Exploration Task Force Meeting (XTF)
1st September 2021

Attendees:

Nick Terrell (Co-chair) (Finder Energy)  Nick Richardson (Co-chair) (OGA)
Jenny Morris (Harbour)  Anne-Sophie Cyteval (Spirit)
Graham Goffey (Soliton)  Imran Muhammad (ENI)
Keith Wise (OGUK)  Owain Tucker (Shell)
Ben Hillier (Shell)  John Underhill (Herriot Watt University)
Colin Percival (Athena)  Rod Crawford (NEO)
Russell Reekie (Neo Energy)  Andy Thompson (OGA)
Iain Martin (NZTC)

Apologies:

Chrysanthe Munn (BP)  John Colleran (Consultant)
Francois Courteix (Total)  Gillian White (NZTC)
Graham Turner (TGS)

Agenda, Introduction & Review of Actions

Introduction

• Nick Terrell opened the meeting and welcomed everyone to the Q3 meeting.
• There are two new members who have joined the XTF; Francois Courteix, Total, and Imran Muhammad, ENI.

Energy Transition – Investor pack

• The investor pack is almost complete.
• There is also a video to support the launch. It was agreed that this was a very good add-on.
• A high-level walkthrough of the pack was given to the group.
• There will also be a Q&A document that will support the pack. This will be circulated to task force members prior to being issued.
• The plan is to launch the pack imminently, the main platform for the launch will be Linked-In. It is also hoped that task force members will use their own networks to cascade the pack.
• It was also suggested that it could be presented at Geolsoc.
Those involved in producing the pack were thanked for their work.
Work on a third pack which will focus on Skills will commence after the investor pack has been published.

Licensing

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

Standard JOA Agreement
- The kick-off meeting was held in April and there has been a series of meetings.
- A task finish group was set up.
- A final draft paper has been circulated.
- Another group has been looking at other changes, it is planned to combine the work so that there will only be one update of the JOA this year.

Climate Compatibility Checkpoint
- Following the BEIS licensing review, it has been decided to introduce a new Climate Compatibility Checkpoint.
- It was planned to have the checkpoint designed and hold stakeholder engagement during the summer of 2021, however, this timeline has slipped. Indications are that there will be a formal consultation with results intended to be shared by the end of 2021.
- Initial feedback from industry on the content of the checkpoint has been shared with BEIS, via OGUK and other groups.

Discussion
- It is hoped that the Checkpoint design and implementation will be completed by the end of the year, to enable another licensing round to be initiated next year.
- It was suggested that the design of wells for CCS should be considered, this may be useful to highlight.
- Unintended consequences need to be considered, there needs to be some cross referencing, building alignment into the checkpoint would be useful.
- It was asked that everyone contributes to the consultation when it is launched.

CCS Paper
- CCS Exploration and Appraisal position draft paper was issued to the task force prior to the meeting.
- The objective of the paper is to promote the short-term exploration and appraisal of CO₂ storage on the UKCS to policy makers and provide recommendations.
- It is hoped to get the paper finalised and issued by the end of September.
- Initial feedback on the paper should be sent by the 17 September. The following feedback was requested from the task force members:
  1. At a high level, does the document fulfil the objective for the intended audience?
  2. Do the numbers quoted make sense and support the case for action?
  3. Are the recommendations the right ones?

Discussion
- It was agreed that there could be a targeted wider circulation for feedback (e.g. CCSA and BEIS)
When finalised the paper will be shared on the XTF linked-In page and sent by email to stakeholders.
Perhaps the paper could be bolder and recommend a licensing process for CCS.
It was suggested that some of the risks and challenges could be included.
It may need simplified for the non-specialist audience.
Could draw parallels to the oil and gas industry and copy the things that have worked well.
Issues include the lack of the market and a business model, can’t wait until this is in place.
The focus is on E&A and how to get investment for CCUS appraisal wells.
Could perhaps include more diagrams/maps.
**Action Point:** Follow-up email to be sent seeking additional feedback on paper.

**UK Exploration Activity**

- Drilling activity on the UKCS has fallen to record low levels. Recovery will be spread out over a few years.
- From OGUK analysis, there are a potential 33 exploration wells in the next 18 months, however, less than 25% of these have secured a rig contract and secured finance levels are also very low.
- Using information for the activity survey the OGA has looked at future drilling activity. There are a number of wells that could be drilled in 21/22, OGA also looked at the likelihood of these wells being drilled. The information could be used to improve the chances of the wells being drilled in an efficient manner.
- The stewardship survey asked operators for the probability of the wells being drilled, more wells should be drilled in 2022 compared to 2021, but this number decreases as you go further into the future.
- Development wells have a higher chance of being drilled but there are still a number that have a less than 50% chance of being drilled.
- There was a discussion regarding the effect that recent public statements on Cambo may be having on investment confidence.

**Data – NDR update**

- The NDR was relaunched in August, an overview of what has changed was given.
- The main changes include:
  - Cloud based provision
  - Self-service reporting
  - Optional media reporting
  - Ability to assess data and download
  - Up to 3 TB per calendar month per company

**Discussion/Feedback**

- The comment was made that it was taking a considerable amount of time to upload and download data for some – there is a programme of continual improvements and user feedback will be looked at and actioned where appropriate.
- It was asked what had happened to the feedback that had been collected at the previous stakeholder meetings that were held by the OGA c. 2 years ago? – some of the data has been used to inform some of the OGA’s digital improvement work and it was agreed to revisit this data and share this feedback.
- It was highlighted that it would be worth stressing how the NDR will play an important role in the energy transition in characterising the subsurface. Will need to think about where there are gaps which are needed to address net zero e.g. well integrity data etc.
There could be an opportunity to integrate the onshore data base (UKOGL).

The question was asked if there was enough engagement in the creation process and level of engagement? It was stressed that there needs to be more engagement with the end users, and active implementation of their requirements, in order to inform future continual improvements. There will be a third user group meeting held on 29th September and this will provide an opportunity for users to provide input.

**Opportunity Maturation**

**Reserves Progression**
- The feedback from the Reserves Progression toolkit has been reviewed and it is planned to hold a workshop so that the operators with the best practices can share these with lower performers.
- It was suggested that this remains on the agenda to be discussed further at the next meeting.

**Core data project**
- This project was set up to upgrade and fill gaps in NDR’s core dataset. After discussions with the OGA the project has stalled and has not moved forward. This project will need OGA support to be taken forward, but will also require active industry involvement.
- A key issue is funding, there needs to be a funding mechanism for this type of work, if funding was available it could then be taken forward.
- Currently some core that may be of use for net zero projects may not be adequately retained.
- **Action Point:** Subgroup meeting to be set up to look at options for taking this project forward.

**AOB**
- An Exploration Forum will be scheduled, and it was suggested that this could be done around the merged PETEX/PROSPEX conference.

### Actions from this meeting

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<thead>
<tr>
<th>Priority</th>
<th>Actions/Update</th>
<th>Who</th>
<th>When</th>
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<tbody>
<tr>
<td>CCS</td>
<td>Follow-up email to be sent seeking additional feedback on paper.</td>
<td>Ben Hillier</td>
<td>September</td>
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<tr>
<td>Core Data project</td>
<td>Subgroup meeting to be set up to look at options for taking this project forward.</td>
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### Actions from previous meetings:

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