



Planning Advice Note 8

Policies for Oil and Gas Exploration, Appraisal and Production

Introduction

The North York Moors Core Strategy and Development Policies does not contain specific policies for proposals relating to oil and gas exploration, appraisal and production. This was on the basis of Government guidance at the time which advocated against the repetition of policies contained in national Planning Policy Statements and Minerals Policy Statements. Policies on oil and gas exploration, appraisal and production were contained in paragraphs 3.3 to 3.19 of Annex 4 of the national Minerals Policy Statement 1¹ and therefore in place of containing detailed policies the Core Strategy and Development Policies contains the following reference in paragraph 6.31:

'Proposals for oil and gas exploration, appraisal and production will be considered against the policy in Annex 4 of Minerals Policy Statement 1'

Annex 4 of Minerals Policy Statement 1 has now been replaced by the National Planning Policy Framework, although the latter does not contain any detailed policies covering proposals for oil and gas exploration, appraisal and production. This has therefore created a 'gap' in policy for the North York Moors National Park.

It is considered that, as it is specifically stated as the policy approach in the adopted Core Strategy and Development Policies and in the absence of any other specific policies, it is logical and reasonable to continue to use these parts of Annex 4. These policies will be considered in conjunction with other relevant policies contained in the Core Strategy and Development Policies and the policies in the National Planning Policy Framework, including the major development test, where relevant. It should be noted that it is considered that there is nothing in the National Planning Policy Framework that expressly conflicts with the policies in paragraphs 3.3 to 3.19 of Annex 4 of Minerals Policy Statement 1.

This is an interim measure until such time as policies can be put in place within an adopted Local Plan.

¹ Minerals Planning Statement 1: Planning and Minerals (Communities and Local Government, 2006) - deleted in March 2012

Policies for oil and gas exploration, appraisal and production

The relevant parts of Annex 4 of Minerals Policy Statement 1 (which are paragraphs 3.3 to 3.19) are set out in the shaded boxes below. **Please note that this is a direct copy of the text contained in paragraphs 3.3 to 3.19 of Annex 4 of Minerals Policy Statement 1.** Please also be aware that Minerals Policy Statement 1 was produced in 2006 and some of its content may therefore be factually out of date.

Exploration

Exploration encompasses a range of activities, including geological mapping, geophysical (seismic) investigations, and the drilling and investigation of wells and boreholes to assess prospects in more detail.

Seismic investigations

Seismic investigations generally have very limited environmental effects. Vibroseis techniques are often regarded as de minimis, since the investigations are transient. Where seismic surveys constitute development within the terms of the Town and Country Planning Act 1990 ("the 1990 Act"), permitted development rights (PDRs) are available under the Town and Country Planning (General Permitted Development) Order 1995 (GPDO), subject to certain conditions. PDRs should not be withdrawn without very good reasons.

In all cases the industry should fully discuss its proposals with the local planning authorities (LPAs) and statutory agencies. MPAs and highway authorities should be informed of the intended route for the survey, and prior notification given to residents on the immediate survey route. In two-tier planning areas, where county councils are the MPAs, operators should also ensure that district councils are aware of the intended investigations, and their commencement dates. In the case of vibroseis surveys using the road network, operators should inform the police of the route and anticipated timing of their operations. MPAs should alert operators to particularly sensitive historic buildings and sites that may be affected. Routes and survey timings should be designed to ensure the protection of habitats and wildlife. Statutory bodies should be consulted as early as possible as part of this process.

Drilling

Part 22 of Schedule 2 to the GPDO gives PDRs in respect of certain exploratory operations undertaken with a view to the exploitation of a mineral, subject in certain cases to the developer giving 28 days notice to the MPA. However, development consisting of the drilling of wells for COG exploration is explicitly excluded, and an application for planning permission must be made to the MPA.

Policies should be drafted to ensure that each application to explore will be considered on its own merits, in accordance with the present guidance, and in relation to LDDs and any other relevant material considerations. These considerations should not include any hypothetical future proposal for development of the oil or gas resource.

In submitting an application for drilling, the developer should indicate what knowledge has been gained from seismic investigations in selecting the well site, but should not be expected to provide a firm development programme before full appraisal has taken place. Policies should indicate that, subject to the effects on the environment being appropriately addressed and mitigated, and a satisfactory restoration and aftercare plan prepared, applications for exploration may be favourably considered.

Where environmental or other conditions might preclude vertical drilling, MPAs should discuss with the industry the option of employing directional drilling. LDD policies should make clear that this approach will be adopted and that careful consideration will be given to factors such as:

- the need for night-time drilling for safety reasons;
- locating sites to minimise visual intrusion;
- controlling vehicular activity and vehicle routing;
- controlling the disposal of mud and other drilling residue; and
- controlling noise and light emissions from drilling rigs with particular reference to night time operations.

In most cases it will be appropriate to attach conditions to planning permissions to ensure that any adverse impact of the operation on the environment and local residents is kept to a minimum. Sometimes agreement on working practices may be reached with the operator based on the conditions attached to the award of the licence, or as part of an agreement made under section 106 of the 1990 Act (as amended). Section 106 agreements should not duplicate planning conditions or conditions attached to the award of a licence by DTI.

Because of the intrusive nature of drilling operations, policies should provide that these will not be permitted close to houses and other noise-sensitive properties unless noise levels from drilling and associated operations can be reduced to acceptable levels.

Particular care should be taken about siting all types of oil and gas wells close to water supply wells or boreholes. Early consultation with the appropriate regional office of the Environment Agency is essential, so as to consider measures to avoid the risk of pollution to ground water and aquifers. If aquifers are to be breached it will be necessary to discuss well-casing details and the composition of drilling muds with the Agency. Off-site disposal of drilling mud and cuttings are matters to be decided as part of the appropriate IPPC permit.

Appraisal

Should hydrocarbons be found as a result of drilling an exploration well, it may be possible to appraise the find by longer-term testing of that well. In other cases it may be necessary to attempt to define the extent of the find by drilling further wells at other suitable sites in the area. Until the extent of a find has been delineated, it is difficult to evaluate the various options available or to assess the viability and potential environmental effects of commercial exploitation. By the time applications for appraisal wells are submitted, operators may sometimes feel sufficiently confident about the extent of the find, and the way in which they would wish to exploit it, to consider supplying information on the likely planning proposals to the MPA at that stage. This should be on the clear understanding that further appraisal might necessarily lead to changes in plans. As with all other forms of development, an application for an appraisal well must be considered on its merits. This consideration should take into account the long-term suitability of the site since such wells may subsequently be required for production purposes. The other factors listed above for exploration wells are equally relevant to appraisal wells. LDD policies should reflect this.

Production and Distribution

Although individual well sites can raise environmental issues, the gathering stations required for sustained production which separate, purify and treat the raw material, are likely to take up the most land. However there is some flexibility in the siting of these facilities and it is usually possible to conceal them by careful screening, landscaping and design, and by sinking facilities, including security fencing, below the surrounding ground level. Gathering stations should not be sited where they would have unacceptable adverse environmental impacts.

Pre-application discussions between the MPA and the industry on potential production proposals are essential. For the larger finds, it will be particularly important to establish how far the envisaged surface production facilities would be sufficient to handle the expected output from the find, or related finds as a whole. These considerations will also form part of the development programme, which operators are required to submit for consent to DTI under the terms of their licence. In exceptional cases, where discoveries of economic deposits extend across licence boundaries, the SSTI has powers to direct that such a find or accumulation is worked and developed as a unit.

It will usually be necessary for a MPA to attach certain conditions to any grant of planning permission for a gathering station or an export terminal, or to seek an agreement with the operator using section 106 of the 1990 Act for matters that fall outside planning control. Policies should make clear that conditions are likely to be imposed governing, amongst other matters:

- timing and method of gas flaring, (also controlled by DTI under the Energy Act 1976);
- access;
- the direction of vehicles leaving the site;
- noise emissions;
- prevention of pollution associated, for example, with possible spillages;
- the means of disposal of unwanted gas; and
- the method by which the end product is to be transported from the well site or gathering station.

Operators should address all of these points in their planning applications and, where necessary and appropriate, in supporting environmental statements. Where possible, export terminals should be sited where they can feed into a long distance pipeline, or are connected to a railway or water transport, in preference to relying on road transport.

Where pipelines are to be used for transporting extracted oil and gas it will be necessary for operators to obtain consent from the appropriate authorities (the relevant MPAs, the Environment Agency and the Health and Safety Executive) for routes, vehicle access, the location of machinery storage areas, and of pipes, pipe-laying equipment and other construction materials. In drawing up proposals, operators should avoid environmentally sensitive locations and take account of any potential impacts on nature conservation, for example the movement of animals. Proposals should also take into account the possible implications for agricultural activities, consulting where necessary with associations that represent agricultural interests.

For pipelines less than 10 miles in length, planning permission is required from the MPA. Longer pipelines require authorisation from the SSTI under the Pipelines Act 1962, although the usual planning and environmental considerations would be taken into account. The views of the LPAs, the Environment Agency, Natural England, the Health and Safety Executive, landowners and tenants should be sought. Also, a full environmental impact assessment statement would normally be required. On granting authorisation, the SSTI would then direct that planning permission for the pipeline shall be deemed to have been granted. In all cases, it is essential that land affected by pipeline development should be properly restored.