zones, including:

- anchors
- buoys
- debris
- dropped objects
- rock dumps
- other items posing a hazard to users of the sea.

Respondents acknowledged that these categories are already published by the Health and Safety Executive and that decommissioning projects would benefit from disclosure of this information and respondents suggested a collaborative approach to development of supporting guidance.

Respondents suggested the disclosure of emergency contact details for the relevant person in relation to the listed items, although these should be generic rather than those of a specific individual.

Fourteen stated that they had not identified additional categories of information.

Q60. Do you agree that the proposal that any more detailed information about upstream petroleum infrastructure (excluding pipelines) and offshore installations may only be disclosed after decommissioning is an appropriate balance of the factors?

Fifteen respondents agreed, with seven of those making comments. Comments included support for disclosure at cessation of production or when the field has been finally shut-in, increasing the potential for alternate uses to be found for infrastructure. It was noted that the incumbent would be best placed to consider options for re-use. Most considered that detailed information would be commercially sensitive while the infrastructure was still in operation, but not after it was decommissioned. However, since decommissioning is an emerging area of expertise, the OGA should consider the protection of intellectual property and proprietary information.

Six respondents disagreed, commenting that if information relating to infrastructure is disclosed ahead of decommissioning, an alternate use is more likely to be identified. Respondents suggested that detailed information should be disclosed prior to cessation of production, rather than post-decommissioning. Others stated that there may be cases where information on upstream infrastructure may be of value to non-petroleum developments, such as offshore wind, CO₂ storage and gas storage. They suggested that it should be possible to disclose related information after the announcement of the intention to cease production, and prior to agreeing plans for decommissioning.

Respondents called for clarity on the categories of information to be disclosed. There were concerns that 'immediate' disclosure would have cost and resourcing implications.

Q61. Are there any other factors for upstream infrastructure (excluding pipelines) and offshore installation information that you think need to be taken into account?

Four respondents suggested further considerations in relation to upstream infrastructure and offshore installations.

Three responses recognised the emerging decommissioning sector, recommending involving those experts in defining what to disclose and how. They emphasised the need to protect intellectual property and proprietary information developed in the discipline. They also suggested that consideration should be given to the development of a single, consistent taxonomy of metadata for installations.

There may be cases where information on upstream infrastructure may be of value to non-petroleum developments, such as offshore wind, CO₂ storage and gas storage. They suggested making provision in the regulations for the disclosure of such information after the announcement of the intention to cease production, and prior to agreeing for decommissioning.

Fourteen respondents said they had not identified any additional factors to consider.

Q62. Are there any other pieces of upstream petroleum infrastructure (excluding pipelines) and offshore installations that you think should be able to be disclosed?

Three respondents suggested additional categories of information, including information relating to cable crossings (power and telecommunications) and information that can help to safely maintain and extend the life of offshore assets, such as studies related to prevention of corrosion.

Respondents said that information on upstream infrastructure may be of value to non-petroleum developments, such as offshore wind, CO₂ storage or storage of natural gas and suggested disclosure of information without identifying and specific categories.

Fifteen respondents stated that they had not identified any additional categories of information to be disclosed.

OGA response

The OGA notes that there was strong support from the majority of respondents on the proposals in the consultation.

Most agreed that the disclosure of summary information on infrastructure provides useful contextual information about the UKCS. The OGA therefore considers that it is appropriate for the regulations to make provision that the following summary information may be disclosed as soon as it is obtained by the OGA:

- i. name of installation
- ii. type of installation
- iii. name of operator or owner
- iv. description submitted in any development or production programme
- v. operational status of the installation
- vi. positional information on the installation
- vii. information on any connected pipeline systems
- viii. information on power or telecommunications cables

Concerning more detailed infrastructure information, the OGA notes that several respondents agreed that this would be useful but added that disclosure after decommissioning is too late to investigate repurposing of the infrastructure in question. Several suggested that disclosure at cessation of production would be more useful. The OGA agrees that to give maximum opportunity to find alternative uses for infrastructure, earlier disclosure is desirable.

The OGA therefore considers it appropriate for the regulations to allow information concerning the following may be made available after production permanently ceases from every petroleum field using the infrastructure in question (and so long as no offshore licensee is using the infrastructure for a purpose other than production):

- i. dimensions of the installation or infrastructure;
- ii. the material, equipment or components used in the construction, maintenance or decommissioning of the installation or infrastructure;
- iii. the occurrence of construction, maintenance, inspection or decommissioning of the installation or infrastructure.

The OGA has considered the additional categories suggested, but considers that the reporting and disclosure of this type of information has a less tangible benefit for MER UK and are covered by other reporting and disclosure channels. Material deposited on pipelines is consented by the OGA under the pipeline works authorisation process and may be disclosed by the OGA as set out in the consultation document.

Pipeline information

The OGA proposed that the following structural information (including any subsequent updates provided) included in Pipeline Works Authorisation (PWA) consents may be disclosed immediately after the OGA has confirmed consent to the Pipeline Works Authorisation:

- i. name of PWA Holder, User(s), Owner(s) and Operator
- ii. pipeline number
- iii. pipeline components
- iv. pipeline from and to descriptions
- v. pipeline from and to co-ordinates
- vi. pipeline length
- vii. pipeline external diameter
- viii. pipeline internal diameter
- ix. pipeline wall thickness
- x. pipeline type of insulation/coating
- xi. pipeline MAOP/Barg
- xii. pipeline contents
- xiii. pipeline trench (Yes/No)
- xiv. water depth

Information about deposits that may be placed for the protection or support of the pipeline and summary information around this may also be of use to be disclosed.

The OGA also proposes that the following summary information in Deposit Consents may be disclosed immediately after consent to the Deposit Consent has been provided by the OGA:

- i. pipeline number
- ii. start date (MMM YY)
- iii. end date (MMM YY)
- iv. type and size of material
- v. quantity
- vi. positional information

Summary of responses received

Q63. Do you agree that the proposal for the summary pipeline information to be able to be disclosed immediately after consent is given is an appropriate balance of the factors?

Seventeen respondents agreed with the proposal, three of whom commented, noting that summary pipeline information is already required to be reported to BEIS in OPEPs (Oil Pollution Emergency Plans) which are disclosed to the public upon request.

Respondents suggested that the format and units for the retention and disclosure of this information should be specified in supporting guidance.

They considered the pipeline information described in the consultation document, but that is not included in Deposit Consents, to be commercially sensitive and requested confirmation that there is no intention to disclose this information immediately after consent is given.

Respondents suggested that disclosed information should differentiate between 'Pre-commissioned' and 'Active' pipelines, specifying the as-laid route, which can be different from what was planned.

No respondents expressly disagreed with proposals to immediately disclose summary pipeline information.

Q64. Are there any other factors for pipeline information that you think need to be taken into account?

Suggestions of additional considerations came from six respondents. They sought clarification of the start and end dates for disclosure, advising that it would be necessary to differentiate between rigid and flexible pipelines. Respondents also suggested including information on pipeline contents to facilitate decisions on repurposing of pipelines, such as for CO₂ transport.

Respondents stressed the need to differentiate between full reporting of pipeline information while maintaining the commercial sensitivity of information. Relevant persons would favour having the option to remove or redact such content before disclosure.

Thirteen respondents said they had not identified any other considerations.

Q65. Is there any other pipeline information that you think should be able to be disclosed?

Six respondents proposed other information to be disclosed.

From a safety perspective, respondents suggested including co-ordinates describing the “as constructed” route of the pipeline in an accessible, software friendly format at a sufficient resolution to support the safety of other users of the sea. While acknowledging the security considerations it was noted that the reporting of the start and end co-ordinates of pipelines are already required by BEIS in Oil Pollution Emergency Plans (OPEPs) which are published upon request. The locations of pipeline spans and power/ telecommunications cables supplying offshore infrastructure should be included. Again, with safety in mind it was suggested that contact for a pipeline owner should be disclosed, although these should be generic rather than those of a specific individual.

Several suggested that the status of the pipeline be disclosed, specifically in relation to the PWA consenting process and whether a pipeline has been consented, it is active or it has been decommissioned.

It was further suggested that pre-commissioned data, as per the PWA process, be reported and disclosed 3 -12 months prior to works commencing and active pipelines should be reported and disclosed 0-3 months following completion of installations. Other suggestions were to include whether a pipeline has been backfilled and the burial status should also be disclosed.

Thirteen respondents said they had not identified any other information that should be disclosed.

OGA response

Respondents agreed with the OGA’s proposal for summary pipeline information to be able to be disclosed immediately after consent is given by the OGA.

The OGA agrees with respondents that, where possible, published pipeline route information and variations thereto should reflect the as-installed condition of a pipeline or equipment, as opposed to the original design intent. The OGA considers that this information has limited commercial sensitivity, and should be disclosed.

The OGA agrees with respondents that a pipeline’s route, positional data and burial status should be published. The OGA considers that power, hydraulic control umbilicals and telecommunication cables are encompassed within the definition of pipelines, and therefore also proposes to publish details of these.

Respondents suggested that the OGA should publish pipeline route, pipeline emergency contact details and other data for safety reasons. The OGA has considered this and considers that its functions do not include either environmental or safety matters. The OGA is content to make certain other pipeline information available to cover its mandate, namely the principal objective of MER UK.

Reporting of information does not fall within the scope of this consultation, and reporting notices and associated guidance shall be dealt with as a separate matter by the OGA.

Respondents asked for clarification on the start and end dates for disclosure. The OGA intends to disclose summary pipeline information after the approval of Pipeline Works Authorisations (PWAs). PWAs are a matter of official record, as such there is no end to the disclosure period.

The OGA considered the differing reporting requirements for rigid as opposed to flexible pipelines, and advises that this will be covered separately in guidance.

The OGA has considered the commercial sensitivity of pipeline design information and considers that this information has limited commercial sensitivity, and should be disclosed.

In summary, and after considering the views of respondents, the OGA intends to proceed with the disclosure of specified pipeline information after OGA consent of Pipeline Works Authorisations. The OGA also intends to publish the date on which the removal of a submarine pipeline is complete after the date on which the information is obtained by the OGA.

Activities under carbon dioxide storage licences

Q66. Are there any additional categories of petroleum-related information or samples not discussed in the proposals above relevant to activities carried out under a carbon dioxide storage licence and which you think should be able to be disclosed?

Summary of responses received

Three respondents proposed additional categories of information and samples that they thought should be disclosed. These included records of well temperature and pressure and properties of brines and other fluids, that may not be acquired for petroleum-related activities, but which are relevant to CO₂ storage.

Other suggestions were that any marine environmental data collected during activities under carbon dioxide storage licences could have broader, longer term benefits to industry the wider marine community.

Seventeen respondents said they had not identified additional categories to be disclosed.

OGA response

Of the additional categories of information proposed by respondents the OGA considers that well temperature and pressure from the production phase of a reservoir or field will be in the scope of the regulations relating to the disclosure of production information. Other more detailed analyses of the strata and fluids encountered by a well will be in the scope of regulations to the disclosure of well information, or if in relation to the wider licence area, in the scope of the regulations relating to other licence information.

The OGA acknowledges that the properties of brines and other unspecified fluids that may occur in a reservoir are useful to disclose. Again, the OGA considers that it is appropriate for the regulations relating to production information to require the disclosure on the chemical composition or characteristics of petroleum, water or any other fluid produced from or injected into a reservoir.

As with other categories, the OGA considers that environmental information types, mentioned by respondents are outside the scope of the regulations.

Interaction with model clauses

The proposed regulations, insofar as they relate to the requirement by industry to retain information and samples, and grant the OGA the ability to disclose information and samples, may in some cases differ to the provisions of the model clauses.

It is the OGA's intention that, as far as is possible, the regulations are the mechanism under which petroleum-related information and samples are required to be retained by industry; and are disclosed by the OGA. The OGA considers that having dual regimes is manageable as the regulations would apply where information is provided via a section 34 reporting notice.

However, in order to provide clarity, it may be beneficial to amend model clauses. Were any amendments to be made to model clauses for future licences, the OGA would also put in place transitional arrangements (so far as possible) such that where there is a difference between the provisions for existing licenses and the regulations for retention and disclosure, the OGA seeks to give effect to the regulations.

Summary of responses received

Q67. Do you think that:

a) in order to provide clarity, it would be beneficial for model clauses to be amended so the regulations have primacy in this area

Eighteen respondents agreed with the proposal with 12 providing comments. The consensus was that, to avoid confusion, a single, clear and comprehensive approach should apply to all information and samples, both under the Act, and under Model Clauses (29 and 31) of the Petroleum Licensing (Production) (Seaward Areas) Regulations 2008.

Respondents said the model clauses should be revised and for the new regulations to have primacy on extant licences and their associated information and samples. There was a preference to avoid having multiple working practices for retention and disclosure, however there were also requests to clarify that the new arrangements would not apply retrospectively.

Whilst no respondents expressly disagreed, two said the development of guidance in support of the regulations should be taken in collaboration with industry. They also questioned whether it was intended that the retention and disclosure provisions in the model clauses to cease to apply once the regulations come into force. Some expressed concern that changing the model clauses and managing compliance with both regimes would take a significant effort.

b) if this is done, transitional arrangements should be put in place such that the provisions of the regulations are given effect where possible for existing licences?

Eighteen respondents agreed with this proposal, 12 of whom went on to comment.

As with the previous question, respondents raised concerns about retrospective application of the new regulations to existing information and samples, and the potential complication and cost implications for managing regulatory compliance under two regimes.

Respondents said that transitional arrangements, where the new regulations would have primacy, would be needed to avoid confusion and to prevent sanctions being raised.

No respondents disagreed with the proposal; however, two stated that greater clarity was needed on the intention for the continuation or otherwise of the model clauses, and what relationship the current and proposed regimes would have if a relevant person was compliant with one and not the other.

OGA response

The OGA acknowledges the view expressed by respondents that in the interests of simplicity, having a single clear set of regulations each for retention and disclosure is desirable.

With regard to disclosure under s.66, the OGA considers that the provisions of the Act are clear. Only petroleum-information and samples obtained under Chapter 3 of the Act (i.e. under either a section 34 reporting notice or an information and samples plan) will be subject to disclosure under the regulations so there will be a distinction between information and samples covered by the regulations and those that may be published according to the provisions of the licence model clauses.

Additionally, where the transition to the disclosure regulations is concerned, the OGA also considers that the proposals set out in section 108 of the consultation document are appropriate and clear; namely that only information where the “trigger date” for disclosure occurs after the disclosure regulations come into force will be subject to disclosure under their provisions. The only exception to this is geophysical information. In this case the OGA believes, in the interests of licensees’ planning and investment certainty, that the information should be in the scope of the regulations if the end of the first calendar year in which such information is acquired or created, occurs after the commencement of the disclosure regulations.

Where the “trigger date” for disclosure would otherwise occur before the regulations come into force (or where geophysical information was acquired or created in a year prior to that in which the regulations come into force) publication of such information and samples will continue in accordance with the terms of the model clauses.

The OGA considers that the disclosure and the retention regulations will provide clarity on the categories of information to be retained by relevant persons and which of those can be disclosed by the OGA. The OGA therefore regards having both the retention and disclosure regulations and the model clause regime in place is manageable, but acknowledges the importance of clear supporting guidance.

Conclusion and next steps

Before making regulations for the retention of information and samples under section 28 of the Act, the Secretary of State for BEIS is required to consult the OGA. Part 1 of this document sets out the OGA's view, following consultation with industry, on what such regulations should contain.

Before making regulations for the disclosure of information and samples under section 66 of the Act, the Secretary of State for BEIS is required to consult with such persons as they consider appropriate, although this obligation does not apply if the Secretary of State is satisfied that such consultation is unnecessary, having regard to the consultation carried out by the OGA in relation to what time should be specified in the regulations. Part 2 of this document sets out the OGA's view, following consultation with industry, on what such regulations should contain.

Subject to Ministerial approval, legislation to create the regulations to reflect the outcome of this consultation will be laid before Parliament.

The Act provides that regulations relating to the disclosure of information and samples are subject to the 'affirmative' Parliamentary procedure. This means that the regulations cannot be made unless they are debated and approved by Parliament. The regulations relating to the retention of information and samples are subject to the 'negative' Parliamentary procedure.

Impact Assessment

An assessment was made of the potential impacts on business from the implementation of the proposed regulatory changes. In summary, it is estimated that the changes could result in direct costs to business of around £4.23m in total (NPV, 3.5% real discount rate, 2017 prices) over an assumed appraisal period of ten years, as detailed further below.

Costs

The potential costs were assessed under two categories: policy costs and familiarisation costs.

- i. **Policy costs** are costs associated with actual implementation of proposed changes in regulatory obligations, of which,
 - a. **Retention regulations:** introduces requirements for the retention of information and samples relating to activities carried out under offshore petroleum licences, upstream petroleum infrastructure and certain offshore installations. There are existing retention obligations in respect of information and samples obtained or acquired in connection with offshore petroleum licences and the proposed changes are intended to provide increased clarity on retention, rather than introduce additional obligations. Currently there are no retention obligations specifically intended for installations or infrastructure not associated with an offshore petroleum licence, therefore the proposed regulatory change introduces new obligations on owners of such installations and infrastructure, as well as those planning and commissioning upstream petroleum infrastructure.

- b. **Disclosure regulations:** sets out the times after which the OGA (or a subsequent holder) may publish information and samples which it has obtained under Chapter 3 of the Energy Act 2016.

There are currently 135 business operating in the UKCS, of which 30 are upstream petroleum infrastructure or installation owners and the remaining 105 are offshore petroleum licensees⁴. The proposed changes to the regulations are not expected to result in any additional costs to the 105 licensees, but are intended to provide increased clarity compared with current obligations on when the requirement to retain information and samples ends. The proposed changes introduce new obligations on the 30 infrastructure and installation owners for the retention of relevant information and samples as they are out of scope of the existing regulatory obligations.

Retention Cost: The estimated cost of the retention obligations on upstream petroleum infrastructure and offshore installation owners comprises two components: a) employee costs per annum⁵; and b) storage cost per annum⁶. Policy costs for infrastructure and installation owners for retention have been estimated at around £15,000 per company per annum and a total of approximately £450,000 per annum for 30 companies. (undiscounted, 2017 prices). The NPV over the 10-year appraisal period is estimated at around £3.91m (3.5% real discount rate, 2017 prices).

⁴ Source: OGA internal data source on licensees and infrastructure owners.

⁵ Employee cost estimates were based on assumption resource time for each activity following consultation with the main industry trade body and hourly wage rates of Full Time Equivalent (FTE) staff from the Annual Survey of Hours and Earnings (ASHE), 2017 (provisional) published by the ONS.

⁶ Based on data received through OGA 2017 Stewardship Survey.

Disclosure Cost: The estimated cost on infrastructure and offshore installation owners who will be required to report infrastructure information and samples is based on estimated employee costs of around £260 per company per annum and a total of approximately £7,800 per annum for 30 companies (undiscounted at 2017 prices). The NPV over the 10-year appraisal period is estimated at around £0.07 m (3.5% real discount rate, 2017 prices).

- ii. **Familiarisation costs** are costs associated with familiarisation of the new regulatory provisions which are assumed will be incurred by all 135 businesses operating in the UKCS in familiarising themselves with the supporting guidance⁷. The familiarisation costs are employee costs which were estimated at an average of around £215 per company per annum. Total average familiarisation cost was estimated at approximately £29,000 per annum for 135 companies, undiscounted at 2017 prices. The NPV over the 10-year appraisal period is estimated at around £ 0.26 m (3.5% real discount rate, 2017 prices).

Benefits

The regulatory changes are expected to lead to benefits for offshore petroleum licensees and upstream petroleum infrastructure and installation owners due to increased clarity compared with the current obligations with regard to when the obligation to retain such information and samples ends, and, as a result, help to prevent premature loss and excessive retention. Consequently, the regulations may also lead to some reduction in storage costs, but not substantially as existing offshore petroleum licence obligations will, in some cases, remain. However, such costs are likely to reduce notwithstanding the introduction of the new regulations, owing to industry best practice moving from physical storage to digital storage. It is not possible to monetise this potential benefit to businesses due to the lack of evidence on the proportion of businesses that currently hold information and samples beyond the retention period set out in the new regulations and/or the volume of such data.

Impacts on Small Businesses

The proposed regulations apply to all licensees and non-licensees regardless of size and therefore apply to small and micro businesses. It is however expected that the impact of the obligations will be proportionate to the size of a business.

⁷ The OGA intends to publish guidance on the retention of information and samples

Annex 1: list of organisations responding to the consultation

List of respondents to the consultation on the proposed regulations for the retention and disclosure of information and samples.

Actis Oil and Gas Limited	Marine Environmental Data & Information Network (MEDIN)
Apache North Sea Ltd.	Nexen Petroleum U.K. Ltd
APT (UK) Ltd.	Oil and Gas UK and Common Data Access Ltd.
British Geological Survey	The Parkmead Group
Capturing the Energy (University of Aberdeen)	Perenco UK
CGG Services UK Ltd (two responses)	PGS
CGG Subsurface Imaging	Premier Oil E&P UK Limited
Chevron North Sea Limited	Scottish Carbon Capture & Storage (SCCS)
ConocoPhillips (U.K.) Limited	Shell UK Ltd.
Data by Design Ltd.	British Oceanographic Data Centre (BODC)
DataCo Limited	Statoil Production (UK) Limited
Engie E&P UK Ltd	Summit E&P Ltd. (two responses)
EnQuest	TAQA
European Oilfield Speciality Chemicals Association (EOSCA)	Total E&P UK Ltd
Fairfield Betula Ltd.	UK Fisheries Offshore Oil and Gas Legacy Trust Fund Limited (FLTC)
INEOS	Organisations that asked to remain confidential (1)
International Association of Geophysical Contractors (IAGC)	

