



### **Update on Third Energy Operations**

We are very pleased that Greg Clark, the Secretary of State for Business, Enterprise and Industrial Strategy, (BEIS), has confirmed that we have met all of the thirteen technical requirements set out in section 4A of the Petroleum Act 1998. Before the Secretary of State will give final consent to hydraulically fracture the KM-8 well, he has asked the Oil & Gas Authority, working with the Infrastructure and Projects Authority, to undertake a review of Third Energy's financial resilience that includes the eventual decommissioning of the site. We will be providing the information required for this review to be completed. This means that there will be a further period before we can expect final consent from the Government to proceed with our operations.

As this process may take some time we have agreed with the relevant contractors to release some of their equipment from site; namely the coil tubing unit, the well control unit and the workover rig. This will allow our contractors to deploy their equipment to other projects during the financial review. We will maintain the majority of the operational equipment onsite and continue all of the monitoring requirements set by the regulators. We have informed North Yorkshire County Council and the Police about the planned movements and will be working with them to ensure they are undertaken safely and without disruption to residents.

In parallel with the preparations for the KM-8 fracs and waiting for final consent, we have continued to invest in and develop our existing conventional fields. We are pleased to report that initial results from our project to enhance gas flows are showing encouraging results. As part of our ongoing investment in the conventional fields, we have initiated the process of extending a range of permissions for the Vale of Pickering well sites and pipelines and the Knapton Generating Station.

We appreciate that this situation creates further uncertainty for residents and we thank them for their patience. Given that there will be no hydraulic fracturing operations at the site until final consent is received, we hope that the protestors will also give residents a break from their campaign of disruption and this will enable everyone to resume their normal daily lives and also reduce pressure on North Yorkshire Police.

**ENDS**