

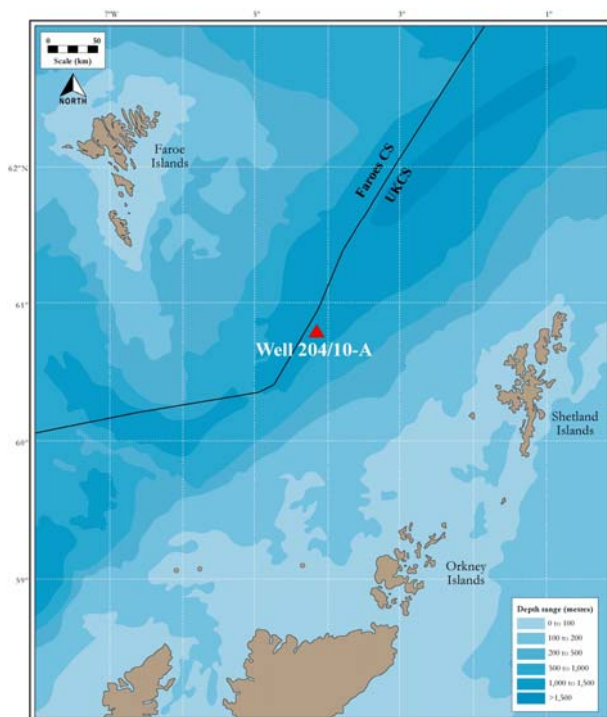


CAMBO EXPLORATION WELL, OIL SPILL CONTINGENCY PLAN

The deep waters west of Shetland are the one of the last environmental wildernesses on the planet and also an oil and gas exploration frontier. Both the established oil fields and the many exploratory wells in this area of the northeast Atlantic are operating in conditions that are stretching oil and gas technologies to the limit. Paramount to all operators in this environment is the safety of both their staff and the marine ecosystem surrounding their activities.

THE EXPLORATION WELL

Amerada Hess Ltd (AHL) has been active in exploring for hydrocarbons west of Shetland and committed resources to several explorations in 2002. One operation was the drilling of the Cambo exploration well at Block 204/10, approximately 135 km to the west of Shetland. The well was expected to yield heavy density crude oil and used water-based mud drilling fluids. Drilling was undertaken in over 1,000 m of water using the West Navion drillship; a dynamically positioned vessel specially designed for deepwater drilling with a growing expertise west of Shetland.



OIL SPILL MITIGATION

In accordance with the Merchant Shipping (Oil Pollution Preparedness, Response and Co-operation Convention) Regulations 1998,

ERT (Scotland) Ltd (ERT) developed an oil spill contingency plan (OSCP) for the Cambo exploration well. This document was designed to mitigate the impacts of any oil spill incidents associated with drilling operations.

OIL SPILL RESPONSE PROCEDURES

The plan was developed to assess the risk of occurrence, type of oil and the most likely location of oil spills at Cambo, as well as addressing the safety implications and potential impacts of spilled oil on the surrounding environment. Modelling of potential spill scenarios and slick trajectories were undertaken using the Oil Spill Information System (OSIS). They formed part of the risk assessment and were used to determine how long it would take a slick to enter Faroese waters (a potential transboundary spill scenario) and also the beaching times and volumes of oil that could potentially wash ashore onto the Faroe, Orkney or Shetland Islands. These modelling results were designed to be used in co-ordinating oil spill response equipment and resources in the event of an oil spill.

The OSCP also provided guidelines on the roles and responsibilities for key offshore and onshore personnel by using step by step guides to the required communication routes, necessary action and the equipment required in the event of an oil spill.

A CONTINUING CLIENT PARTNERSHIP

This guide to oil spill response and associated procedures combined the experience gained from earlier ERT/AHL OSCP's produced for both the UK North Sea and for oil and gas operations on the Faroe Continental Shelf. The Cambo OSCP is a stand-alone emergency response document that incorporates all the safety, legislative and environmental protection measures required by the government and demanded by AHL. It also represents one of the wide range of products that ERT are able to provide their clients.