

Exploration Task Force Meeting (XTF) (Q1 2021)

4 March 2021

Attendees:

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| Nick Terrell (Chair) – Azinor | Mohamed-Amine Soudani (Total) |
| Nick Richardson (co-Chair) – OGA | Ben Hillier (Shell) |
| Jenny Morris (Chrysaor) | John Underhill (Herriot-Watt University) |
| John Colleran (Consultant) | Colin Percival (Athena) |
| Anne-Sophie Cyteval (Spirit) | Rod Crawford (Zennor) |
| Graham Godfrey (Soliton) | Russell Reekie (NEO Energy) |
| Graham Turner (TGS) | Keith Wise (OGUK) |

Apologies:

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|---------------------|----------------------|
| Owen Tucker (Shell) | Gillian White (OGTC) |
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Agenda, Introduction & Review of Actions

Agenda

1. Introduction, Agenda & Review of Actions
2. Energy Transition
3. Licensing
Break
4. Data
5. Technology
6. Opportunity Maturation
7. AOB
Close

Introduction

- Nick Terrell opened the meeting, he thanked everyone for attending and the work they had done on behalf of the XTF.
- He highlighted that last year had been a difficult year but there was reason to be optimistic this year.
- Significant changes are happening with energy transition and net zero, both industry and the OGA are leading in this area.
- The MER UK Steering Group has been rebranded The North Sea Energy Transition Steering Group, there is now a real focus on energy transition and net zero.
- Two new members have joined the XTF, Russell Reekie, NEO Energy and Owen Tucker, Shell.
- The XTF have 5 priorities for 2021
 - Energy Transition
 - Licensing

- Data
- Technology
- Opportunity Maturation
- The draft schedule of key meetings and events for 2021 was shared and members were asked to forward any events that were missing.

Review of Actions

- There were no outstanding actions.

Energy Transition

- This group are working on ensuring the case for continued UKCS exploration is evaluated and articulated.
- The first pack 'Exploration in a low-carbon future' has been issued on the OGUK publications website and has been well received, this should continue to be promoted to all relevant stakeholders.
- The second narrative 'Investing on a low-carbon future' is being drafted.
- The group have also started work on the third narrative 'Essential geoscience skills for a low-carbon future'.
- An overview of the messages intended for inclusion in the second draft slide pack was explained to the XTF and the group were asked for feedback.

Feedback included:

- The message is clear and should continue to be made, that even by exploring, the gap between existing resources and demand can't be met. Need to demonstrate that industry can make a meaningful contribution.
- Should try not to under sell the case for continued exploration.
- Need to show that there is a need for exploration that will have a low carbon footprint.
- The question was asked if there needed to be a slide added that showed recent discoveries? Possibly add a case study that showed the value that could come from investment in the UK.
- May need to include a business case slide.
- There is a lot of material available and it is good that the material is all derived from existing open sources.
- It was asked if the pack could be simplified and reordered; oil and gas in the transition at the start, domestic vs. imports, the advantages of domestic production and delivering net zero. Possibly add a tag line.
- This will be a good resource, the verbal introduction given during the meeting was very good, could this somehow be incorporated into the slides?
- Is it possible to get help from a designer and is it possible to get someone independent to check objectivity?
- Possibly make the case stronger that it will be net zero compliant hydrocarbons.
- The question was asked if the group had received feedback on the first pack following publication? The feedback that has been received has been positive.

- Need to demonstrate that the oil and gas industry can enable the energy transition.
- Need to put more emphasis on a sustainable supply.
- Distillation of the message will be critical.
- It was suggested that an additional meeting could be set up if needed to get the final product out.

Licensing

- The key tasks for this group are:
 - Implement updates to the JOA Standard Agreement to reflect the Innovate Licence
 - Update LARRY and Marks Scheme ahead of the 33rd Licensing Round
 - Continue to support BEIS licensing review, depending on the outcome this could generate more work.

Standard JOA

- This work has been progressing slowly, the kick-off meeting is being held on the 17th March to agree ToR and timeline.
- There is only one clause in the JOA that required updating. The expectation is that the JOA is to be signed within 6 months of licence award.

LARRY and Marks Scheme

- Results have been compiled from the questionnaire that was sent out last year.
- Discussions have started with the OGA regarding implementing the changes and updating guidance – this is now on hold pending the BEIS review. Any changes to LARRY and the Marks Scheme will need to be aligned with the outcome of the review.
- A licensing roundtable meeting was on 22nd February, where future options for licensing rounds were discussed. Focus on responsible emissions management via net zero by 2050.
- It was suggested another slide could be added to the Energy Transition pack that outlines what the impact of stopping licensing would be.

Data

- The key initiative for this group is to facilitate data release and support continued development of the NDR.
- The transition to NDR2 is moving forward.
- More data has been added and user numbers have increased.
- The NDR is transitioning from the former Schlumberger-CDA contract to a contract between the OGA and Osokey Ltd, the handover is due mid-2021.
- The NDR is now governed by the Digital Energy Platform Advisory Committee (DEPAC), run by the OGA's Corporate Directorate.
- The question was asked what industry needed from the NDR?

- Should we broaden the nature of the data within the NDR making it a more valuable repository for the future?
- Or a Digital Energy Platform with functionality to interrogate the existing data?
- A new XTF representative is needed on the DEPAC committee to replace John Colleran, who is standing down from that committee.
- More data could be requested from industry for reporting to the NDR but it needs to be decided what data is needed and most valuable.
- There is a lot of data that could help the energy transition and additional data may assist with this.
- The XTF were asked for input on what data was needed to support MER UK and net zero.
- It was suggested that an OGA and Osokey representative could attend the next XTF meeting to provide an update on the new NDR platform.
- There was support for getting data derived from other industries, including offshore wind data into the NDR, and for the addition of onshore datasets to provide a seamless view of the onshore to offshore geology.
- The question was asked if the feedback from the OGA workshops held in 2020 was available, and could this be summarised to the XTF.
- **Action Point:** Invite OGA and Osokey representative to attend the next meeting – Nick Terrell and Nick Richardson

Opportunity Maturation

- The key initiative for this group is to support sustainable hubs and implement area plans.
- The group has carried out interviews with the OGA and industry to try and establish a blueprint to develop the right area plan.
- One option that has been suggested is that this group should work with the Reserves Progression task group.
- The next step will be to schedule a meeting with the Reserves Progression group and develop a way forward.
- It was also suggested that they should also interact with the Commercial Managers forum.
- It was highlighted that it would be good to have someone with energy transition experience join the group. It was suggested that Owen Tucker could be asked.
- Looking at the possibility of getting support from BEIS to put together a core data set specifically for the purpose of supporting carbon storage appraisal, a proposal has been drafted, led by Graham Goffey.
- The issue of key development cores potentially not being stored was raised. There is a Digital Energy Platform Advisory Committee meeting on the 15th March and it was suggested that this could be raised at this meeting.
- **Action Point:** Meeting to be set up between the Reserves Progression group and Commercial Managers. Keith Wise and Anne-Sophie Cyteval

Technology

- One of the priorities for this group will be to close-out the Northern North Sea Missed Pay project.
- The OGTC 'Missed Pay' project conditioned data has now been made available on the NDR.
- It is planned to advertise the presence of the data and it is hoped to create some sort of feedback loop.
- Progress of the other projects that this group is involved in will be presented at the next meeting.

AOB

- The OGUK Exploration Conference will be held on 24th May, OGUK has a space on the Steering Committee, XTF members were asked if anyone would be interested in joining the committee.
- The question was asked if there was a stakeholder map which identified key stakeholders for the XTF.
- The question was asked following the outcome of the licensing review if it would be necessary to meet to reset the XTF priorities. This will happen if necessary.
- **Action Point:** Stakeholder map to be developed.
- **Action Point:** XTF members to advise Nick Terrell of any events that need to be added to the table of events. Nick T will update before the next meeting.

Actions from this meeting:

| <i>Priority</i> | <i>Actions/Update</i> | <i>Who</i> | <i>When</i> |
|---------------------------|---|--------------------------------------|--------------|
| Data | Invite representative from OGA and Osokey to attend the next meeting – Nick Terrell and Nick Richardson | Nick Terrell Nick Richardson | Next meeting |
| Opportunity Maturation | Meeting to be set up the Reserves Progression group and Commercial Managers. | Keith Wise Anne-Sophie Cyteval | |
| | Stakeholder map to be developed | Nick Terrell | |
| | Advise Nick Terrell of any events that need to be added to the table of events. Nick will update before the next meeting. | Nick Terrell All members | |

Actions from previous meetings:

| <i>Priority</i> | <i>Actions/Update</i> | <i>Who</i> | <i>When</i> | <i>Status</i> |
|------------------------|---|-------------------|--------------------|----------------------|
| Energy Transition | Any XTF member who would like to join the project team should email Jenny Morris. | All XTF members | End December 2020 | Closed |
| Licensing | Liase with BEIS to check if the slides from the licensing roundtable are available and can be shared. | Nick Terrell | End December 2020 | Closed |